

- **Winter Weekly Reserve Target Analysis**

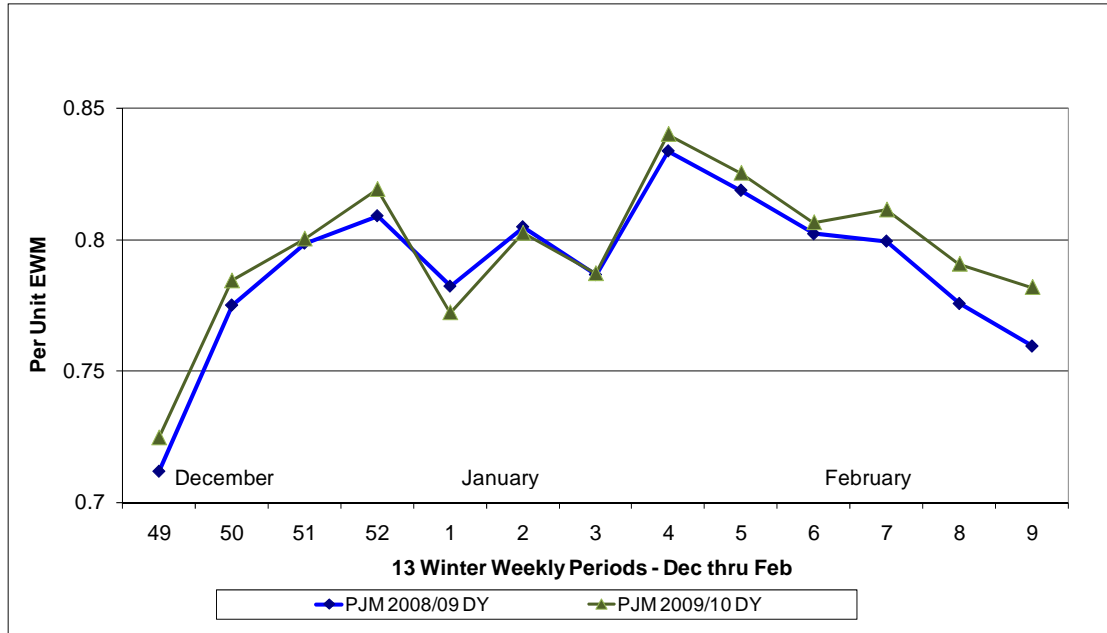
PJM Staff recommend 25% as the minimum winter reserve target to be applied to the PJM RTO for the upcoming 2009 / 2010 winter period. The recommended value is required to be an integer value, due to computer application requirements. This value represents a decrease from the current margin of 26%. The 25% target is based on unit summer ratings and is expressed as a percentage of the forecasted weekly peak load.

Table II-12 shows the results of the MARS analysis for the 2009 / 2010 winter period. The average reserve level over the 13 week winter period is 24.5%. This margin is lower than the 25.4% calculated in last year's study due to a slightly flatter PJM load shape over the winter period (see Figure II-9). A flatter load shape distributes the winter loss of load risk over a greater number of weeks and allows for a lower weekly average reserve margin. Based on this analysis, PJM Planning staff believes that maintaining a minimum 25 % reserve target for the 2009 / 2010 13-week winter operating period ensures that the actual winter loss of load risk is consistent with that modeled in the 2009 PJM RRS.

With this recommendation, the PJM Operations Department would coordinate generator maintenance scheduling over the winter period to seek to preserve a 25% margin after units on planned and maintenance outages are removed. **This margin is a guide to be used by PJM Operations and is not an absolute requirement.**

Endorsement of the 25% Winter Weekly Reserve Target from the PJM Planning Committee (PJM-PC) will be requested at the October 22, 2009 meeting. The recommendation on this item will be forwarded to the PJM Operating Committee (PJM -OC) and the PJM Operations Staff responsible for generating unit planned maintenance scheduling.

Figure II - 1: Winter Weekly Load Shape comparison - 2008 and 2009 RRS



In Figure II – 9, the 2008 / 09 DY shape is from the 2008 RRS while the 2009 / 2010 DY is from the 2009 RRS model.

Table II - 1: Winter Weekly Reserve Target

Month	Calendar Week	% Weekly Reserves level for 1D/10 YR	LOLE (3rd Margin State)
December	49	19.67	9.09E-05
	50	19.63	8.27E-05
	51	22.23	0.00E+00
	52	29.62	0.00E+00
January	1	24.37	0.00E+00
	2	19.70	1.12E-04
	3	26.71	0.00E+00
	4	28.06	0.00E+00
	5	32.75	0.00E+00
February	6	20.08	1.07E-04
	7	24.52	0.00E+00
	8	28.90	0.00E+00
	9	22.44	0.00E+00
Average Weekly Reserves		24.5	