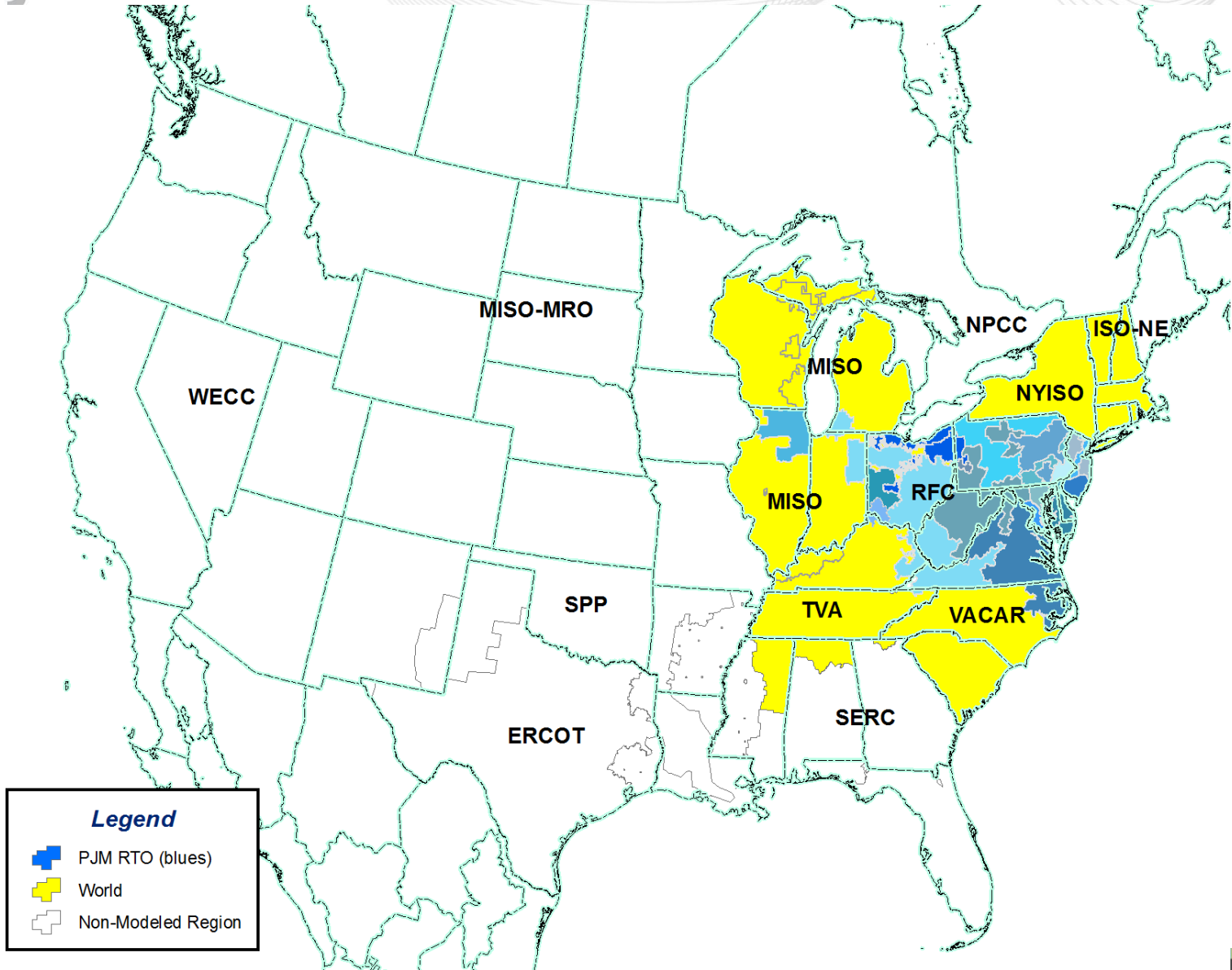


# 2010 IRM Study

Planning Committee

October 6, 2010

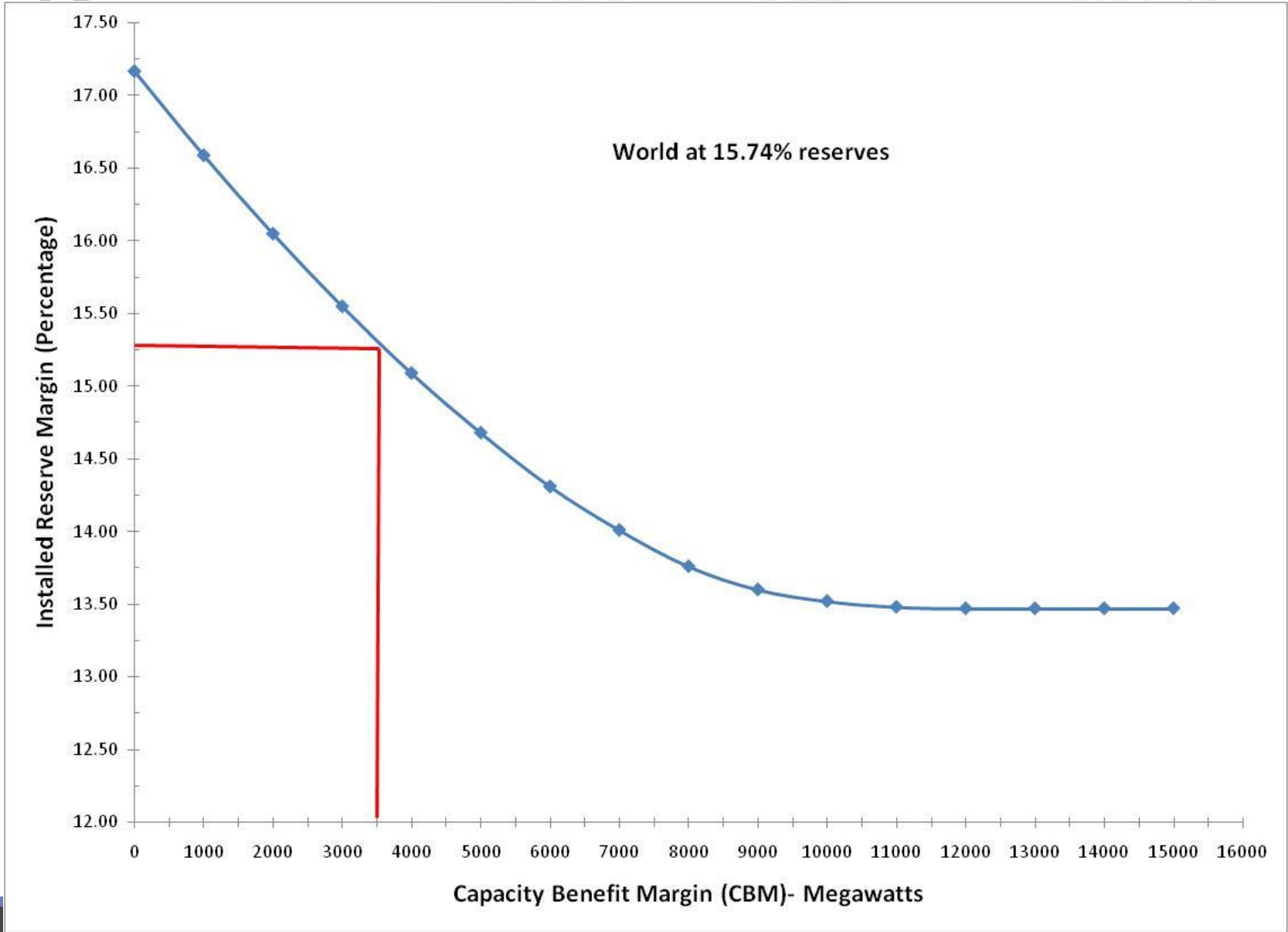


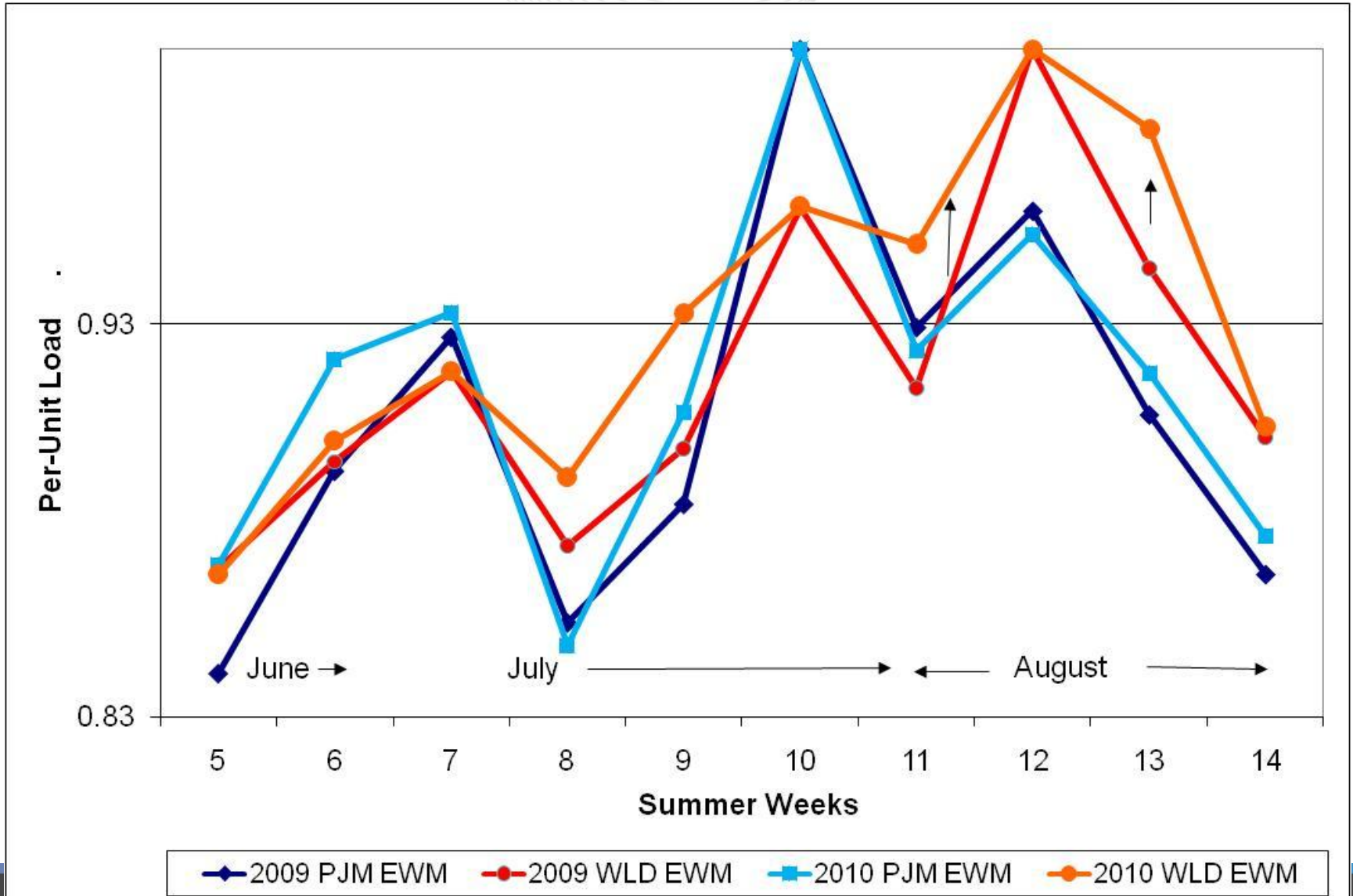
RRS Year	Delivery Year Period	Calculated IRM	Recommended IRM	Avg. EFORd *	Recommended FPR	Recommended DR Factor
2010	2012 / 2013	15.5%	<b>15.5%</b>	6.26%	<b>1.0827</b>	<b>0.954</b>
2010	2013 / 2014	15.3%	<b>15.3%</b>	6.25%	<b>1.0809</b>	<b>0.956</b>
2010	2014 / 2015	15.3%	<b>15.3%</b>	6.25%	<b>1.0809</b>	<b>0.956</b>

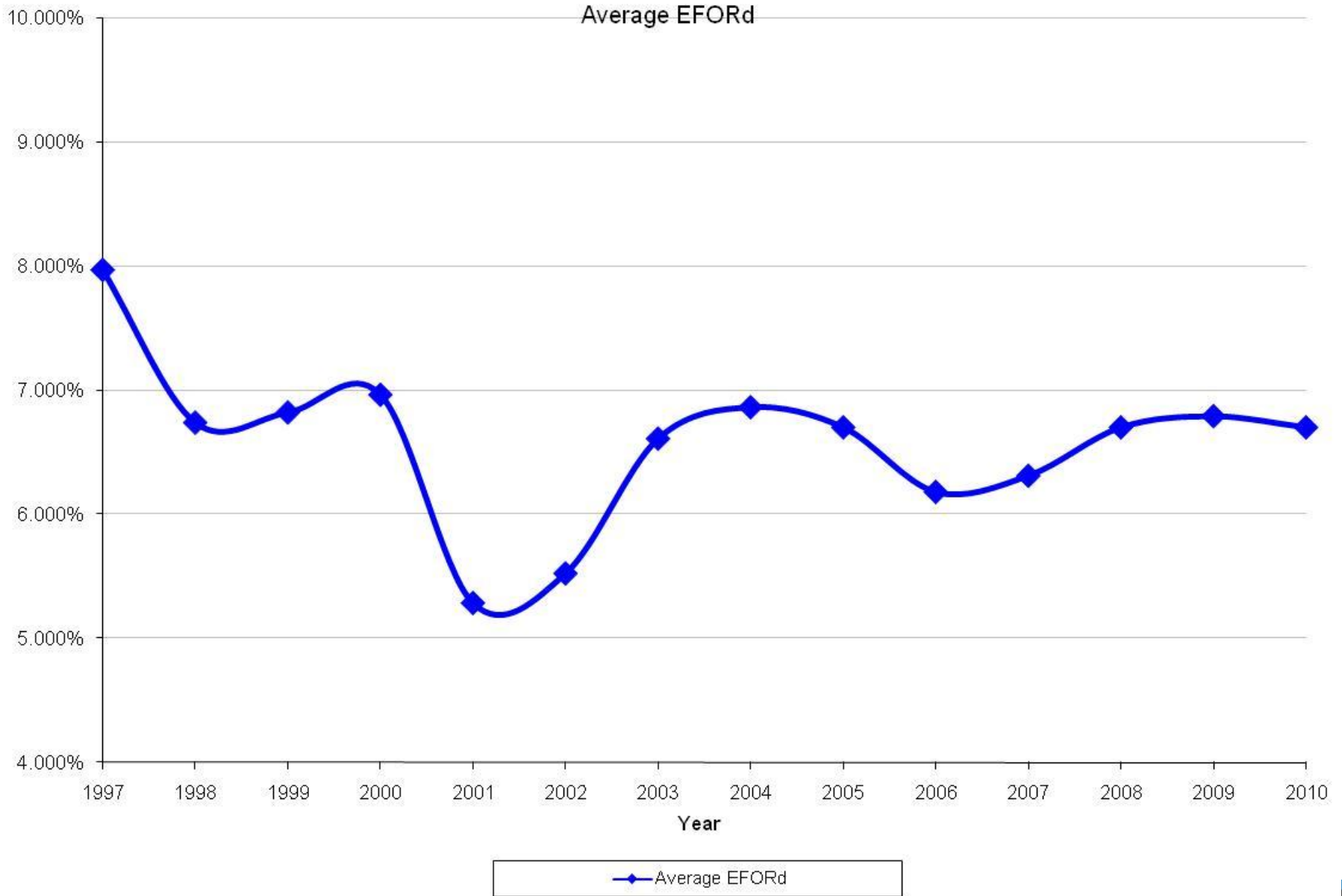
- PJM RTO includes ATSI
- World at 15.74% Installed Reserves
- Duke OH and Duke KY modeled in World Region.

RRS Year	Delivery Year Period	Calculated IRM	Recommended IRM	Avg. EFORd *	Recommended FPR	Recommended DR Factor
2009	2012 / 2013	15.4%	<b>15.4%</b>	6.28%	<b>1.0815</b>	<b>0.955</b>
2009	2013 / 2014	15.3%	<b>15.3%</b>	6.30%	<b>1.0804</b>	<b>0.957</b>

\* EFORd does not include Outside Management Control generator outage events.





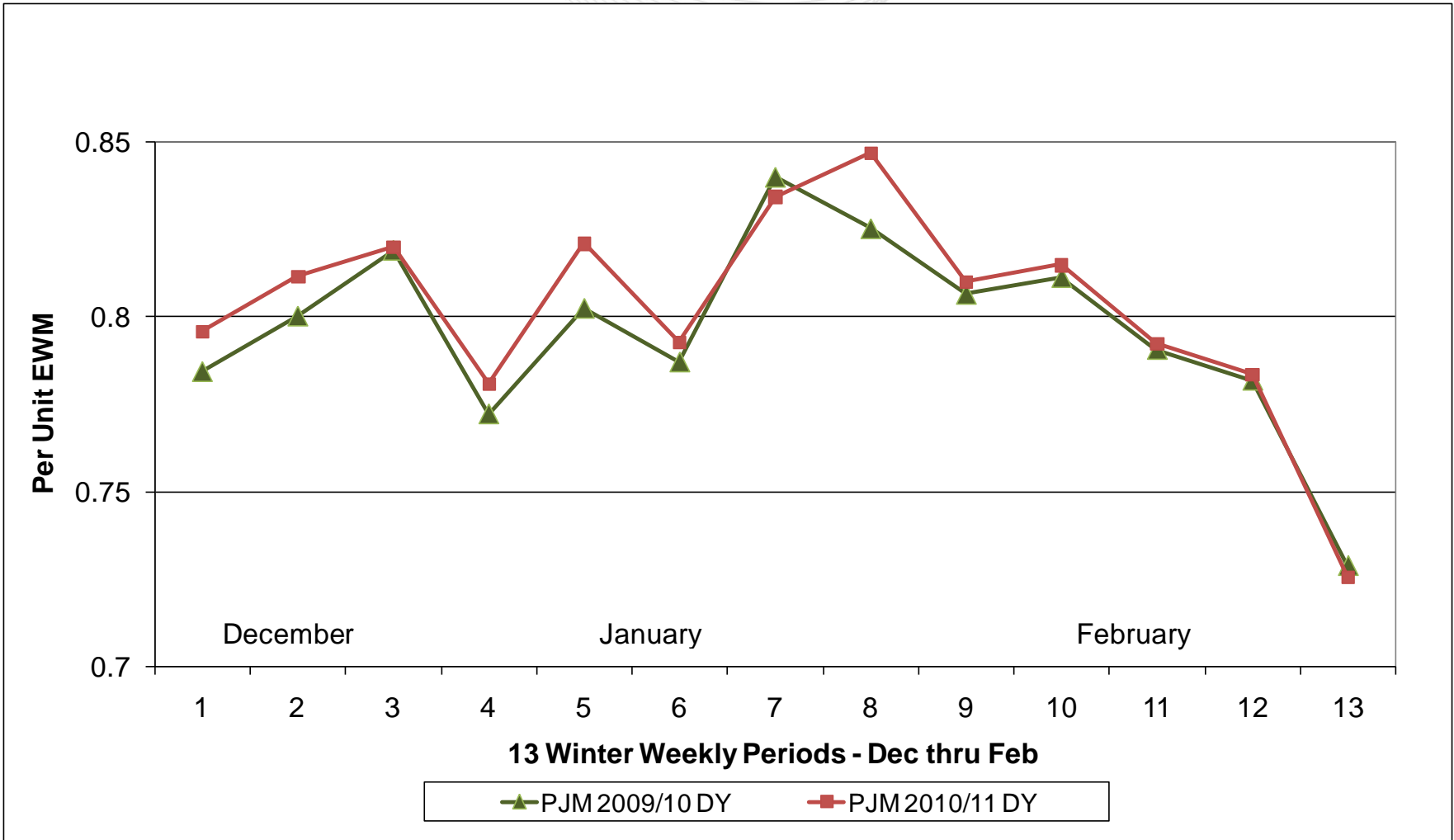


Endorsement of the IRM, FPR and DR Factors shown in the table below. These parameters were unanimously endorsed by the RRAWG.

RRS Year	Delivery Year Period	Calculated IRM	Recommended IRM	Avg. EFORd *	Recommended FPR	Recommended DR Factor
2010	2012 / 2013	15.5%	<b>15.5%</b>	6.26%	<b>1.0827</b>	<b>0.954</b>
2010	2013 / 2014	15.3%	<b>15.3%</b>	6.25%	<b>1.0809</b>	<b>0.956</b>
2010	2014 / 2015	15.3%	<b>15.3%</b>	6.25%	<b>1.0809</b>	<b>0.956</b>

\* EFORd does not include Outside Management Control generator outage events.

- This procedure determines the winter weekly reserves required RTO-wide after removing generators on maintenance.
- This margin is used as a guide by PJM Operations in scheduling generator maintenance.
- Procedure was modified this year to reflect limited availability of Demand Resources (DR) over the winter period.



Month	Calendar Week	% Weekly Reserves level for 1D/10 YR	LOLE ( 3rd Margin State )
December	49	21.30	7.85E-05
	50	20.84	9.92E-05
	51	23.47	0.00E+00
	52	31.39	0.00E+00
January	1	36.69	0.00E+00
	2	21.38	1.03E-04
	3	21.93	4.55E-05
	4	28.94	0.00E+00
	5	28.69	0.00E+00
February	6	27.26	0.00E+00
	7	21.58	1.12E-04
	8	25.35	0.00E+00
	9	26.72	0.00E+00
<b>Average Weekly Reserves</b>		<b>25.8</b>	

Winter weekly reserve target for 2009/2010 winter was 25%.

Endorsement of a 26% winter weekly reserve target for the 2010/2011 winter operating period. This target was unanimously endorsed by the RRAWG.

- PC meeting on October 6
  - Review of IRM Study Report and vote on IRM recommendation to MRC
- MRC meeting on October 20
  - Review and vote on IRM recommendation to MC
- MC meeting on November 18
  - Review and vote on IRM recommendation to PJM Board
- December - January 2011
  - PJM Board approval of IRM, FPR and DR Factor for 2012/13, 2013/14 and 2014/15