

FUEL COST POLICY (FCP) CLARIFICATIONS FOR AFFILIATED FUEL SUPPLIERS

Issue Source

PJM Interconnection and the IMM

Issue Content

This Issue Charge seeks to address scenarios where a Market Seller (or its designated agent) obtains fuel cost estimates from an affiliated fuel supplier for purposes of submitting cost-based offers. Stakeholders will review and consider incorporating revisions in Manual 15: Cost Development Guidelines to clarify rules regarding fuel cost estimates from affiliated fuel suppliers.

Key Work Activities and Scope

1. Review Status Quo PJM Manual 15: Cost Development Guidelines and educate stakeholders on the concerns that may arise if a Market Seller (or its designated agent) uses a fuel cost estimate from an affiliated fuel supplier in cost-based offers.
2. Examine definitions/terminology of affiliated fuel suppliers
3. Develop proposed solution to address the concerns.

This scope is limited to only fuel cost policy language related to affiliated fuel cost suppliers and the use of independent third party quotes.

Out of Scope

Broader fuel cost policy changes beyond affiliated fuel cost suppliers.

Expected Deliverables

Proposed revisions to PJM Manual 15: Cost Development Guidelines

Decision-Making Method

CBIR Lite; Tier 1 decision making

Stakeholder Group Assignment

This issue will be assigned to the Market Implementation Committee (MIC) for Issue Charge approval and solution development and endorsement.

Expected Duration of Work Timeline

The duration is expected to take 5 – 6 months.

Start Date	Priority Level	Timing	Meeting Frequency
1/7/2025	<input type="checkbox"/> High <input checked="" type="checkbox"/> Medium <input type="checkbox"/> Low	<input type="checkbox"/> Immediate <input checked="" type="checkbox"/> Near Term <input type="checkbox"/> Far Term	<input type="checkbox"/> Weekly <input checked="" type="checkbox"/> Monthly <input type="checkbox"/> Quarterly

Charter

(check one box)

<input type="checkbox"/>	This document will serve as the Charter for a new group created by its approval.
<input checked="" type="checkbox"/>	This work will be handled in an existing group with its own Charter (and applicable amendments).

More detail available in M34; Section 6