Opportunity Cost Calculator

Cost Development Subcommittee

1/9/2026

IMM

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FERC Order

- **Order 192 FERC ¶61,149 (August 14, 2025)**

- **Order directs that the Operating Agreement be amended to require:**

  - **Unit specific inputs, results, and assumptions, and intermediate results be shared with the market seller**

  - **A public posting that describes the models, algorithms and material assumptions, the software used and examples that demonstrate how the models and algorithms work**

  - **PJM and/or the IMM meet with market sellers to discuss specific modeling assumptions and results**

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MIRA Update

- **Summary report of each opportunity cost calculation is now available in MIRA**

- **For each of the three scenarios, the report provides**
  - **Opportunity cost**
  - **Binding compliance period**
  - **Binding element**
  - **Hours run in the binding compliance period**
  - **Starts in the binding compliance period**

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Public Documentation

- A public document is now available that fully describes the opportunity cost calculator

- See the Opportunity Cost Calculator (OCC) Technical Reference on the Tools page at **MonitoringAnalytics.com**

- The technical reference includes

  - Description of all input data

  - Description of the optimization model variables and equations

  - Description of the optimization model implementation

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Examples

- **Examples of opportunity cost calculations are available on the Tools page at MonitoringAnalytics.com**

- **OCC Forward Margin Calculation**
  - **Hourly margin calculations for Examples 1 and 2**

- **OCC Optimization Model – Example 1**
  - **Operating hours limit**

- **OCC Optimization Model – Example 2**
  - **NO_x and CO_2 limits**
  - **Duct firing operating hours limit**
  - **Secondary fuel opportunity cost**

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