

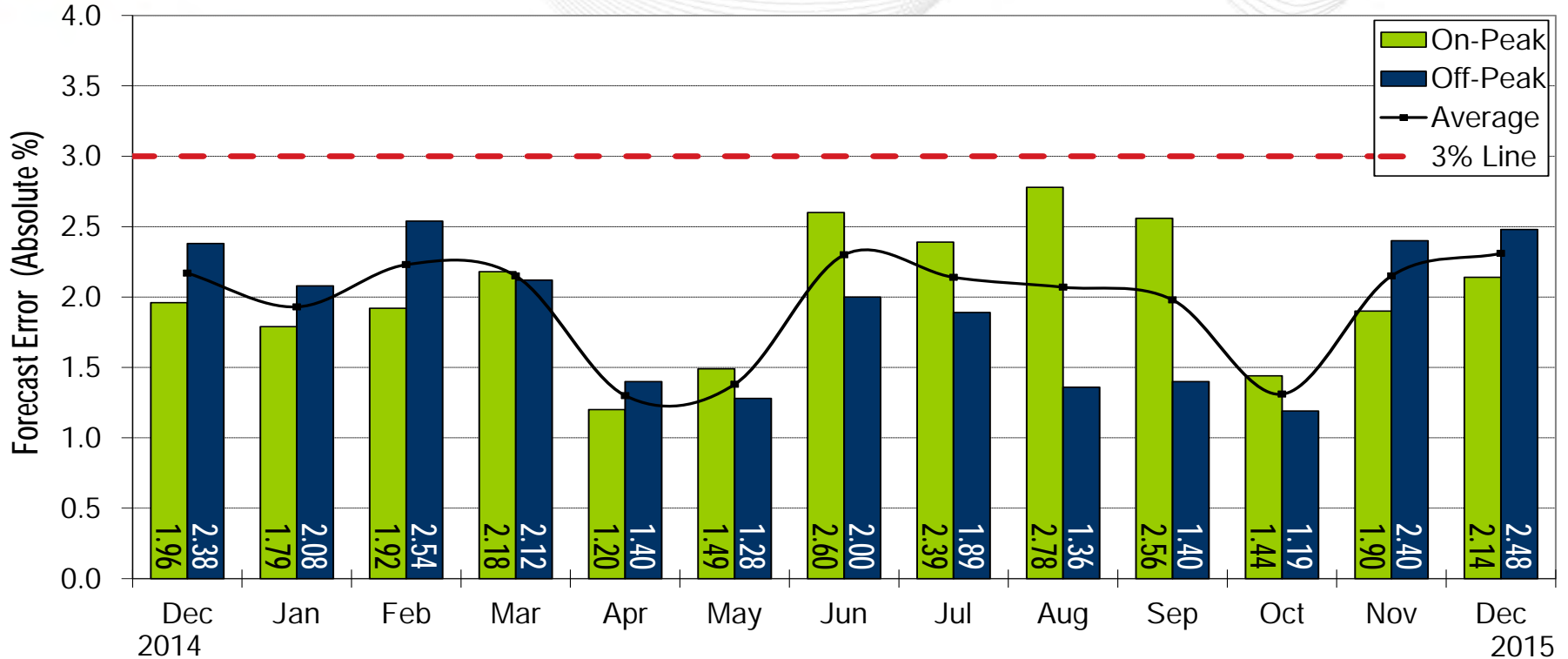


# Operations Report

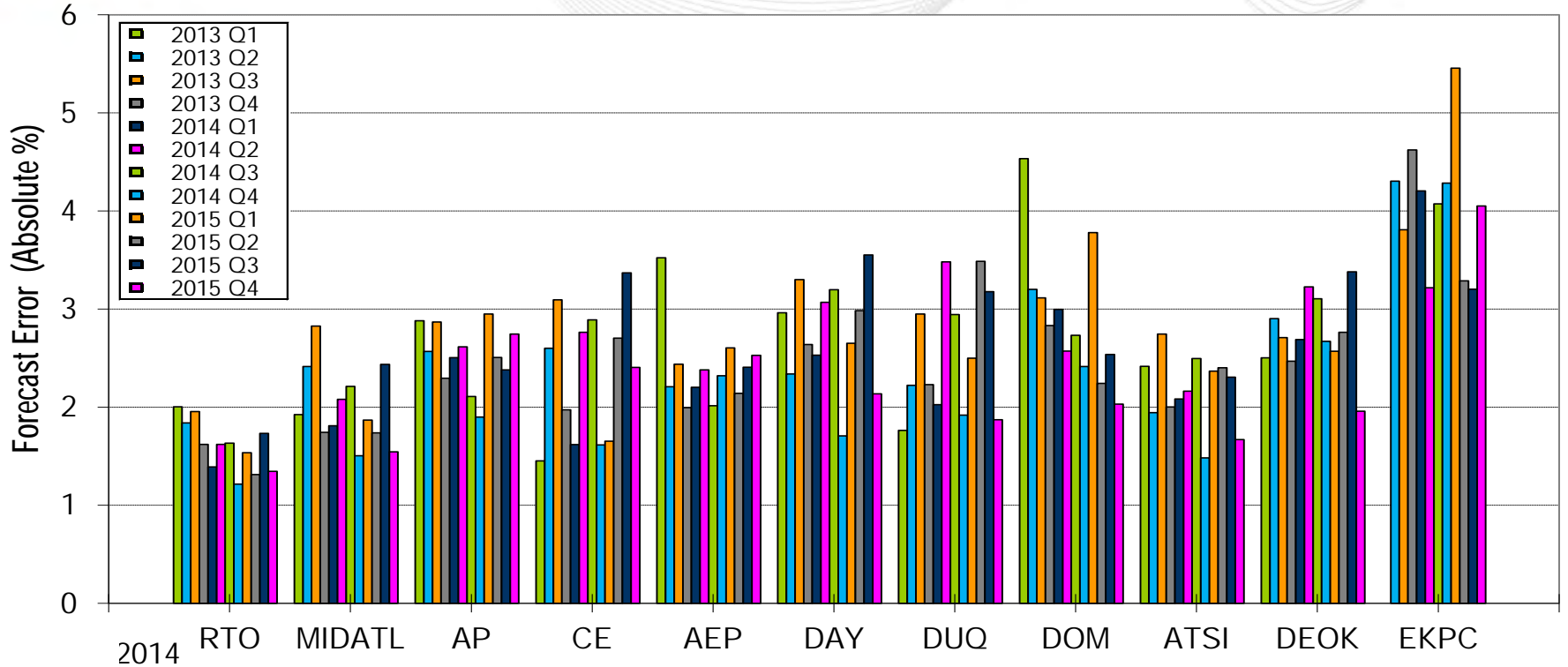
Mike Bryson  
Vice President, System Operations  
MC Webinar  
January 25, 2016



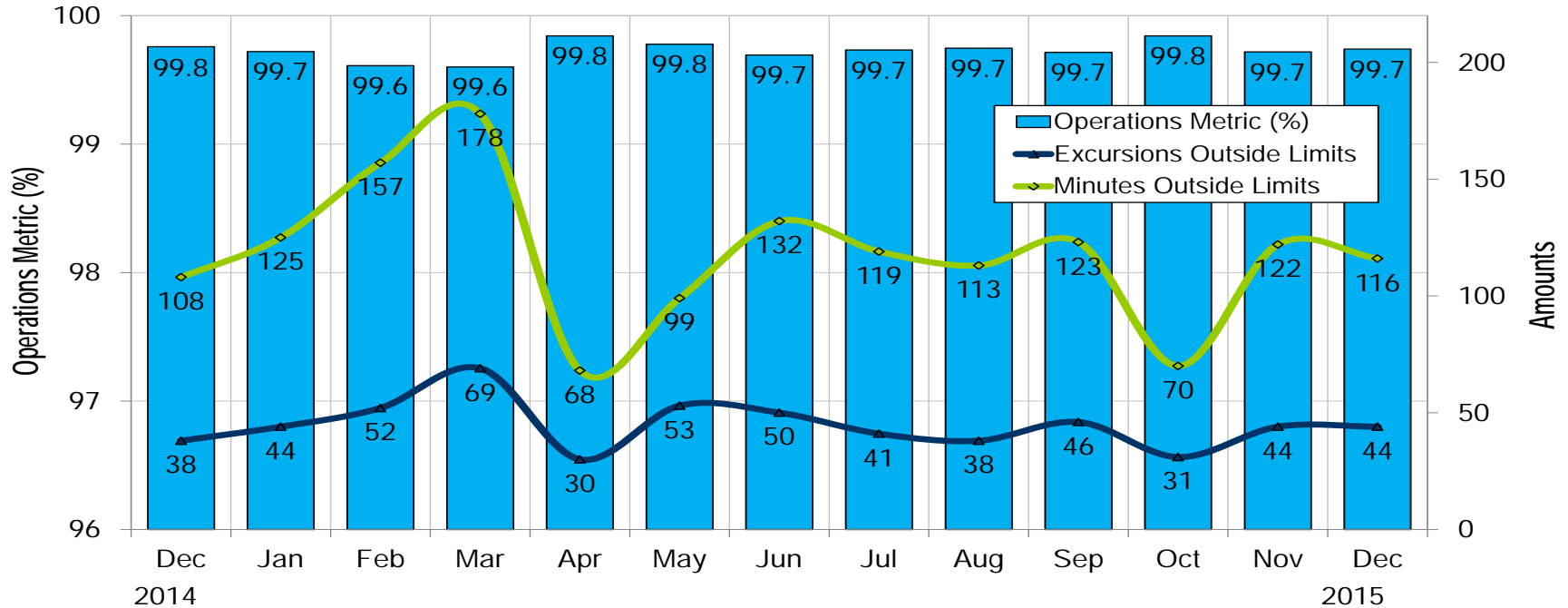
# Load Forecasting Error (Achieved 80% of the Time)



Average RTO load forecast error performance for December was 2.31%, within the goal of 3%.

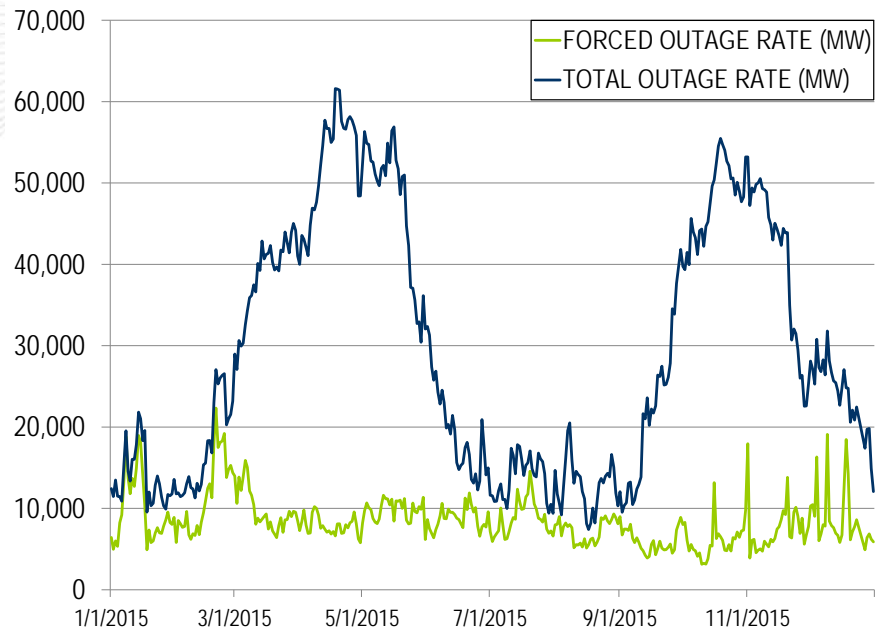
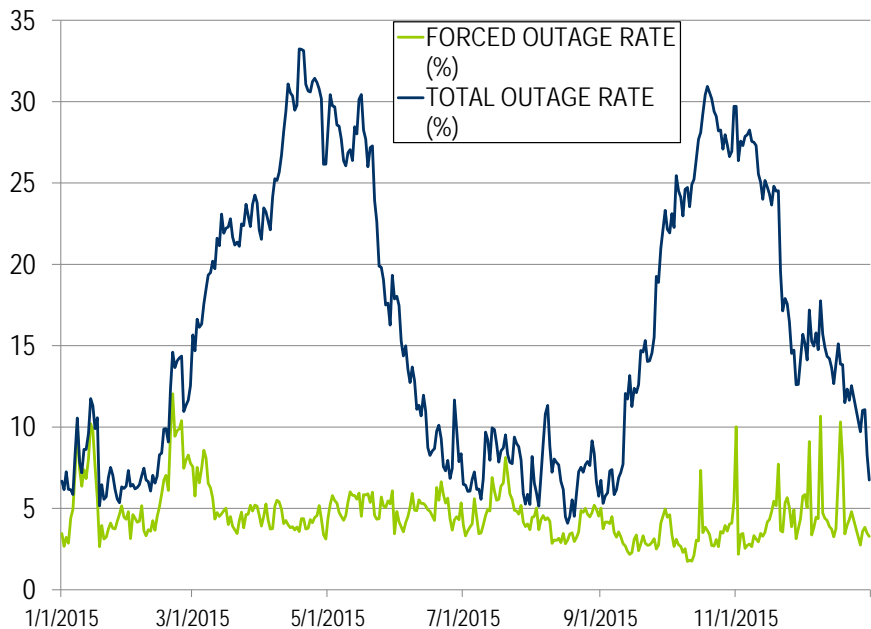


Quarter	RTO	MIDATL	AP	CE	AEP	DAY	DUQ	DOM	ATSI	DEOK	EKPC
2013 Q1	2.0%	1.9%	2.9%	1.5%	3.5%	3.0%	1.8%	4.5%	2.4%	2.5%	
2013 Q2	1.8%	2.4%	2.6%	2.6%	2.2%	2.3%	2.2%	3.2%	1.9%	2.9%	4.3%
2013 Q3	2.0%	2.8%	2.9%	3.1%	2.4%	3.3%	2.9%	3.1%	2.7%	2.7%	3.8%
2013 Q4	1.6%	1.7%	2.3%	2.0%	2.0%	2.6%	2.2%	2.8%	2.0%	2.5%	4.6%
2014 Q1	1.4%	1.8%	2.5%	1.6%	2.2%	2.5%	2.0%	3.0%	2.1%	2.7%	4.2%
2014 Q2	1.6%	2.1%	2.6%	2.8%	2.4%	3.1%	3.5%	2.6%	2.2%	3.2%	3.2%
2014 Q3	1.6%	2.2%	2.1%	2.9%	2.0%	3.2%	2.9%	2.7%	2.5%	3.1%	4.1%
2014 Q4	1.2%	1.5%	1.9%	1.6%	2.3%	1.7%	1.9%	2.4%	1.5%	2.7%	4.3%
2015 Q1	1.5%	1.9%	2.9%	1.7%	2.6%	2.7%	2.5%	3.8%	2.4%	2.6%	5.5%
2015 Q2	1.3%	1.7%	2.5%	2.7%	2.1%	3.0%	3.5%	2.2%	2.4%	2.8%	3.3%
2015 Q3	1.7%	2.4%	2.4%	3.4%	2.4%	3.6%	3.2%	2.5%	2.3%	3.4%	3.2%
2015 Q4	1.3%	1.5%	2.7%	2.4%	2.5%	2.1%	1.9%	2.0%	1.7%	2.0%	4.0%



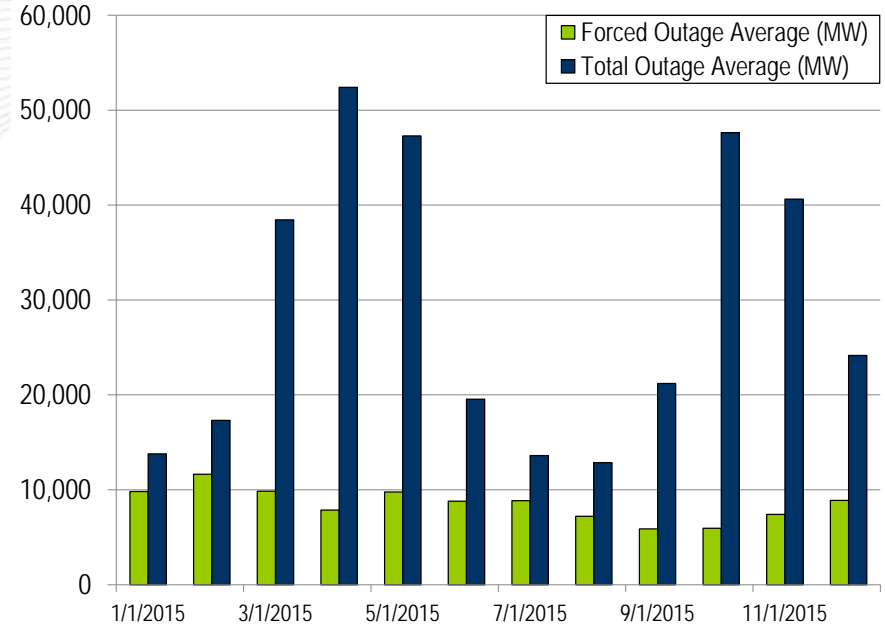
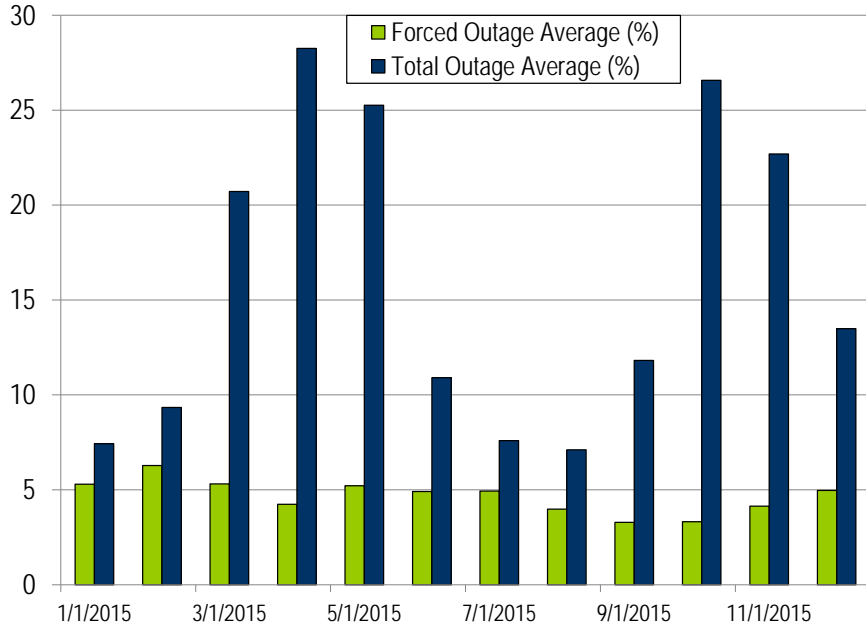
PJM's BAAL performance has exceeded the goal of 99% for each month in 2015.

- There were two spinning events in the month of December.
- There were four reserve sharing events with NPCC.
- The following Emergency Procedures occurred in December:
  - 13 Post-Contingency Local Load Relief Warnings (PCLLRW)
  - 1 Geomagnetic Disturbance Warning
  - 12 High System Voltages
  - 7 Minimum Generation Alerts
  - 1 Minimum Generation Declaration
  - 1 Minimum Generation Event

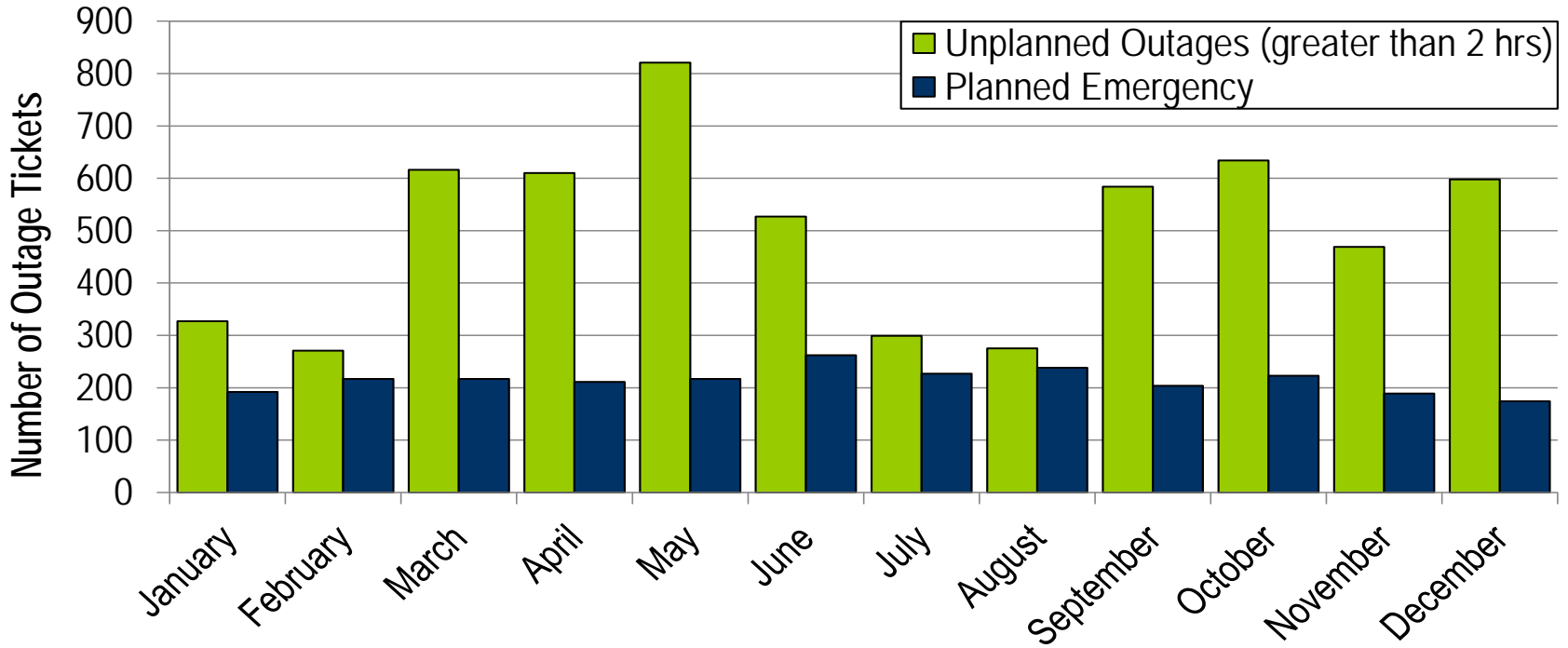


The average forced outage rate YTD is 4.65% or 8,484 MW.  
 The average total outage rate YTD is 15.99% or 29,186 MW.



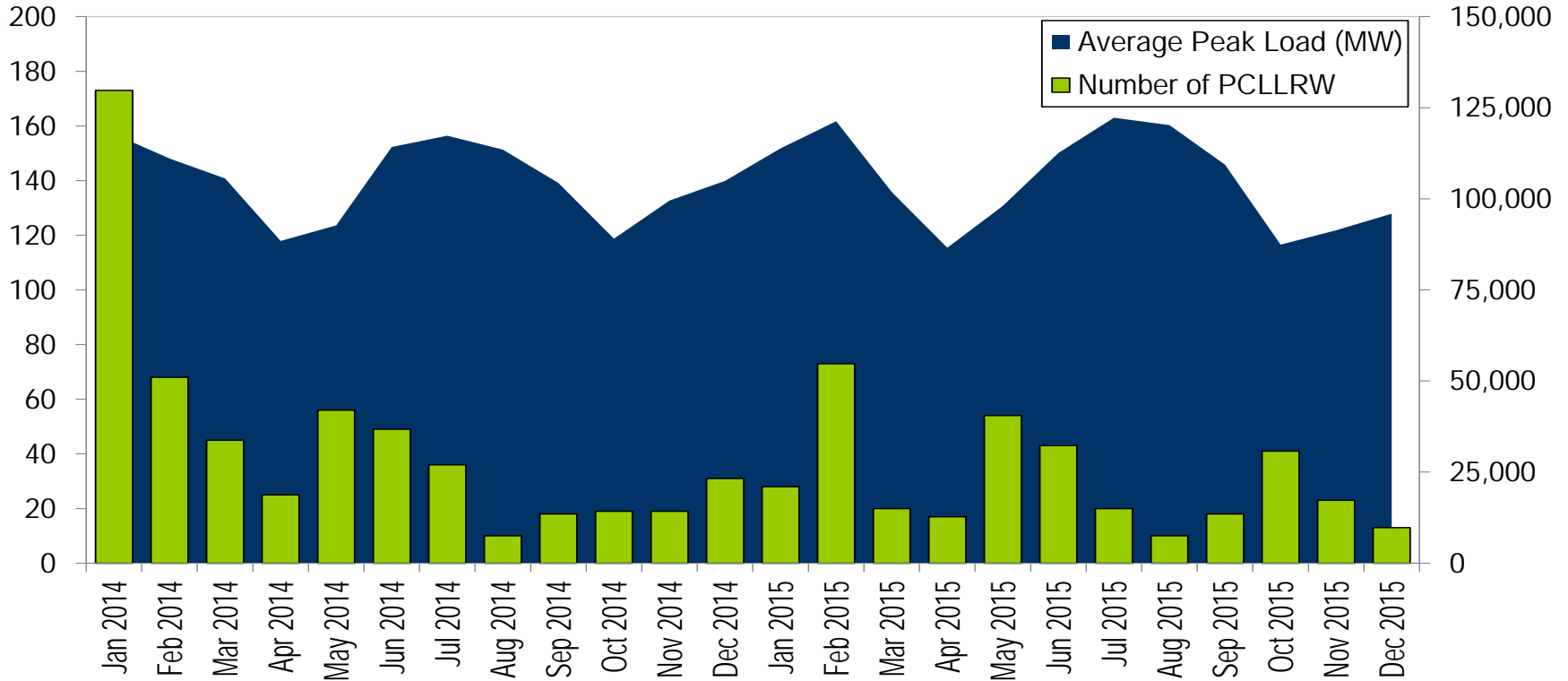


The average forced outage rate YTD is 4.65% or 8,484 MW.  
 The average total outage rate YTD is 15.99% or 29,186 MW.



Note: "Unplanned Outages" include tripped facilities. One tripping event may involve multiple facilities.

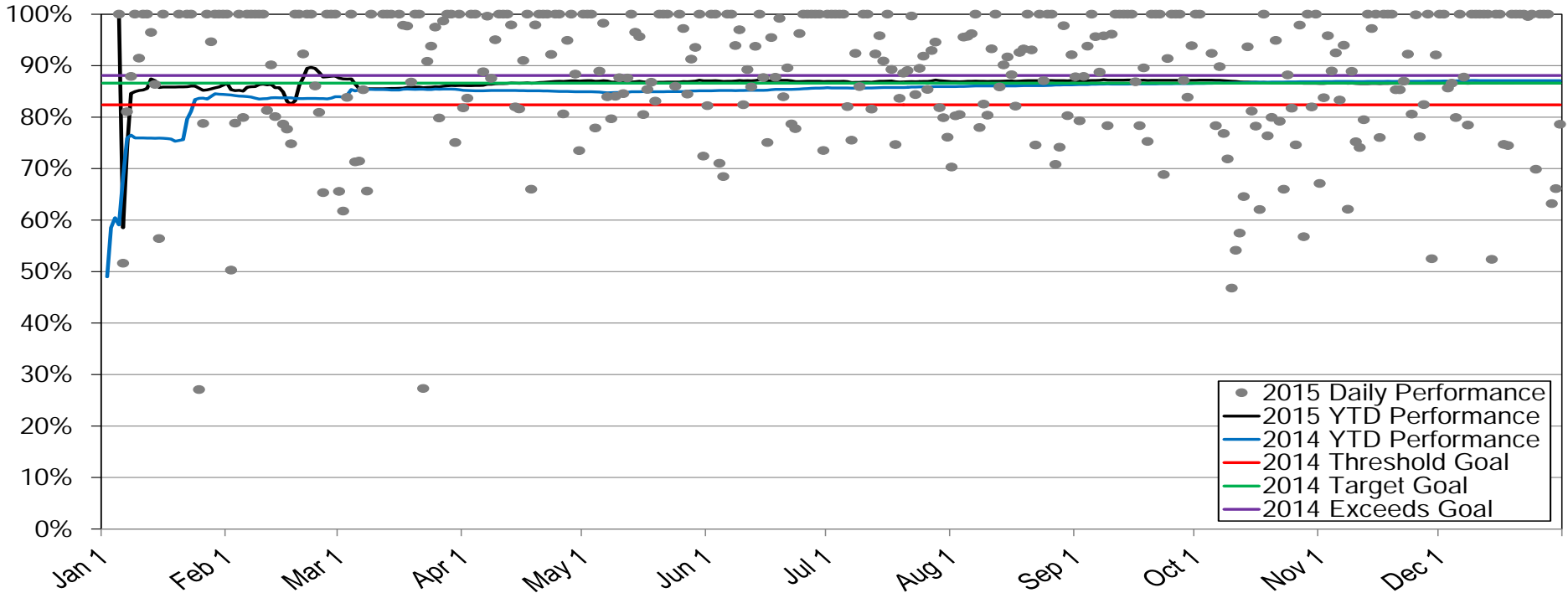
# PCLLRW Count Vs. Average Load – 24 Months



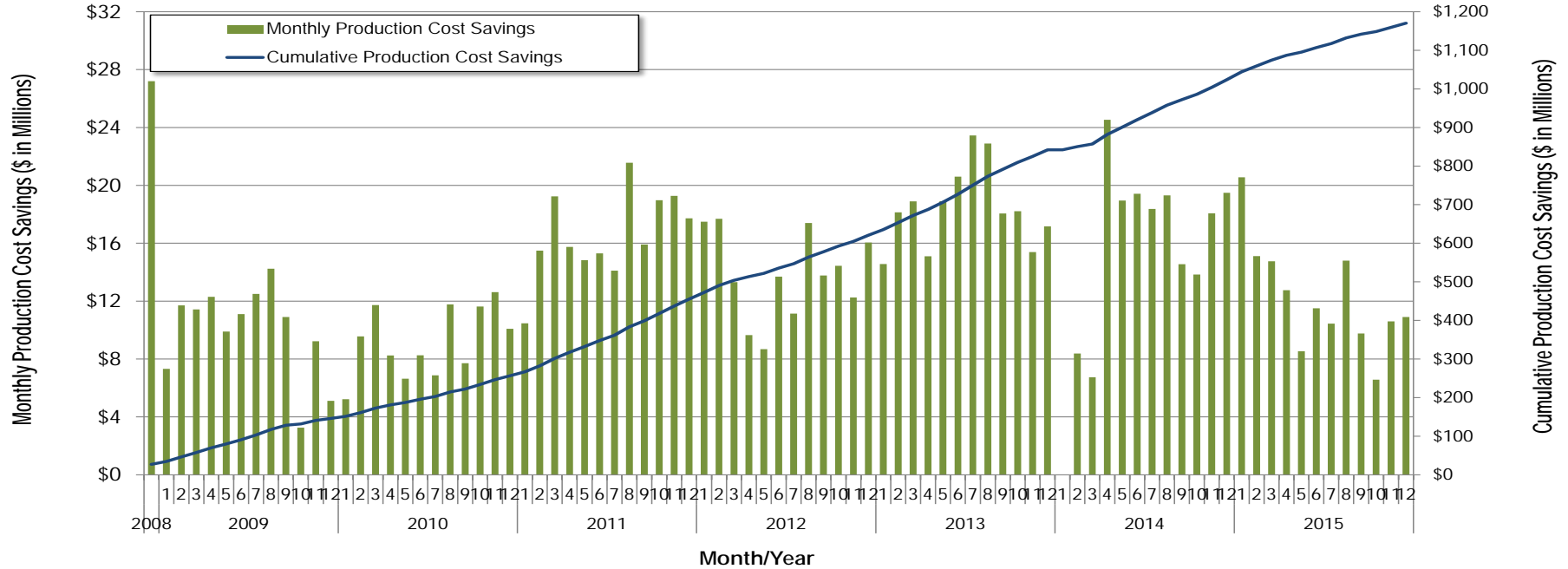
Event	Date	Start Time	End Time	Duration	Region	Tier 1 Estimate (MW)	Tier 1 Response (MW)
1	12/04/2015	17:34	17:41	00:07	RTO	1376.7	1761.7
2	12/24/2015	12:34	12:42	00:08	RTO	1083.7	1218.2

Event	Date	Start Time	End Time	Duration	Region	Tier 2 Assigned (MW)	Tier 2 Response (MW)	Tier 2 Penalty (MW)
1	12/04/2015	17:34	17:41	00:07	RTO	133.1	133.1	0.0
2	12/24/2015	12:34	12:42	00:08	RTO	337.1	337.1	0.0

## 2015 Perfect Dispatch Performance - December 2015



## Perfect Dispatch Estimated Production Cost Savings Through December 2015



The year-to-date Perfect Dispatch performance score through December is 86.64%.

The estimated cumulative production cost savings through December 2015 is over \$1,170 million with over \$146 million in savings thus far in 2015.

# Appendix



## Goal Measurement: Balancing Authority ACE Limit (BAAL)

- The purpose of the new BAAL standard is to maintain interconnection frequency within a predefined frequency profile under all conditions (normal and abnormal), to prevent frequency-related instability, unplanned tripping of load or generation, or uncontrolled separation or cascading outages that adversely impact the reliability of the interconnection. NERC requires each balancing authority demonstrate real-time monitoring of ACE and interconnection frequency against associated limits and shall balance its resources and demands in real time so that its ACE does not exceed the BAAL (BAALLOW or BAALHIGH) for a continuous time period greater than 30 minutes for each event.
- PJM directly measures the total number of BAAL excursions in minutes compared to the total number of minutes within a month. PJM has set a target value for this performance goal at 99% on a daily and monthly basis. In addition, current NERC rules limit the recovery period to no more than 30 minutes for a single event.



# Perfect Dispatch – Performance Measure

Perfect Dispatch refers to the hypothetical least production cost commitment and Dispatch, achievable only if all system conditions (load forecast, unit availability / performance, interchange, transmission outages, etc.) were known and controllable in advance. While being hypothetical and not achievable in reality, this is useful as a baseline for performance measurement.

The Perfect Dispatch performance goal is designed to measure how well PJM commits combustion turbines (CTs) in real time operations compared to a calculated optimal CT commitment profile.

The Perfect Dispatch performance measure is calculated as  $100\% \times (\text{The accumulative year-to-date optimal CT production cost in Perfect Dispatch} / \text{The accumulative year-to-date actual real-time CT production cost})$ .

The Perfect Dispatch performance goal was removed as a goal beginning in 2015. Currently Perfect Dispatch does not have a performance goal, but the metric will continue to be tracked.

The cumulative Estimated Production Cost Savings helps to demonstrate the savings that result from PJM's process changes since the inception of the Perfect Dispatch analysis in 2008. This estimate is determined by comparing the Perfect Dispatch performance for all resources to benchmarks set at the beginning of the Perfect Dispatch analysis. A benchmark of 98.18% is used for comparison of the 2015 metric which is 99.18% through the end of December.