

CT/CC Overhaul Recovery Manual 15 Changes History

MIC

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CT/CC Overhaul Recovery

- **PJM has commented that combustion turbines and combined cycles are the only units that have to exclude major overhauls and inspections from the VOM calculation. The IMM does not agree.**
- **The problem statement that excluded these costs from CTs and CCs specified that the purpose was to align CTs and CCs with other units. Not to treat CTs and CCs differently.**

CDS Proposal

- **In October 2011, a problem statement was presented at the CDS to “Eliminate Conflicting Language in Manual 15’s Treatment of Capital Expenses for CT’s and ACR Eligibility”.**
- **In November 2011, the CDS sent proposed Manual 15 language to the MRC.**
- **In December 2011, the MRC endorsed the recommendations from the CDS.**

2011 Proposal Description

- “This proposal brings forward manual language changes for Manual 15: Cost Development Guidelines to remove the inclusion of overhaul and inspection costs from CTs and CCs in the variable operating and maintenance cost **aligning the treatment of these types of units with other generation types.**”

Supporting Attachments

- **December 21, 2011, CDS Tier 2 Proposal Report: CTs and CCs Overhaul Cost Recovery.**
- **December 21, 2011, Proposed Manual 15 Language.**
- **December 21, 2011, MRC Meeting Minutes.**

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