

Summary of Interview with

Robert H. Sims
V.P. Power Supply, GPU
September 6, 1979
At Office of James Liberman

Mr. Sims represents GPU at the PJM Pool.

Pool has had excess installed capacity since 1972.

Forced outage rate criteria is one day in ten years. This is a basic criteria for capacity planning. The pool as a whole must meet the criteria. Currently the criteria calls for 22% excess reserves and the Pool, as a whole, has 30% excess reserves.

Planning years begin June 1. Planning year is third year out; e.g., the year June 1, 1977 to May 31, 1978 was the planning year on June 1, 1975. The pool plan is published as of June 1 each year. The document is known as the "Red White and Blue Book" and is an internal PJM document.

Both MACC and PJM consider GPU as one unit.

Monthly PJM bills are available from Jack Gassert, Director of Systems Operations Division, Reading, Pa.

If a PJM member is short capacity, there are three alternatives:

1. install gas turbines
2. enter into long-term power purchase contract
3. purchase from Pool.

Purchases from pool are done under a split savings concept.

Purchases among GPU companies are at cost. Generally GPU company's equalize internally before going to Pool for power.

Definition of installed capacity is a unit able to produce electricity once construction completed.

Currently TMI-2 is carried on PJM records as installed capacity, but on 100% forced outage.

While the whole Pool benefits from the low operating cost of a nuclear unit, other Pool members asked about TMI-2 completion schedule just for information or curiosity. "Pool members were interested in but not concerned" about TMI slippage. The slippage did affect other Pool members adversely.

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SUBJECT	Schedule 4.01 of the PJM agreement lists the capacity charge... Currently \$495							WParler:mc
DATE →								1/3/80.....