



# Resource Eligibility for Reserves Proposal

Damon Fereshetian

MIC Special Session – Reserve Price Formation Order

June 17, 2020

Revise the Tariff and Operating Agreement to clarify the process through which PJM will determine resource eligibility to provide reserves. These revisions should clearly describe:

- Resource classes that PJM has designated as incapable of providing reserves, for each reserve product;
- The exemption process PJM will use to determine reserve eligibility if a resource is automatically deselected from providing reserves; and
- The process by which PJM will communicate this information and determination to the Market Seller.

PJM will exclude nuclear, wind, and solar resources from being eligible to provide reserves by default

- This resource class exclusion applies to each reserve product
- A Market Seller may submit a written request for a generating resource's exemption to PJM and provide supporting technical information. PJM will evaluate and provide a written response of approval or denial within 30 business days
- Exemption process will be similar to existing processes for consideration in the Tier 1 estimate or ramp rate and SpinMax exemptions as currently described in Manual 11, Section 4.2.1