



PJM Manual 18 Updates

Conforming Changes for MOPR and MSOC

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Markets & Reliability Committee

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- Revisions to PJM Manual 18: PJM Capacity Market conforming with:
 - PJM's 7/30/21 FPA section 205 filing to reform the application of the MOPR became effective with FERC's 9/29/21 Notice of Filing Taking Effect by Operation of Law (Docket No. ER21-2582-000)
 - PJM's 10/4/21 compliance filing to amend various sections of Tariff, Attachment DD in accordance with FERC's 9/2/21 Order establishing a replacement MSOC (Docket Nos. EL19-47-002, EL19-63-002, and ER21-2877-001)
 - Restore Tariff provisions related to prior backward-looking E&AS offset for 2023/2024 BRA and beyond in accordance with FERC's 12/22/2021 Order (Docket Nos. EL19-58-006 and ER19-1486-003)
 - Removal of 10% adder from EAS calculation for reference resource CT in accordance with FERC's 1/20/2022 Order (Docket No. ER19-105-005)

Planned Committee Review/Endorsement Schedule:

- MIC: 2/9/2022(1st read), 3/9/2022 (Endorsement)
- MRC: 2/24/2022 (1st read), 3/23/2022(Endorsement)

Section 3.3.2 Demand in RPM: Language updated throughout this section to reflect that the Net EAS of the Reference Resource CT is calculated using the forward-looking methodology with application of 10% adder for only the 2022/2023 Delivery Year. The Net EAS is determined using the historical approach and without application of the 10% adder for all other delivery years.

Section 5.4.1 Resource-Specific Sell Offer Requirements: Language updated to reflect that, effective 9/2/21, sell offers of existing generation capacity resources above \$0/MW-Day must seek unit-specific exception or elect to use MSOC based on default gross ACR of applicable resource type, if available. Added language specifying that sellers may elect to use default offer cap of 1.1 times RCP of BRA for any 3rd IA.

Section 5.4.4 Sell Offer Caps: Language updated to reflect that the Net EAS for units seeking a net ACR-based exception is calculated using the forward-looking methodology for only the 2022/2023 Delivery Year. The Net EAS is determined by historical net revenues for all other delivery years.

- **Section 5.4.5 Minimum Offer Price Rule (MOPR) for 2022/2023 Delivery Year:** This section and its sub-sections describe the MOPR provisions of Sections 5.14(h) and 5.14(h-1) of Attachment DD of the PJM OATT which are not applicable after the 2022/2023 Delivery Year. Section header and language throughout this section and sub-sections updated to reflect that the rules are not effective after the 2022/2023 Delivery Year.
- **Section 5.4.5.2 Categorical Exemptions Applicable to Capacity Resources with State Subsidy (A. Competitive Exemption):** Deleted language describing consequences of accepting State Subsidy after electing competitive exemption or certifying that resource is not state subsidized.

- **5.4.8 Minimum Offer Price Rule Effective with the 2023/2024 Delivery Year:**
Added new section 5.4.8 to describe MOPR provisions of Sections 5.14(h-2) of Attachment DD of the PJM OATT which are effective with the 2023/2024 Delivery Year.
 - **5.4.8.1 MOPR-Related Business Rules and Process Timeline**
 - **5.4.8.2 Certification Requirement**
 - **5.4.8.3 Unit-Specific Exception Process for MOPR Floor Offer Prices**
 - **5.4.8.4 Default MOPR Floor Offer Prices**

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PJM Manual 18 Updates: Conforming Changes for MOPR and Forward Net EAS



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