

Must Offer Exception Process Issue

Market Implementation
Committee
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Comparison of Proposals

- **After the initial CP must offer exemption, the actual change from capacity to energy only would occur:**
 - **Six years later (PJM proposal)**
 - **Four years later (IMM proposal)**
- **A change in the decision to become energy only would result in the resource not being offered in:**
 - **Up to six BRAs, without any restrictions on requesting a CP must offer exemption for the following BRA (PJM proposal)**
 - **One BRA, with a restriction on requesting a CP must offer exemption for the following BRA (IMM proposal)**

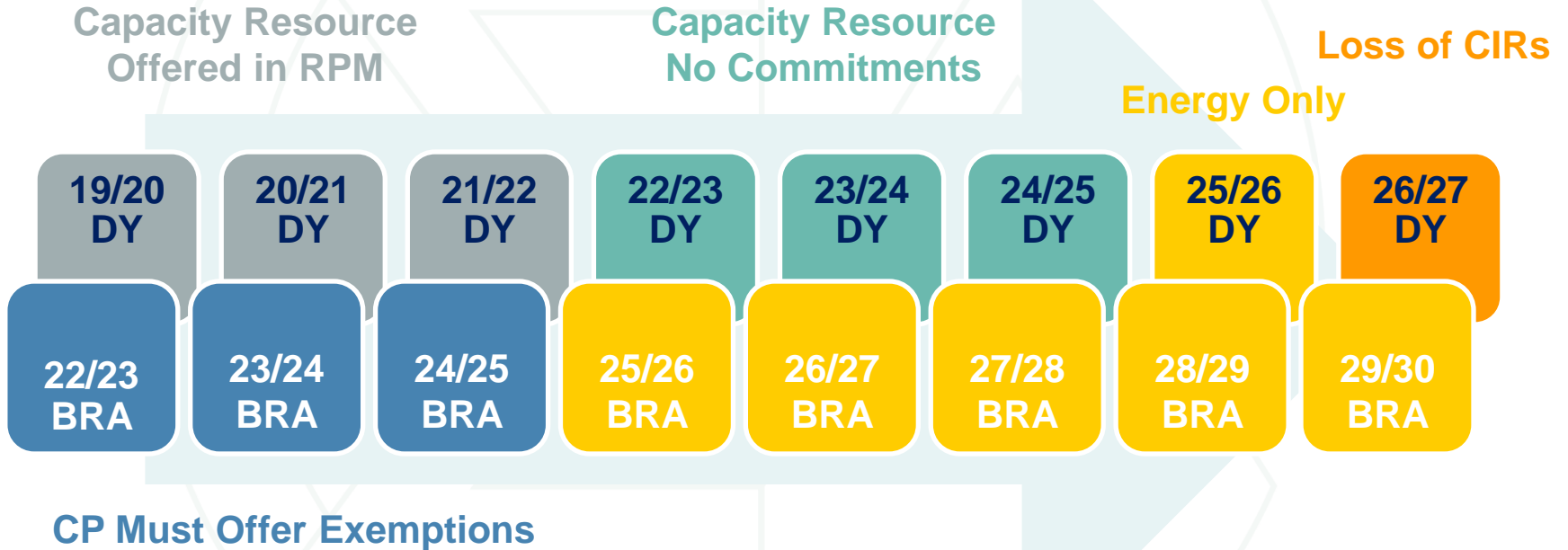
Comparison of Proposals

- **The IMM proposal does not include the provision that a Capacity Market Seller may submit a written request to PJM and the IMM requesting that the unit retain its Capacity Resource status to be offered in an RPM auction no later than 135 days prior to the effective date of the Capacity Resource status removal. (Item 3C)**
- **The IMM proposal requires the change in capacity resource status after one CP must offer exemption, compared to after three in the PJM proposal. (Item 3A)**

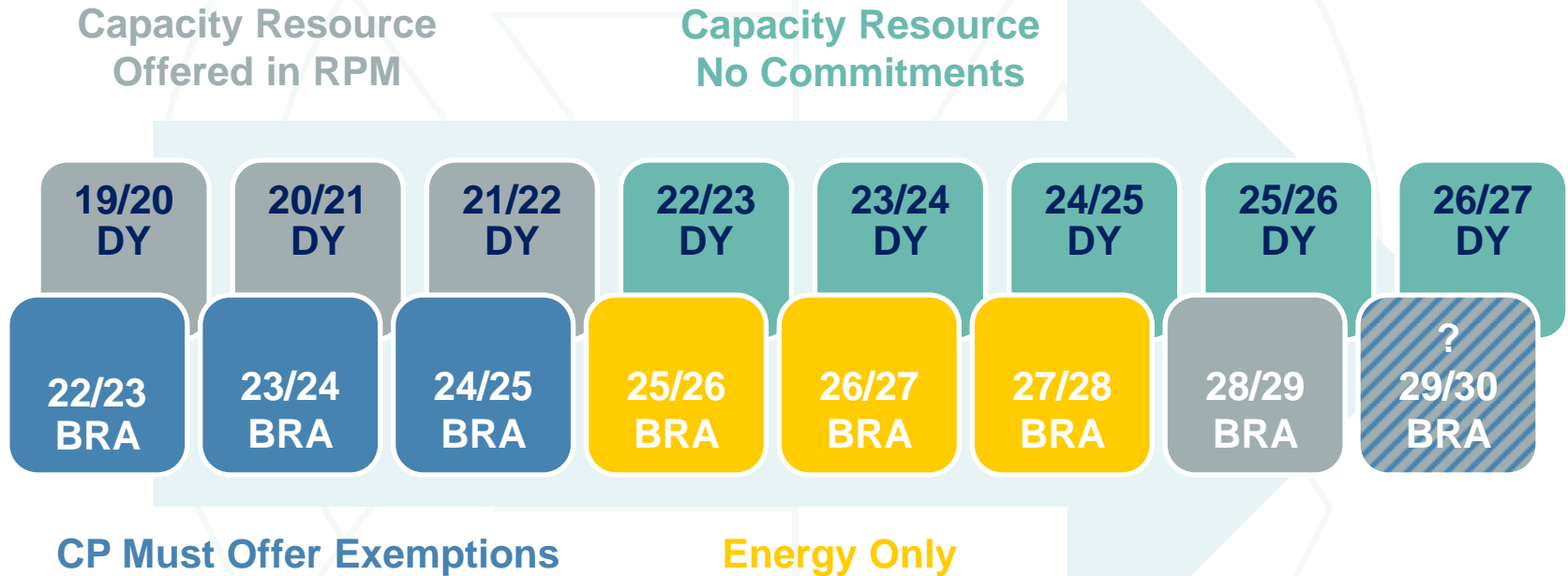
Example of IMM Proposal

- **A resource obtains a CP must offer exemption for the 22/23 BRA, just prior to the actual 19/20 DY.**
- **The resource would be offered in the 23/24 BRA if the situation changes.**
 - **The resource would not be allowed to reverse that decision for the 24/25 BRA.**
- **The resource would be required to request change in capacity status effective for the 23/24 DY if the situation does not change.**

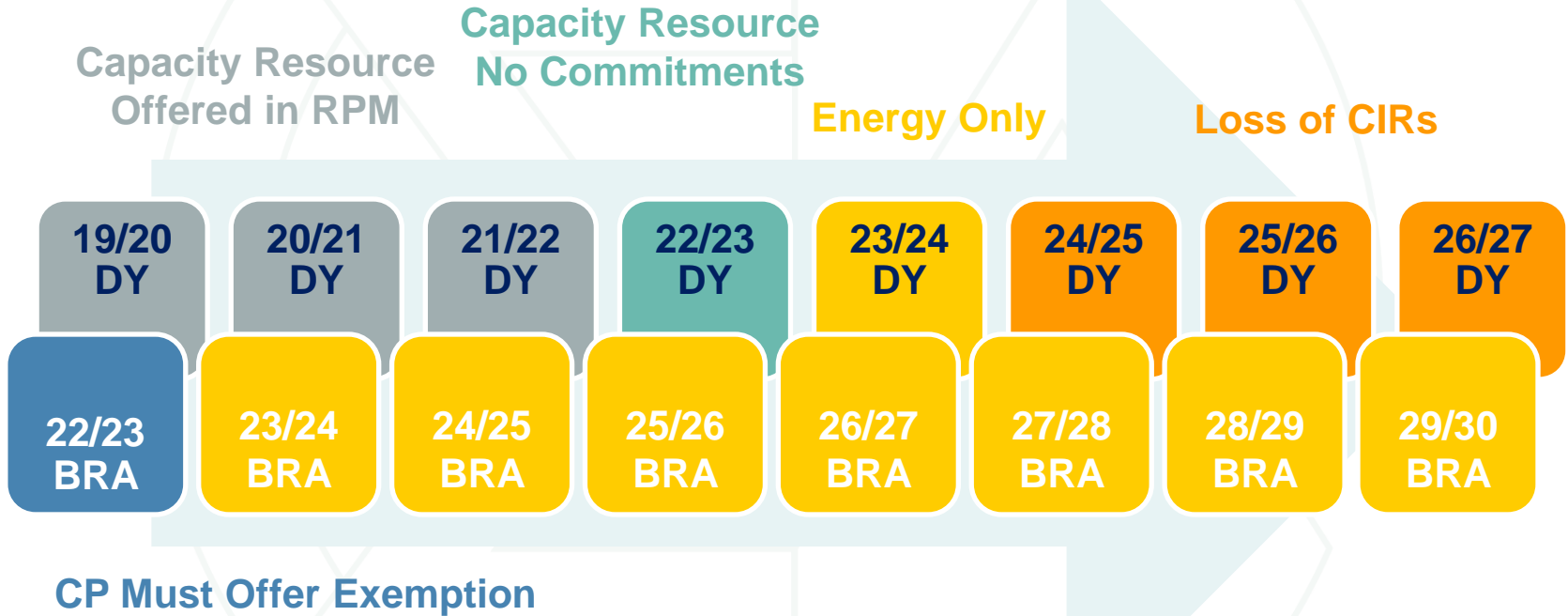
Example of PJM Proposal: Status Change After Three CP Must Offer Exemptions



Example of PJM Proposal: Invoking Request to Retain Capacity Resource Status



Example of IMM Proposal: Status Change After One CP Must Offer Exemption



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