



Effective Date	April 1, 2015
Impacted Manual #(s)/Manual Title(s):	
Manual 18: PJM Capacity Market Section 4.8 Credit Requirements	
Conforming Order(s):	
Docket No. ER15-623-004	
Associated Issue Tracking Title:	Capacity Performance
Committee Approval Path - What committee(s) have already seen these changes?	
Versions of these revisions were presented at the June 25, 2015 Markets and Reliability Committee.	
MRC 1st read date:	July 15, 2015
MRC voting date:	July 15, 2015
Impacted Manual sections:	
4.8 Credit Requirements with a new subsection created 4.8.6 Credit Milestones for Planned Generation Capacity Resources	
Reason for change:	
This revision to the credit requirements for planned capacity performance resources was developed to better align the credit requirements with the increased cost exposure of non-performance for those resources. This revision also incorporates a proposal to allow for increased opportunities for planned and planned “financed” generation capacity performance resources to reduce the credit requirement, as certified by an independent engineer.	
Summary of the changes:	
This revision increases the credit requirement for planned capacity performance resources. Existing resources will continue to have no credit requirement.	
<u>Prior to the BRA the credit requirement is:</u>	
Current Rules and credit requirements for planned non-CP resources: Credit requirement is 30% of the RTO Net CONE or \$20/MW-day whichever is higher	
Updated Rules for planned CP resources: Credit requirement is 50% of the applicable LDA Net CONE or \$20/MW-day whichever is higher.	
<u>After auction the credit requirement is:</u>	
Current Rules and credit requirements for planned non-CP resources: Credit requirement is 20% of the LDA Clearing Price or \$20/MW-day whichever is higher	
Updated Rules for planned CP resources: Credit requirement is 20% of the LDA Clearing Price or \$20/MW-day or (lesser of 50% of Net CONE by LDA or 150% of Net Cone minus LDA Clearing Price) whichever is higher	
<u>Revisions for Project Status:</u>	
Currently Planned resources get a 50% reduction in credit requirement for a signed ISA and have no requirement	



once in service. The proposed manual language defines different milestones and incremental reductions in credit and this revision also defines a new type of resource called a “financed resource” which has an effective ISA and is fully financed prior to the 2015 BRA.