



## Executive Summary Manual Changes

<b>Effective Date</b>	
<b>Impacted Manual #(s)/Manual Title(s):</b>	
M18: PJM Capacity Market, Revision 52	
<b>Conforming Order(s):</b>	
<p>MOPR (ER21-2582-000) - 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.</p> <p>MSOC (EL19-47-002, EL19-63-002, ER21-2877-001) - 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.</p> <p>E&amp;AS Offset (Docket Nos. EL19-58-006 and ER19-1486-003) - Restore Tariff provisions related to prior backward-looking E&amp;AS offset for 2023/2024 BRA and beyond.</p> <p>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).</p>	
<b>Associated Issue Tracking Title:</b>	N/A
<b>Committee Approval Path - What committee(s) have already seen these changes?</b>	
<p>Planned Committee Review/Endorsement:</p> <p>MIC: February 9, 2022, March 9, 2022 (Endorsement)  MRC: February 24, 2022, March 23, 2022 (Endorsement)</p>	
<b>MRC 1<sup>st</sup> read date:</b>	February 9, 2022
<b>MRC voting date:</b>	March 23, 2022
<b>Impacted Manual sections:</b>	
See detailed list below	
<b>Reason for change:</b>	
<p>Conforming changes to incorporate new MOPR and MSOC provisions that take effect with the 2023/2024 Delivery Year. Conforming Changes to restore backward-looking E&amp;AS offset effective with the 2023/2024 BRA. Conforming changes to remove the 10% adder from the E&amp;AS calculation for the reference resource CT effective with the 2023/2024 BRA.</p>	

### Summary of the changes:

#### **Section 3.3.2 Demand in RPM:**

- Updated 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:**

- Updated to reflect that sell offers of existing generation capacity resources above \$0/MW-Day must seek unit-specific exception or elect to use MSOC based on gross ACR of applicable resource type, if available, effective 9/2/2021. Added language specifying that sellers may elect to use default offer cap of 1.1 times RCP of BRA for any 3<sup>rd</sup> IA.

#### **Section 5.4.4 Sell Offer Caps:**

- 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:**

- Updated to make clear that this section and its sub-sections which describe the MOPR provisions of Sections 5.14(h) and 5.14(h-1) of Attachment DD of the PJM OATT are not applicable after the 2022/2023 Delivery Year.
- Deleted language in section 5.4.5.2 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.