

CIFP – DOE 202(C) COST ALLOCATION

Issue Source

The PJM Board of Managers (PJM Board) issued a [Letter](#) on June 9, 2025 in which the Board initiated the Critical Issue Fast Path (CIFP) process delineated in Manual 34: PJM Stakeholder Process, section 8.6.4.

Issue Content

This issue is exclusively intended to address the specific matter of aligning the cost allocation structure of the Deactivation Avoidable Cost Credit under Part V of the PJM Tariff to the scope of the Secretary of Energy's May 30, 2025 Order¹ under section 202(c) of the Federal Power Act, in order to facilitate compensation to Constellation Energy for the continued operation of Eddystone Units 3 and 4, as required by the May 30, 2025 Order.

Key Work Activities and Scope

- 1 | Education concerning the DOE 202(c) Order
- 2 | Education concerning the current cost allocation structure and application of the Deactivation Avoidable Cost Credit
- 3 | Discussion on the proposed solution options and alternatives to allocate the costs of compensating the Eddystone Units 3 & 4
- 4 | Development of a Final Proposal
- 5 | Out of Scope Items:
 - a. Constellation's decision to utilize the Deactivation Avoidable Cost Credit mechanism as the basis for its compensation under the May 30, 2025 Order.
 - b. The operating protocols and parameters agreed to by Constellation for compliance with the May 30, 2025 Order.
 - c. The DOE Emergency order

Expected Deliverables

- 1 | Draft Matrix, including options considered and PJM's preferred solution.

¹ A copy of the Secretary's Order No. 202-25-4 is available here: <https://www.energy.gov/ceser/federal-power-act-section-202c-pjm-interconnection>

- 2 | Additional stakeholder design criteria options.
- 3 | Additional stakeholder solution packages.
- 4 | Final PJM and stakeholder proposals.
- 5 | Members Committee advisory vote on proposal(s) and related governing document language.

Decision-Making Method

This effort will be accomplished via the CIFP process in accordance with Manual 34, section 8.6.4. Following the Stage 4 meeting, a Members Committee meeting is expected to be convened for the purpose of advisory voting on proposals developed via the CIFP (truncated voting will not apply). Ultimately a decision on a filing with the FERC will be made by the PJM Board. As it is expected that the entirety of this issue is to be contained in the PJM Reliability Assurance Agreement, such filing is anticipated to be submitted pursuant to FPA section 205.

Stakeholder Group Assignment

This work will be conducted through the Critical Issue Fast Path reporting directly to the Members Committee.

Expected Duration of Work Timeline

Pursuant to the PJM Board's June 9, 2025 letter initiating the CIFP, this work is expected to conclude with the Members Committee meeting on June 18, 2025. The Stages 1-4 CIFP Meetings will occur as follows:

Stage 1 – June 10

Stage 2 – June 12

Stage 3 – June 16

Stage 4 – June 18

MC vote – June 18

Start Date	Priority Level	Timing	Meeting Frequency
June 10, 2025	<input checked="" type="checkbox"/> High <input type="checkbox"/> Medium <input type="checkbox"/> Low	<input checked="" type="checkbox"/> Immediate <input type="checkbox"/> Near Term <input type="checkbox"/> Far Term	<input checked="" type="checkbox"/> Weekly (see above schedule) <input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly

Charter

(check one box)

<input checked="" type="checkbox"/>	This document will serve as the Charter for a new group created by its approval.
<input type="checkbox"/>	This work will be handled in an existing group with its own Charter (and applicable amendments).

More detail available in M34; Section 6