

DRAFT Manual 18 Attachment F: Reliability Backstop Procurement

The Reliability Backstop Procurement or “RBP” is a one-time procurement to address resource adequacy challenges in the PJM Region arising from insufficient capacity committed through Reliability Pricing Model Auctions starting in the 2027/2028 Delivery Year.

This Manual 18 Attachment intends to provide supporting details and process information for the Reliability Backstop Procurement, as described in **Attachment DD, Section 18 of the PJM Open Access Transmission Tariff**.

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1. Participation Guide Reliability Backstop Window Overview

~~Charles River Associates (CRA) and PJM Interconnection, L.L.C. (PJM) will be known collectively as the “Evaluation Team” for this process.~~

~~This Participation Guide provides information and instructions for participating in the PJM Reliability Backstop Procurement (RBP), taking place from September through December 2026. The information contained or omitted herein does not supersede the obligations in the PJM Open Access Transmission Tariff, Reliability Assurance Agreement, and PJM Manuals, which are expected to be effective September 29, 2026 pending an order on FERC Docket No. ER26-3380.~~

1.1 Overview of Process

Charles River Associates (CRA) and PJM Interconnection, L.L.C. (PJM) will be known collectively as the “Evaluation Team” for this process.

The Reliability Backstop Procurement is intended to function as a safety net to close the immediate reliability gap not otherwise addressed through bilateral arrangements. The objective is to commit new supply resources to cure the observed MW shortfall of the reliability requirement in the 2028/2029 Base Residual Auction (BRA), thereby maintaining resource adequacy across the PJM footprint through long-term, capacity-only commitments.

The Final RBP Target for the RTO will be determined based on load participation during the defined bid submission window. Load, through Electric Distributors, Load Serving Entities (LSEs), Transmission Owners, or other entities, ~~that~~ intends to reduce the Initial RBP Target through bilateral arrangements must submit evidence of Qualifying RBP Offset UCAP MW, further described in Section 2.2. Electric Distributors, that meet certain requirements, may also elect to opt-out of the RBP as further described in Section 2.1.1. The UCAP MW associated with Qualifying RBP Offset UCAP MW and opt-outs will be decremented from the Initial RBP Target to set the Final RBP Target.

On the supply side, RBP Sellers will submit binding RBP Sell Offers through standardized offer forms during the defined bid solicitation window. The Evaluation Team will evaluate offers against eligibility requirements and gating criteria, and then select projects using the evaluation and prioritization framework described in Section 4. Among projects that pass gating, the selection will prioritize earliest Delivery Year associated with projects’ commercial operation dates (CODs) and lower levelized costs over the term, ~~up to~~ satisfy the RTO-level procurement target while ensuring the maximum willingness to pay across selected offers is honored. Selected RBP Resources will receive fixed commitments, up to 15 years, settled as a contract for differences (CfD) against the resource’s unit-specific weighted average resource clearing price of all applicable RPM Auctions in which the RBP Resource participated for the relevant Delivery Year. Applicable RPM Auctions include all RPM Auctions for the associated Delivery Year that are conducted after the RBP.

Submission of an offer into the RBP reflects a willingness to take on a binding commitment. The binding nature of the process is described in Section 1.3. Projects that are not selected in the RBP may re-engage in bilateral matching.

1.2 Timeline and Key Milestones

Key Dates for Final RBP Target Determination, detailed in Section 2.

	Activity	Responsible Party	Start	Stop
1	Request for configuration information for resources eligible to supply Qualifying RBP Offset UCAP MW that do not have a <u>2028/2029 ELCC Class Rating</u> and require a unit-specific ELCC estimate for the 2028/2029 Delivery Year	Electric Distributors, LSEs, interconnecting customers, large loads, Transmission Owners, or other entities	8/11/2026	8/25/2026
2	Unit-specific 2028/2029 ELCC values communicated to submitting parties to inform RBP Window submission of Qualifying RBP Offset UCAP MW	PJM	9/14/2026	9/14/2026
3	Window to submit evidence of Qualifying RBP Offset UCAP MW	Electric Distributors, LSEs, interconnecting customers, large loads, Transmission Owners, or other entities	9/30/2026	10/21/2026 12:00pm <u>EPT</u>
4	Window to request opt-out	Electric Distributors	9/30/2026	10/21/2026 12:00pm <u>EPT</u>
5	Communication with participants for clarifications on evidence submitted, and approval or denial of Qualifying RBP Offset UCAP MW and opt-outs	PJM	9/30/2026	11/4/2026
6	Final RBP Target and Electric Distributor zone/area allocations posted	PJM	11/18/2026	11/18/2026
7	RBP results posted	PJM	12/2/2026	12/2/2026

Key Dates for RBP Sell Offers, detailed in Section 3.

	Activity	Responsible Party	Start	Stop
1	Request for configuration information for RBP Resources that will not have Preliminary Class Ratings for 2028/2029 through <u>2036/2037-2042/2043</u> and require unit-specific ELCC analysis	RBP Sellers	8/11/2026	8/25/2026
2	Preliminary Class Ratings for 2028/2029 through <u>2036/2037-2042/2043</u> posted	PJM	8/31/2026	8/31/2026
3	Provide unexecuted letter of credit form	RBP Sellers	9/1/2026	9/7/2026
4	Communication of unit-specific ELCC values for 2028/2029 through <u>2042/2043</u> 2036/2037 to RBP Sellers to inform submission of RBP Sell Offers	PJM	9/14/2026	9/14/2026

5	Window to submit RBP Sell Offers and post credit requirement	RBP Sellers	9/30/2026	10/21/2026 12:00pm EPT
6	Provide notice of deficiencies in RBP Sell Offers	PJM	9/30/2026	10/21/2026 12:00pm EPT
7	Cure deficiencies in RBP Sell Offers <u>within</u> 5 calendar days from notice	RBP Sellers	9/30/2026	10/21/2026 12:00pm EPT
8	Communication of final gating pass/fail determinations to RBP Sellers	PJM	11/18/2026	11/18/2026
9	Return of credit requirement for RBP Sell Offers that do not pass gating	PJM	11/25/2026	11/25/2026
10	Post results	PJM	12/2/2026	12/2/2026
11	Communicate final selection determinations to RBP Sellers	PJM	12/2/2026	12/2/2026
12	Return of credit requirement for RBP Sell Offers that are not selected	PJM	12/9/2026	12/9/2026

1.3 Binding Nature of Process

Each RBP Sell Offer is a binding offer once any identified deficiencies are cured and until the conclusion of the Reliability Backstop Procurement. RBP Resources that are subject to an RBP Sell Offer are not permitted to exit the RBP to enter bilateral arrangements, until notification that such resource did not pass gating or was not selected. Selected RBP Resources receive an RBP commitment and are subject to the obligations detailed in Tariff, Attachment DD, section 18.6.

2. Target Determination & Load Participation Requirements

2.1 Determination of Final RBP Target

The Initial RBP Target, set at the region-wide 2028/2029 BRA shortfall, will be 6,831.3 MW UCAP. The Final RBP Target shall be a PJM region-wide value equal to the Initial RBP Target minus the total PJM region-wide Qualifying RBP Offset UCAP MW and the unforced capacity obligation value of load that have successfully requested and obtained an opt-out.

Fixed Resource Requirement (FRR) Entities as of the 2028/2029 Delivery Year shall be excluded from the Reliability Backstop Procurement, including Initial and Final RBP Targets. To the extent an Electric Distributor zone/area that has RBP UCAP MW committed through the Reliability Backstop Procurement later becomes an FRR Service Area, the Electric Distributor zone/area shall continue to be accountable for the RBP UCAP MW quantity committed through the RBP.

The Final RBP Target and Electric Distributor zone/area allocations will be posted by November 18, 2026.

2.2 Qualifying RBP Offset UCAP MW

~~A Resource-resource~~ eligible to supply Qualifying RBP UCAP MW must have an expected commercial operation date, or ~~is-must be~~ reasonably expected to be an Annual Demand Resource or DER Capacity Aggregation Resource that will be registered with the Office of the Interconnection and under a contract to perform based on PJM dispatch instructions, by no later than June 1, 2032 and be:

1. A new build generation resource including new resources that obtain Capacity Interconnection Rights transferred from deactivated resources or resources that have announced deactivation as of April 10, 2026;
2. The incremental capacity created by an uprate of existing Generation Capacity Resources, but only to the extent such incremental capacity is created through an increase in such Generation Capacity Resource's installed capacity and increase in Capacity Interconnection Rights associated with that Generation Capacity Resource;
3. The incremental capacity created by the utilization of Surplus Interconnection Service;
4. Repowering of a deactivated generation resource that deactivated prior to April 10, 2026;
5. Incremental capacity, whether due to greater Unforced Capacity or a higher level of Capacity Interconnection Rights, created by an existing Generation Capacity Resource's changing fuel type to a more efficient fuel type; or
6. Planned Demand Resource or Planned DER Capacity Aggregation Resources, as described in the RAA, Schedule 6 and Schedule 6.2.

Evidence of Qualifying RBP Offset UCAP MW ~~will be accepted~~ may be submitted by Electric Distributors, LSEs, interconnecting customers, large loads, Transmission Owners, other entities. The submitting entity must provide at least one of the following:

1. Signed bilateral contracts for Qualifying RBP Offset UCAP MW for at least five Delivery Years with a commercial operation date prior to the start of the 2032/2033 Delivery Year, and matched with load that has an executed electric service agreement or transmission service agreement, indicating that the load will be coming online in the 2027/2028 or 2028/2029 Delivery Year;
2. Self-Supply generation that is in a Relevant Electric Retail Regulatory Authority ("RERRA")-approved or accepted integrated resource plan with either associated generation in the PJM interconnection queue or signed bilateral contracts for Qualifying RBP Offset UCAP MW for at least five Delivery Years with a commercial operation date prior to the start of the 2032/2033 Delivery Year, and matched with load that has an executed electric service agreement or transmission service agreement, indicating that the load will be coming online in the 2027/2028 or 2028/2029 Delivery Year; or
3. Signed commitment between a Curtailment Service Provider or DER Aggregator and new load(s) that has an executed electric service agreement or transmission service agreement, indicating that the new load(s) will, in a MW quantity equal to MW quantity of the new load(s), either (a) participate as Annual Demand Resources or DER Capacity Aggregation Resources starting in the 2028/2029 Delivery Year Second Incremental Auction and continuing through the 2032/2033 Delivery Year, or (b) purchase replacement Qualifying RBP Offset UCAP MW that are eligible generation or storage resources.

Such evidence submitted between September 30 and October 21, 2026 through the corresponding online form provided by the Evaluation Team. Instructions will be available on pjmbackstop.com. The Evaluation Team will review submissions as they are received and verify against the eligibility criteria above. The Evaluation Team will communicate with participants on clarifications to evidence submitted as needed, and will communicate final acceptance or denial of Qualifying RBP Offset UCAP MW no later than November 4, 2026.

The total quantity of Qualifying RBP Offset UCAP MW used to decrement the Initial RBP Target total amount for each Electric Distributor zone/area will be capped at the UCAP equivalent (based on the 2028/2029 BRA Forecast Pool Requirement (FPR) of 0.9401) of the Load Adjustment MW (2028 minus 2026) for each zone/area that ~~have has~~ not been opted out. ~~This will be the UCAP equivalent of such MW based on the 2028/2029 BRA Forecast Pool Requirement (FPR) of 0.9401.~~

Qualifying RBP UCAP MW will account for the applicable 2028/2029 BRA ELCC Class Ratings, or the estimated unit-specific value for resources with no ELCC Class Rating.

2.3 Opt-Out Provision

An Electric Distributor may elect to opt out of the Reliability Backstop Procurement cost allocation for its zone/area under either of the circumstances below.

Where an Electric Distributor's zone/area has rates that are not regulated by the states and is unable to address cost allocation associated with capacity procured in the backstop. Such request shall specify:

1. Associated MW quantity of load in the zone/area that will be opted out of the RBP, up to the Load Adjustment MW (2028 minus 2026) for each zone/area;
2. Supporting documentation demonstrating an inability to address cost allocation associated with capacity procured in the backstop; and
3. Written support for such opt-out from the relevant state governor, RERRA, and interconnection customer(s).

Where an Electric Distributor's zone/area addresses their capacity needs through peak shaving adjustment programs that are codified in state law and that also meet the requirements of Tariff, Attachment DD-2. Such request shall:

1. Specify the ~~associated~~ MW quantity of load ~~that participates in associated with~~ the peak shaving adjustment program, up to the Load Adjustment MW (2028 minus 2026) for each zone/area;
2. Demonstrate the relevant peak shaving adjustment program is codified in state law; and will be effective during the 2028/2029 Delivery Year.
- 2-3. Attest to submitting a peak shaving adjustment plan for the specified MW quantity of load by September 30, 2027 meeting the requirements of Tariff, Attachment DD-2, to be in place by the 2028/2029 Delivery Year.

Such requests shall be submitted between September 30 and October 21, 2026 through the corresponding online form provided by the Evaluation Team. Instructions will be available on pjmbackstop.com. The Evaluation Team will review submissions as they are received and verify against the eligibility criteria above. The Evaluation Team will communicate with Electric Distributors on clarifications to evidence submitted as needed, and will communicate final acceptance or denial of opt-outs no later than November 4, 2026.

The total UCAP MW of opt-outs used to decrement the Initial Procurement Target will be equal to the sum of opt-out MW provided by each Electric Distributor multiplied by the 2028/2029 BRA Forecast Pool Requirement of 0.9401.

3. Supply Participation Requirements

This section sets forth participation requirements for supply-side offer submissions.

3.1 Supply Eligibility

Participation in the offer submission process is open to generation developers, asset owners, and other supply-side participants offering "new" resources. To be eligible to participate, an RBP Seller~~s~~ submitting an RBP Sell Offer for any resource type:

1. Has met the RBP credit requirements;
2. Has a commercial operation date (COD), or is reasonably expected to be an Annual Demand Resource or DER Capacity Aggregation Resource that will be registered with PJM and under a contract to perform based on PJM dispatch instructions, no later than June 1, 2032, inclusive of network upgrades;
3. Has not received a capacity commitment or been committed in an FRR Plan as of the commencement of the bid window;
4. Is not supplying Qualifying RBP Offset UCAP MW;
5. To the extent the subject of a notice of intent for the 2028/2029 Base Residual Auction, must have offered and not cleared in the 2028/2029 Base Residual Auction;
6. To the extent the subject of a notice of intent for the 2029/2030 Base Residual Auction, must be offered into the 2029/2030 Base Residual Auction;

Additional eligibility requirements for RBP Sell Offers for Generation or Energy Storage Resources:

7. Located ~~in~~ in the PJM Region or meet the Tariff pseudo-tie requirements;
8. Composed of new Installed Capacity and new Maximum Facility Output;
9. Supported by new Capacity Interconnection Rights (if located in the PJM Region) or Capacity Interconnection Rights transferred from a deactivated resource or a resource that announced deactivation as of April 10, 2026; and
10. Consist of (1) new build; (2) incremental capacity created by an uprate of an existing Generation Capacity Resource's or Energy Storage Resource's installed capacity and associated level of Capacity Interconnection Rights; or (3) repowering of a generation resource that had deactivated, or announced deactivation, on or before April 10, 2026.

Additional eligibility requirements for RBP Sell Offers for Demand Resources:

7. Not be reliant on or composed of registered location(s) that previously supported a Demand Resource that provided capacity in a prior Delivery Year unless such location represents an incremental increase in capacity resulting from an investment in new generation or new storage resources at that location; and
8. Identify, as part of its RBP Sell Offer, for the full length of the fixed term, the location(s) and associated participation contract(s).

Additional eligibility requirements for RBP Sell Offers for DER Aggregation Resources:

7. Identify, as part of its RBP Sell Offer, for the length of the fixed term, the location(s) and associated participation contract(s).

To verify the above requirements, the minimum supporting documentation demonstrating compliance from participants is listed below.

Eligibility Requirement	Supporting Documentation
COD no later than June 1, 2032	Documentation demonstrating expected COD and completion of required network upgrades such as <u>P</u> project schedule, <u>Engineering, Procurement, and Construction (EPC)</u> schedule, milestone dates, commercial operation date certification, interconnection schedule showing network upgrade timing.
New ICAP and MFO	Documentation demonstrating new ICAP and MFO eligibility including technical project description, nameplate capacity, evidence that the capacity is incremental and not previously committed, project development documentation.
Eligible CIRs	Documentation supporting eligibility of CIRs, interconnection queue information, transfer documentation, deactivation notices where applicable.
No prior RPM/FRR commitment	Certification and supporting documentation sufficient for PJM to verify resource eligibility, including resource identifiers, auction participation history, NOI outcomes (if applicable), and compliance with RPM and FRR requirements.
Demand Resource eligibility	Documentation supporting eligibility and any claimed incremental capacity including registered locations, prior DR participation history, evidence that any capacity increase is incremental and supported by new investment.

Detailed project, development, interconnection, credit, and offer information required to support eligibility determinations and offer evaluation is described in Sections 3.2, 3.3 and 3.4.

3.2 Respondent Information

Include organization details, ownership structure, corporate parent, PJM member status, and primary and back-up contact information. Respondents must complete all applicable sections of the standardized forms corresponding to their participation type. Forms use a tiered field classification to indicate the importance of each data element:

- Fields marked with * (asterisk) are mandatory. Submissions missing mandatory fields will not be accepted for evaluation.

- Fields marked with ** (double asterisk) are strongly recommended. Incomplete strongly recommended fields may delay review or affect commitment terms.
- Fields marked (Optional) enhance response quality but are not required.

3.3 Project and Offer Information

Supply-side respondents must provide detailed information on project location, PJM zone, transmission owner territory, technology/facility type, nameplate capacity (MW), interconnection queue number and phase, and current development milestones including permitting, siting, and financing status. In addition, respondents must provide:

- Commercial operation date (COD), inclusive of network upgrades;
- Offer price in \$/MW-day UCAP and UCAP MW for each Delivery Year, beginning the first Delivery Year of the resource's COD, as early as 2028/2029 through 2042/2043;
- Network upgrade cost estimates as incorporated into the offer;
- Fuel supply and firm transportation arrangements, where applicable; and
- Project development risk factors and mitigation plans.

Offers are unit specific. A respondent offering multiple resources must submit a separate offer for each unit; units may not be combined into a single blended offer. The offered price (\$/MW-day UCAP) for each Delivery Year is fixed for the duration of the commitment.

~~Offered UCAP MW for each Delivery Year must be consistent with the resource's ICAP and expected accreditation.~~ Each resource's maximum bid in UCAP is limited to no greater than 120% of the resource type's most recent maximum Preliminary ELCC Class Ratings for 2028/2029 through ~~the last posted Delivery Year~~ 2042/2043, or based on the resource's maximum estimated unit-specific ELCC ratings across such period for resources with no ELCC Class Rating, multiplied by the resource's ICAP.

- For Variable and Limited Duration resources, the ICAP shall be the Effective Nameplate Capability for purpose of calculating the maximum UCAP allowed in an RBP Sell Offer.
- For all resources, the UCAP offered must be supported by new CIRs, or CIRs transferred from a deactivated resource or a resource that announced deactivation as of April 10, 2026.

3.4 Credit and Collateral Requirements

Prior to or simultaneously to sell offer submission, respondents must post credit and collateral in accordance with the existing PJM RBP framework, which follows Tariff, Attachment DD, section 18.8. This credit requirement is specific to each offered RBP Resource and is designed to cover three years of RBP shortfall charges for that resource. All credit requirements must be posted prior to or simultaneously to submitting an RBP Sell Offer for such offer to be considered in the selection process.

Each RBP Resource seeking to submit an RBP Sell Offer in the Reliability Backstop Procurement is subject to the below credit requirement:

Required collateral for supply side is calculated as:

$$\text{Credit requirement} = \sum_{n=1}^3 0.2 \times (\text{RBP Sell Offer Price in } \frac{\$}{\text{MWDay}})_n \times (\text{UCAP in MW})_n \times 365$$

where n = Delivery Year

The total RBP credit requirement for each RBP Seller shall be the sum of the credit requirements for all RBP Sell Offers submitted by such RBP Seller in the Reliability Backstop Procurement.

The credit requirement provides three years of shortfall-charge coverage as operational financial assurance in the event the project is delayed or does not achieve COD.

Collateral must be posted in the form of **either** cash or letter of credit.

Letters of Credit (LC)

PJM's standard form [\(template\)](#) of letter of credit (LC) must be utilized and both the form of letter of credit and issuing bank must be approved by PJM prior to issuance and in advance of submitting a sell offer.

Standard ~~Form (template)~~Form

LCs must be issued using the PJM standard ~~form-template~~. Variations are strongly discouraged and must be approved by PJM prior to final execution and the opening of the procurement bid window.

PJM highly recommends that all LCs be sent to PJM in final but **unexecuted form** for review prior to issuance, so that PJM may review both the LC and the bank for acceptability.

Email ~~rbp_collateral@pjm.com~~ RBP_Collateral@pjm.com for approval of the LC form, with the subject line: *RBP - Letter of Credit Modification Approval*.

Acceptable Financial Institutions (LC Issuing Bank)

The letter of credit **will only be accepted** from:

- U.S.-based financial institutions or U.S. branches of foreign financial institutions
- Bank must have a minimum corporate debt rating of "A" by Standard & Poor's or Fitch Ratings, or "A2" from Moody's Investors Service. PJM will consider the lowest applicable rating to be the rating of the financial institution. Any questions regarding whether a financial institution is acceptable or not should be addressed to RBP_Collateral@pjm.com.

~~An LC must be issued by a domestic financial institution ("bank") that has either a senior unsecured, issuer or senior secured rating not less than "A" (not "A-") by S&P or Fitch, or "A2" from Moody's, or an equivalent short term rating of not less than "A-1+" by S&P. All other short term ratings are currently not acceptable.~~
A List of issuing banks may be found at pjmbackstop.com.

Approval of an issuing bank is required prior to execution of an LC. ~~any~~ Any new issuing bank should be sent to PJM along with the form of LC prior to issuance, so that PJM may review the bank and form for acceptability. Email RBP_Collateral@pjm.com ~~rbp_collateral@pjm.com~~ for the review LC, with the subject line: *RBP – Financial Institution Approval*

If an approval is needed of both the financial institution and modifications to the LC, please use the subject line: *RBP – LC Modification and Financial Institution Approval*.

Cash

Cash collateral may also be posted. For bank instructions, contact PJM's Treasury department at: cashmanagement@pjm.com with the subject line: *RBP – Cash Collateral Transfer Details*

Collateral Return

Following the release of the selection results, RBP Resources that do not receive a commitment through the Reliability Backstop Procurement collateral will be returned upon request and within 5 business days. Requests may be submitted to RBP_Collateral@pjm.com ~~rbp_collateral@pjm.com~~ with the subject line: *RBP – Collateral Return Request*. In the body of the email include the amount of collateral posted for the procurement and the resource name. Those collateral returns will be facilitated by PJM Credit.

3.5 Interconnection Review

There will be no restriction on participation in the RBP imposed by the interconnection process. If an offer is selected for a generation project, the project must proceed through the standard cycle process to obtain the appropriate interconnection service agreement. RBP Sellers will be responsible for all actual Network Upgrade costs as determined through the interconnection process, without subsequent adjustments to RBP Sell Offers.

3.6 Deficiency Review and Cure Process

As bids are received, the Evaluation Team will conduct a deficiency review of each submission for completeness against the mandatory fields and documentation specified in Section 3 and the gating criteria in Section 4.1.

Where deficiencies are identified, the respondent will be notified in writing at the primary contact e-mail address provided. Respondents will have a 5-calendar-day cure period to correct the deficiency and resubmit the affected materials. The cure period begins on the date PJM notifies the respondent of the deficiency. The opportunity to cure a deficiency shall not extend past the close of the bid submission window. Under no circumstances will there be a deficiency cure period beyond five calendar days. Participants are encouraged to submit their bids as early in the window as practicable.

Deficiencies not cured within the earlier of the 5-calendar-day period, or by the end of the bid submission window, will result in the affected submission not passing through to Stage 2 selection. The cure period permits correction of missing or incomplete required documentation only; it does not permit material changes to substantive offer terms (including COD, offer price, or credit posting).

Following the cure period, PJM will review any supplemental materials submitted and determine whether the identified deficiencies have been satisfactorily addressed. Offers with unresolved material deficiencies may be deemed incomplete and removed from further consideration.

4. Evaluation and Selection

Offers will be evaluated in a two-stage approach:

- (i) A gating criteria evaluation that offers will pass or fail, and
- (ii) For offers that pass gating, a selection process for commitment.

Selection will be conducted at the RTO level, subject to the finalized procurement target.

4.1 Gating Criteria

Stage 1 gating consists of general threshold criteria that apply to all offers, plus resource-type-specific documentation requirements. Failure to satisfy either category will result in the offer not passing through to Stage 2 selection.

General threshold criteria (all offers):

- Meet the "new" resource eligibility criteria described in Section 3.1;
- Include a COD no later than June 1, 2032;
- Provide information sufficient to assess the credibility of the proposed COD, including site control, permitting status, financing plans, major equipment procurement strategy, and fuel or

infrastructure arrangements, where applicable, and satisfactorily address any material deficiencies identified through the deficiency review and cure process;

- Include complete mandatory fields as specified in Section 3; and
- Demonstrate posting of credit requirement per Section 3.4.

Confidential and commercially sensitive information. Documentation submitted under this Section may be redacted to protect confidential and commercially sensitive terms — including but not limited to pricing, cost of capital, financial covenants, customer identities, landowner identities, vendor identities, and other commercial economics — provided that the redactions do not materially impair the Evaluation Team's ability to assess the credibility of the required evidence. Respondents should mark redacted materials as "Confidential" and submit any redaction rationale as a covering explanation where useful.

Resource type specific documentation. In support of the credibility assessment above, offers must additionally provide the following documentation tailored by resource type:

All generation and energy storage resources:

#	Criterion	Required evidence / minimum standard
1	Critical path construction schedule with attestation	<i>Required evidence:</i> • For projects in TC2 and earlier: most current PJM interconnection study report. • For projects in Cycle 1, EIT, or not under study: independent consultant report from a qualified engineering firm. <i>Minimum standard:</i> Schedule must demonstrate COD achievable by June 1, 2032, with milestones internally consistent across permitting, procurement, and financing timelines.
2	Evidence of 100% Site Control for each of the Generating Facility (including the location of the main step-up transformer), the Interconnection Facilities, and the Interconnection Switchyard (as defined in the PJM Manuals) for a term of at least three years from the date of submission of the Application. Evidence of site control shall be consistent with Tariff, Part VIII, Subpart A, section 402 and the acreage requirement for the Project, as set forth in the PJM Manuals	<i>Required evidence:</i> • A certification, executed by an officer or authorized representative of the Generation Project Developer, verifying that the Site Control requirements have been met. • Executed lease, purchase agreement, option, or easement covering the full project footprint (signature and execution pages required; commercial terms may be redacted). • Site control matrix identifying parcel, instrument type, execution date, term, and any conditions precedent. • At PJM's request, copies of landowner attestations or county recordings

		<i>Not acceptable:</i> Letters of intent or non-binding term sheets.
3	Financing plan	<i>Required evidence:</i> - Financing plan identifying: (i) financing sources by type (commercial debt, institutional equity, tax equity, sponsor equity); (ii) expected capital structure; (iii) timeline to financial close consistent with COD. - Supporting engagement documentation: mandate letters, non-binding proposals, commitment letters, or executed term sheets (pricing and commercially sensitive covenants may be redacted). <i>Minimum standard:</i> Evidence of active engagement beyond preliminary discussions; credible plan for financial close ahead of COD.
4	Permitting plan covering, at minimum: - Air permits (PSD, Title V, or state equivalent); - Water permits (NPDES, water withdrawal, or state equivalent); - State siting approval or CPCN; - Local zoning and land use approvals; - Federal approvals (FERC, USACE §404, endangered species), if required	<i>Required evidence:</i> - Permitting matrix identifying each applicable permit, current status (not filed / filed / under review / issued / N/A), expected filing and issuance dates, and critical path items. - For permits filed, under review, or issued: filed application, agency correspondence, and any approvals or denials. - For permits not yet filed: narrative describing filing strategy, prerequisites, and timeline. <i>Minimum standard:</i> No gating on issuance itself, but the plan and supporting documentation must be complete across applicable categories and demonstrate a credible path to issuance ahead of COD.
5	Major equipment procurement	<i>Required evidence:</i> - Procurement schedule identifying long-lead items (turbines, transformers, HRSGs, battery modules, inverters, as applicable), expected order dates, and delivery windows consistent with COD. - For items already under procurement: signed purchase orders/memorandums, executed reservation agreements, or invoices reflecting deposits paid (pricing and vendor-specific terms may be redacted).

		<i>Not acceptable:</i> Letters of intent with equipment vendors.
6	EPC experience with similar-size and technology project	<i>Required evidence:</i> • Demonstrated experience by respondent, its affiliate, or a contracted EPC partner in constructing at least one commercially operational project of comparable technology and scale, with COD within the last 10 years (5 years for storage). • Documentation should include project name, location, nameplate capacity, technology, in-service date, and role played (owner, EPC contractor, etc.). <i>Minimum evidentiary standard:</i> PJM will assess comparability qualitatively, considering technology similarity, project size, recency, and complexity.

Natural gas resources — additional:

#	Criterion	Required evidence / minimum standard
1	Pipeline capacity to support the project	<i>Required evidence:</i> • At minimum, a notice of intent or attestation of pipeline capacity expansion sufficient to support the project's fuel requirement. • Executed precedent agreements, firm transportation service agreements, or equivalent firm arrangements are also acceptable and provide stronger evidence. <i>Not acceptable:</i> Non-binding capacity reservations without an underlying attestation from the pipeline operator.

Out-of-PJM and pseudo-tie resources — additional:

#	Criterion	Required evidence / minimum standard
1	Completed facilities study (or equivalent) from host RTO/utility, plus	<i>Required evidence:</i>

	pseudo-tie process status (for pseudo-tie resources)	- Facilities study report or equivalent from the host RTO or utility, identifying required network upgrades and estimated costs. - For pseudo-tie resources: documentation of pseudo-tie request status, including submission date, host RTO/utility acknowledgment, PJM acceptance letter (if issued), and expected pseudo-tie effective date consistent with COD. <i>Minimum Standard:</i> Study should be of recent vintage; for studies older than 24 months, respondent should provide an update, restudy, or attestation confirming that study assumptions remain materially unchanged.
2	Long-term firm point-to-point transmission service, or confirmed transmission service request with completed system impact study, sufficient to deliver capacity to the PJM border; <u>and Network External Designated Transmission Service (NEDTS) within PJM</u>	<i>Required evidence:</i> Executed transmission service agreement with the host transmission provider, or confirmed transmission service request submitted through the applicable host RTO/utility process (<u>e.g., OASIS in neighboring balancing authority OASIS</u>) with a completed system impact study demonstrating deliverability to the PJM border. <u>In addition, a confirmed transmission service reservation for NEDTS in PJM OASIS.</u>
3	External resource capacity commitment attestation	<i>Required evidence:</i> Attestation from an officer of the respondent that the resource will not be committed as a capacity resource in any other RTO/ISO capacity market for Delivery Years covered by the RBP commitment, and that any external capacity revenue arrangements will be subordinate to the RBP commitment.

Demand Response and DER:

#	Criterion	Required evidence / minimum standard
1	Locations by Zone/Sub-Zone <u>and LDA</u> and aggregate capacity, electrically within PJM	<i>Required evidence:</i> - Site-by-site table identifying each participating site by PJM zone/sub-zone, EDC territory, customer type/sector, and expected <u>MW commitment/curtailment/injection capability</u> per site. - Aggregate offered MW summarized by zone <u>and, if applicable, sub-zonal LDA.</u> - ELCC class of each component.

2	EDC coordination — DER: interconnection/distribution impact study requirements and initiation plan. DR: metering, telemetry, and baseline measurement	<i>Required evidence:</i> - For DER: EDC interconnection application submitted (or evidence of pre-application coordination), plus initiation plan for any required distribution impact study. - For DR: Executed EDC coordination agreement or evidence of prior EDC coordination for the affected sites, covering metering, telemetry, and baseline measurement.
3	Prior DR/DER registration and performance history in PJM or equivalent market (including PAI or equivalent dispatch performance)	<i>Required evidence:</i> Documentation of prior DR/DER registration history, including registration dates, MW registered, and historical performance during PJM Performance Assessment Intervals (PAIs) or equivalent dispatch events. <i>Minimum standard:</i> Minimum three years of registration history in PJM or an equivalent market. Material performance shortfalls during prior PAIs or equivalent events will be considered adverse in Stage 2 selection assessment.
4	Enrollment and deployment schedule (customer acquisition, equipment, metering, EDC coordination, PJM registration)	<i>Required evidence:</i> Deployment schedule identifying, by phase or by DY: — Customer acquisition and contracting milestones — Metering and telemetry installation — EDC coordination completion — PJM registration/enrollment — Full commercial operation date <i>Minimum standard:</i> Milestones must be internally consistent with COD, customer agreement status (Criterion 5), and equipment procurement plan (Criterion 6).
45	<u>Executed customer agreements or binding site-level commitments covering the proposed RBP UCAP</u>	<i>Required evidence:</i> Documentation binding the respondent (or its counterparties) to make the identified MW available at the

	<u>MW commitment</u> for the full 15-year term	specified sites for the full 15-year term. Acceptable forms include: • Executed customer agreements (for third-party CSPs, DERAs, aggregators); • Executed operating agreements with EDCs or PJM (for self-providing respondents); • PJM-DR/DER registration with binding officer signature covering the offered MW; or • Equivalent executed commercial arrangements committing the sites and MW. <i>Minimum standard:</i> A substantial majority of the offered MW must be supported by executed customer agreements at the time of offer submission. Balance may be supported by binding commitments with a credible enrollment plan per Criterion 4. <i>Not acceptable:</i> Letters of intent, internal memoranda, or non-binding commitments.
56	Equipment procurement plan or evidence of deployed infrastructure	<i>Required evidence:</i> • Procurement schedule identifying long-lead items (metering equipment, telemetry, load control devices, SCADA, and DER major equipment as applicable), expected order dates, and delivery windows consistent with COD. • For items already under procurement: signed purchase orders, executed reservation agreements, or invoices reflecting deposits paid. <i>Not acceptable:</i> Letter of intent with equipment vendors.

4.2 Selection Methodology

RBP Sell Offers that pass gating will be selected in rank order from:

1. Earliest to latest based on the first Delivery Year offered; and then
2. Least-cost order based on levelized cost (\$/MW-day) of UCAP MW over the fixed 15-year term

until the Final RBP Target is satisfied for any Delivery Year up through the 2032/2033 Delivery Year, while ensuring the MW-weighted average of the levelized procurement cost of all selected RBP Sell Offers shall not exceed the maximum willingness to pay of \$555/MW-day UCAP levelized cost.

The levelized cost of each offer is calculated as:

Levelized Cost (\$/MW-day) = Net Present Value (RBP Sell Offer price x UCAP offered)/Net Present Value (UCAP offered)

using a discount rate of 9.5% after-tax weighted average cost of capital (ATWACC), consistent with the value used in the 2025 Periodic Review of Variable Resource Requirement Curve Shape and Key Parameters.

The maximum willingness to pay is a constraint applied across RBP Sell Offers during the selection to ensure the MW-weighted average of the levelized cost of all selected offers does not exceed \$555/MW-day UCAP. This results in the cost to load being allocated RBP Charges not exceeding \$555/MW-day levelized cost, on average, over the 15-year term. This is not a price cap on individual offers. Some offers that are ultimately selected may have levelized costs higher or lower than \$555/MW-day.

PJM will not partially clear resources; RBP commitments are for the full offered UCAP.

In selecting the least-cost solution that satisfies the Final RBP Target and the cost of procurement constraint, PJM may commit an RBP Sell Offer with an offered quantity that exceeds the remaining Final RBP Target to the extent such solution provides greater economic efficiency than an alternative solution that satisfies the requirements and constraints.

If PJM cannot meet the target MW with available offers, PJM will clear short of the target.

In the event that two or more RBP Sell Offers with the same initial offered Delivery Year and levelized cost, and fewer than all of such offers are needed to satisfy the Final RBP Target, the RBP Sell Offer(s) proposing resources based on the earliest timestamp of such RBP Sell Offer(s) will be selected.

4.3 Product Definition and Term

The RBP procures long-term commitments for capacity-only UCAP for a fixed 15-year term. The default term runs from the 2028/2029 Delivery Year through the 2042/2043 Delivery Year. Resources with a commercial operation date later than 2028/2029 will result in a shorter commitment; RBP commitments will not extend past the 2042/2043 Delivery Year.

5. RBP Window Submission Instructions

RBP Sell Offers, submissions for Qualifying RBP Offset UCAP MW, and Electric Distributor opt-outs must be submitted via the corresponding online form provided by the Evaluation Team. Instructions will be available on pjmbackstop.com. For questions regarding submissions, please contact pjmbackstop@crai.com. Respondents with submissions larger than 10 MB, should contact pjmbackstop@crai.com for instructions on the secure large file sharing option. Offers must be received no later than October 21, 2026, 12:00pm ET. Late submissions will not be accepted.

6. Settlement Structure

[Placeholder]

7. Cost Allocation of RBP Charges, Credits, and Shortfall Charges

[Placeholder]

8. RBP Resource Obligations

An RBP Resource committed through the Reliability Backstop Procurement is subject to the obligations set forth in **Attachment DD, Section 18.6 of the PJM Open Access Transmission Tariff**.

9. Exiting Transmission Owner RBP Obligations

[Placeholder]

10. Credit Requirements for LSEs Allocated RBP Charges

[Placeholder]

11. RBP Default Allocation

[Placeholder]