

Reliability Backstop Procurement Execution

Post-CIFP Workshop

PJM Staff & Charles River Associates

September 14, 2026

Disclaimer: While materials are current at the time of publishing, applicable requirements may change. PJM Governing Documents control.

- This presentation is intended to facilitate discussion about the details of executing the Reliability Backstop Procurement, as filed on July 31, 2026 (ER26-3380).
- Draft manual language is posted with these slides. PJM will update this language between workshops based on stakeholder feedback.

8/10/2026 Workshop (see appendix)

- Determination of Final RBP Target and Electric Distributor zone/area allocations
- Submission window details for RBP Sell Offers
- Selection Process
- Capacity Must Offer Obligation

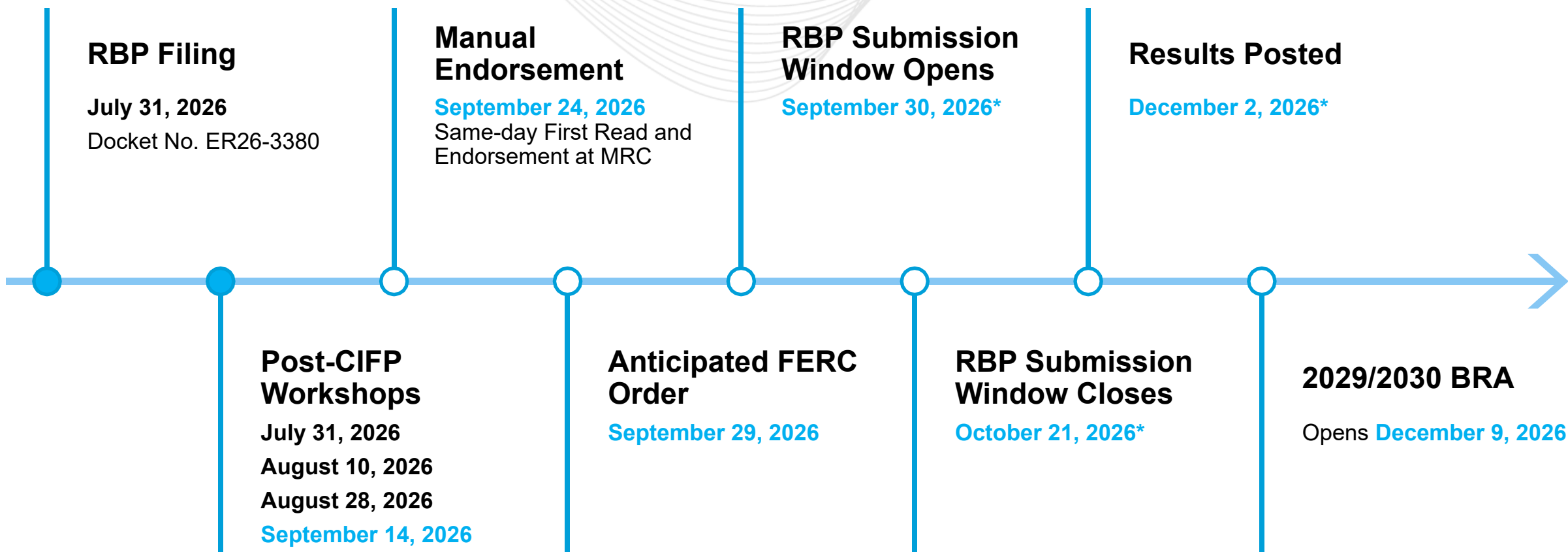
8/28/2026 Workshop (see appendix)

- Key date reminders and clarifications on some 8/10 topics
- Settlements
- Delivery Year obligations
- Cost allocation to LSEs
- LSE credit requirement

9/14/2026 Workshop

- LSE Credit Requirement Clarifications
- RBP Application Participant Training

General Timeline for Reliability Backstop Procurement



*Contingent upon FERC approval of ER26-3380

Key Dates for Final RBP Target Determination

	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 estimates communicated to submitting parties to inform RBP Window submission of Qualifying RBP Offset UCAP MW	PJM	9/14/2026	9/14/2026
3	Last day submit form for unit-specific ELCC analysis, if not submitted by 8/25. 2028/2029 ELCC estimates to be communicated no later than 10/14/2026.	Electric Distributors, LSEs, interconnecting customers, large loads, Transmission Owners, or other entities	9/30/2026	9/30/2026
4	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 EPT
5	Window to request opt-out	Electric Distributors	9/30/2026	10/21/2026 12:00pm EPT
6	Communication with participants for clarifications on evidence submitted, and approval or denial of Qualifying RBP Offset UCAP MW and opt-outs	PJM & CRA	9/30/2026	11/18/2026
7	Final RBP Target and Electric Distributor zone/area allocations posted	PJM & CRA	11/18/2026	11/18/2026
8	RBP results posted	PJM & CRA	12/2/2026	12/2/2026

	Activity	Responsible Party	Start	Stop
1	Request for configuration information for RBP Resources that will not have Preliminary Class Ratings for 2028/2029 through 2042/2043* and require unit-specific ELCC analysis	RBP Sellers	8/11/2026	8/25/2026
2	Preliminary Class Ratings for 2028/2029 through 2042/2043* posted	PJM	8/31/2026	8/31/2026
3	Advisory deadline to 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 2042/2043* to RBP Sellers to inform submission of RBP Sell Offers	PJM	9/14/2026	9/14/2026
5	Last day submit form for unit-specific ELCC analysis, if not submitted by 8/25. ELCC values for 2028/2029 through 2042/2043* to be communicated no later than 10/14/2026.	RBP Sellers	9/30/2026	9/30/2026
6	Window to submit RBP Sell Offers and post credit requirement	RBP Sellers	9/30/2026	10/21/2026 12:00pm EPT
7	Provide notice of deficiencies in RBP Sell Offers	PJM & CRA	9/30/2026	10/21/2026 12:00pm EPT
8	Cure deficiencies in RBP Sell Offers in 5 calendar days from notice	RBP Sellers	9/30/2026	10/21/2026 12:00pm EPT
9	Communication of final gating pass/fail determinations to RBP Sellers	PJM & CRA	11/18/2026	11/18/2026
10	Return of credit requirement for RBP Sell Offers that do not pass gating	PJM	11/25/2026	11/25/2026
11	Post results	PJM & CRA	12/2/2026	12/2/2026
12	Communicate final selection determinations to RBP Sellers	PJM & CRA	12/2/2026	12/2/2026
13	Return of credit requirement for RBP Sell Offers that are not selected	PJM	12/9/2026	12/9/2026

* In alignment with the 15-year term of the RBP, Preliminary Class Ratings and unit-specific ELCC projections will also be for 15 years.

LSE Credit Requirement

Disclaimer: While materials are current at the time of publishing, applicable requirements may change. PJM Governing Documents control.

Peak Market Activity (PMA) differs RBP Credit Requirement*

	PMA	RBP
Risk Focus	Short-term transactional – volatility & price spikes during market driven events	Long term asset delivery & contractual default.
Time Horizon	Rolling (greatest invoice amount) past, one, two, three or four-week period (backward-looking).	Up to 15-year (forward-looking).
Trigger Mechanism	Scales up when wholesale power prices surge.	Fix based on the total MW committed (DY).
Objective	Mitigates LSE from accumulating uncollateralized invoice during extreme energy price spikes in the event a LSE defaults before its invoice is settled/paid.	Prevents LSE from walking away from its long-term funding obligation. Ensures the cost of the 15-year capacity build remains anchored to the entity that triggered the reliability need, protecting rate payers.

- RBP credit requirement is not “duplicative” of Peak Market Activity
- Peak Market Activity manages immediate, rolling operational risk from daily transactions based upon a rolling, **backward-looking** billing history
- RBP credit requirement is to cover **forward-looking** risk over a long-term, up to 15-year commitment to sellers

**as related to LSEs*

Credit Requirement

Buyer's (LSE) RBP credit requirement is a function of two inputs: **RBP credit rate** and **RBP UCAP MW committed**

Credit Rate x RBP UCAP MW Committed

- **Credit rate***: \$1.5 million
- **RBP UCAP MW committed**: level of RBP UCAP MW for which an LSE is allocated cost responsibility submitted for the buyer by the EDC

Notes

- PJM will apply this rate to set the RBP credit requirement for each LSE allocated cost responsibility for a given Delivery Year.
- Committed MW is equal to the generation that is coming online for that delivery year.

Form of Collateral (either)

Cash deposit or letter of credit (PJM approved form and issuing bank)

Timing

Prior to 45 days before the start of a delivery year

* *Credit Rate* - based on an auction clearing price of \$555

Credit Requirement

For buyers serving load in an Electric Distributor zone/area in which no RBP obligations have been reported

- Buyer may be required to post, or maintain an existing, RBP Collateral equal to the product of the RBP Credit Rate multiplied by the allocated RBP UCAP MW
- Load Serving Entity may be assessed an unreasonable credit risk under the Unreasonable Credit Risk provisions of Tariff, Attachment Q, Section II, and may be required to post collateral as appropriate

Notes:	To determine the amount of collateral the credit rate may utilize
Form of Collateral (either):	Cash deposit or letter of credit (PJM approved form and issuing bank)
Timing:	Prior to 45 days before the start of the delivery year

The transferee LSE **must satisfy the credit requirements** associated with taking on such load serving obligation, including any cost allocation for the RBP UCAP MW associated with such transferred.

Transferring LSE remains financially responsible until the receiving LSE has posted the required collateral and assumed responsibility for the transferred obligations.

Transferring LSE would then be released from its financial obligations once:

- (i) The new LSE has posted the RBP collateral.
- (ii) Any unpaid invoice amounts associated with such transfer have been paid by the transferor.

Timing

- EDC or LSE is responsible to submit transfer of load notification to PJM no later than 15 business days before the effective day of load transfer
- Collateral must be posted no later than 7 business days in advance of the expected transfer effective date

Agenda

- Response Form Overview
- Account Set Up
- Form Completion Overview
- Participant Details
- Project Details
- Bid Submission Details
- Gating Criteria
- Additional Information



Response Form Overview

The forms capture submissions & supporting evidence for the Evaluation Team review.

OVERVIEW

Purpose

Sell Offers: Collects the participant, project, bid, collateral, and gating information required from parties submitting offers into the PJM Reliability Backstop Procurement (“RBP”).

Offsets: Collects information on the load to be offset, Qualifying RBP Offset UCAP MW, and supporting evidence.

Opt-Outs: Collects information on the load to be opted out and supporting evidence.

How submissions are reviewed

PJM and CRA (the “Evaluation Team”) use the information to evaluate submission compliance and support economic and qualitative screening. Gating requirements are assessed before an offer proceeds to selection assessment.

KEY DATES & TERMS

SEPTEMBER 30, 2026	RBP application opens
OCTOBER 21, 2026	Responses due by 12:00 p.m. ET
OCTOBER 22, 2026	Selection process begins
DECEMBER 2, 2026	Selection results released
DECEMBER 9, 2026	2029/2030 BRA opens (commitments finalized prior

5 CALENDAR DAYS	Potential cure period for identified deficiencies, subject to the bid-window deadline
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Confidentiality: Information submitted in response to this RBP will be treated in accordance with applicable PJM confidentiality provisions. During the RBP process, PJM and its agents (CRA) may disclose information to limited parties to facilitate economic and qualitative screening, subject to written confidentiality agreements.

Questions: pjm_cra_rbph hotline@pjm.com

Participants can access the RBP Response Form through the link.

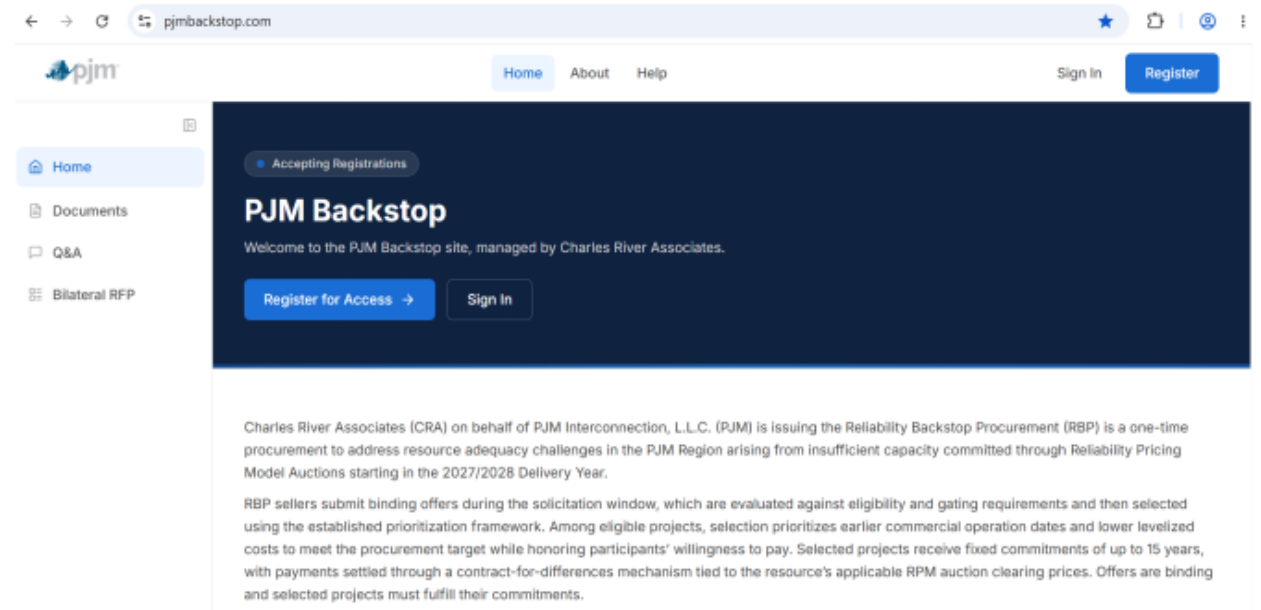
FORM INFORMATION

Will be sent out to all Market Participants and posted on pjmbackstop.com

A PDF version for review is posted on the information website. The final form link will be available on September 30 when the bid window opens.

Submissions must be completed through the online form, not by filling out and emailing the PDF.

WEBSITE



Participants must create an account before completing a response.

1 TO CREATE AN ACCOUNT, CLICK SAVE

Reliability Backstop Procurement Response Form

Prepared by Charles River Associates on behalf of PJM Interconnection, L.L.C. | September 2026

Instructions

Purpose

This form is for parties participating in the PJM Reliability Backstop Procurement (RBP).

Field Requirements

Fields marked with * (asterisk) are MANDATORY.

Confidentiality

Information submitted in response to this RBP will be treated in accordance with applicable PJM confidentiality provisions. During the RBP process, PJM and its agents (CRA) may disclose information to limited parties to facilitate economic and qualitative screening, subject to written confidentiality agreements.

Responses Due

All responses are due by October 21, 2026 at 12pm ET.

Binding

This is for binding bids. Once capacity is cleared in this procurement, it is firm.

Contact

For questions, contact pjmbackstop@crai.com.

Save

Next

2 SIGN UP WITH EMAIL



 **Sign up with Email**

Already have an account? [Log in](#)

3 FILL IN DETAILS – PLEASE USE THE PRIMARY CONTACT NAME

Sign up with Email

 More sign up options

Name

John Smith

Email

johnsmith@crai.com

Password

••••••••



Save Submission

Already have an account? [Log In](#)

Once registered, participants can access, save, and update their response until submission.

ACCOUNT INFORMATION – CLICK THE CRA LOGO



Update Account and General Information

Account		
Password	Reset Password	
Name	John Smith	Edit
Phone Number		Edit
Email	johnsmith@crai.com	

ONCE SAVED, CAN CONTINUE TO EDIT FORM UNTIL SUBMISSION



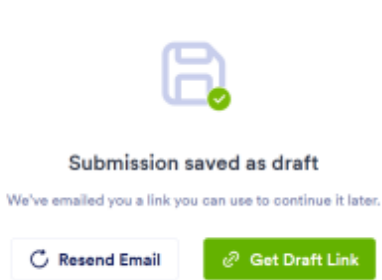
Reliability Backstop Procurement Response Form

[Discard Draft](#) [Continue Filling](#)

Form Completion Overview

Once registered, participants can access, save, and update their response until submission.

EVERYTIME THE FORM IS SAVED, AN EMAIL WILL BE SENT TO THE PARTICIPANT



EXAMPLE EMAIL



EMAILS WILL COME FROM

Charles River Associates noreply@formresponse.com

Please make sure to check spam/junk

ALWAYS SAVE THE FORM BEFORE CLOSING, IT DOES NOT SAVE AUTOMATICALLY

Form Completion Overview

All required fields must be filled in before submission.

ERROR MESSAGE

There is **1** error on this page. Please correct it before moving on.

[See Errors](#)

PJM Org ID *

If no existing Org ID, enter 0

Existing PJM org ID - the account under which the participant will be participating in the PJM Markets - if available

! This field is required.

ERROR FIXED MESSAGE



Well done! All errors are fixed.

[Done](#)

Form Completion Overview

Submissions are final.

PLEASE REVIEW FORM BEFORE SUBMISSION.

Submission Page

Please confirm all answers are correct before submitting. For any questions, please submit via the Q&A section on the website: pjmbackstop.com.

Back

Save

Review Answers

Submission Page

Please confirm all answers are correct before submitting. For any questions, please submit via the Q&A section on the website: pjmbackstop.com.

Back to Form

Print

Submit

UPON SUBMISSION, AN EMAIL WILL BE SENT WITH ALL RESPONSES.

Thank you for your submission, John Smith

Inbox x

Charles River Associates
to me

9:23 PM (28 minutes ago)



Submission Confirmation

Thank you for your submission to the Reliability Backstop Procurement Response Form.

We have received your submission for the PJM Reliability Backstop Procurement. Please review the details below for your records. If you need to make any changes or have questions, please refer to the instructions provided or contact the project team through the official channels.



Thank You!

Your submission has been received.

Visit pjmbackstop.com for more information.

Participant details establish the bidding entity and key contacts.

Corporate identity

Legal entity / developer
DBA and parent company
Taxpayer ID / FEIN
Dunn & Bradstreet number

PJM membership

Member status
Member ID and name
Dunn & Bradstreet number

Points of contact

Primary contact
Market operator contact
Credit contact

Banking & Tax details

TIN / FEIN
Company W9
Bank and account name
ABA routing number
Account number

How the Evaluation Team Uses This Information

Verify bidder eligibility and ownership
Identify the appropriate contacts for communications
Support collateral reviews, settlements, and urgent requests

Project details define the resource, location, status, and offered capacity.

Identify

Project and RPM resource identifiers; PJM organization information

Location

Zone, state/province, queue number, generator name, and point of interconnection

Status & Attributes

Interconnection phase, CIRs and transfers, pseudo-tie, and DER status

Size & Time

Expected COD; new or uprate; ICAP, MFO, total ICAP, and ELCC class

Commitment

Unit-specific ELCC request; prior FRR/RPM commitment; BRA NOI status

Bid submission pairs annual UCAP quantities with offer prices and collateral.

Annual offer schedule

Enter MW quantity (UCAP) and price (\$/MW-day UCAP) for each delivery year from 2028/2029 through 2042/2043.

Enter 0 for years before project COD and after the conclusion of the offered term.

Collateral confirmation

Provide the dollar amount posted.

Confirm whether collateral was posted before or simultaneously with the bid and identify the collateral type.

<u>2028/29</u> UCAP (MW) Price (\$/MW-day)	<u>2029/30</u> UCAP (MW) Price (\$/MW-day)	<u>2030-31</u> UCAP (MW) Price (\$/MW-day)	<u>2031-32</u> UCAP (MW) Price (\$/MW-day)	<u>2032-33</u> UCAP (MW) Price (\$/MW-day)
<u>2033-34</u> UCAP (MW) Price (\$/MW-day)	<u>2034-35</u> UCAP (MW) Price (\$/MW-day)	<u>2035-36</u> UCAP (MW) Price (\$/MW-day)	<u>2036-37</u> UCAP (MW) Price (\$/MW-day)	<u>2037-38</u> UCAP (MW) Price (\$/MW-day)
<u>2038-39</u> UCAP (MW) Price (\$/MW-day)	<u>2039-40</u> UCAP (MW) Price (\$/MW-day)	<u>2040-41</u> UCAP (MW) Price (\$/MW-day)	<u>2041-42</u> UCAP (MW) Price (\$/MW-day)	<u>2042-43</u> UCAP (MW) Price (\$/MW-day)

Binding: Once capacity is cleared in the procurement, it is firm.

Gating criteria are evaluated on a pass/fail basis before selection assessment.

Offers missing required evidence may not proceed. Identified deficiencies must be cured within five calendar days, but not after the bid window closes.

Core evidence

Critical-path schedule and COD; financing; site control; permits; equipment; applicable study; comparable experience

Conditional evidence

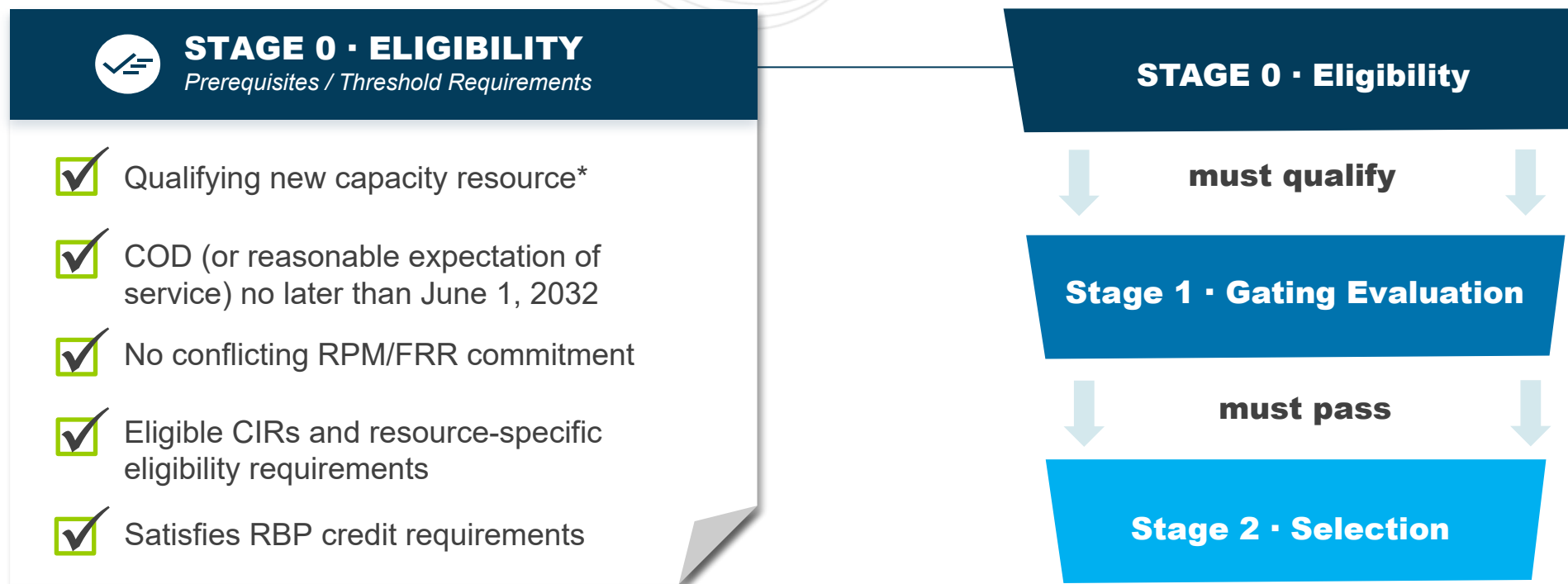
Cycle-specific studies; natural-gas delivery arrangements; outside-PJM studies and transmission service; DR / DER customer, equipment, distributor, metering, and telemetry evidence

Documentation matters

Supporting attachments, certifications, and attestations are central to the pass/fail gating review.

Eligibility Prerequisites & Evaluation

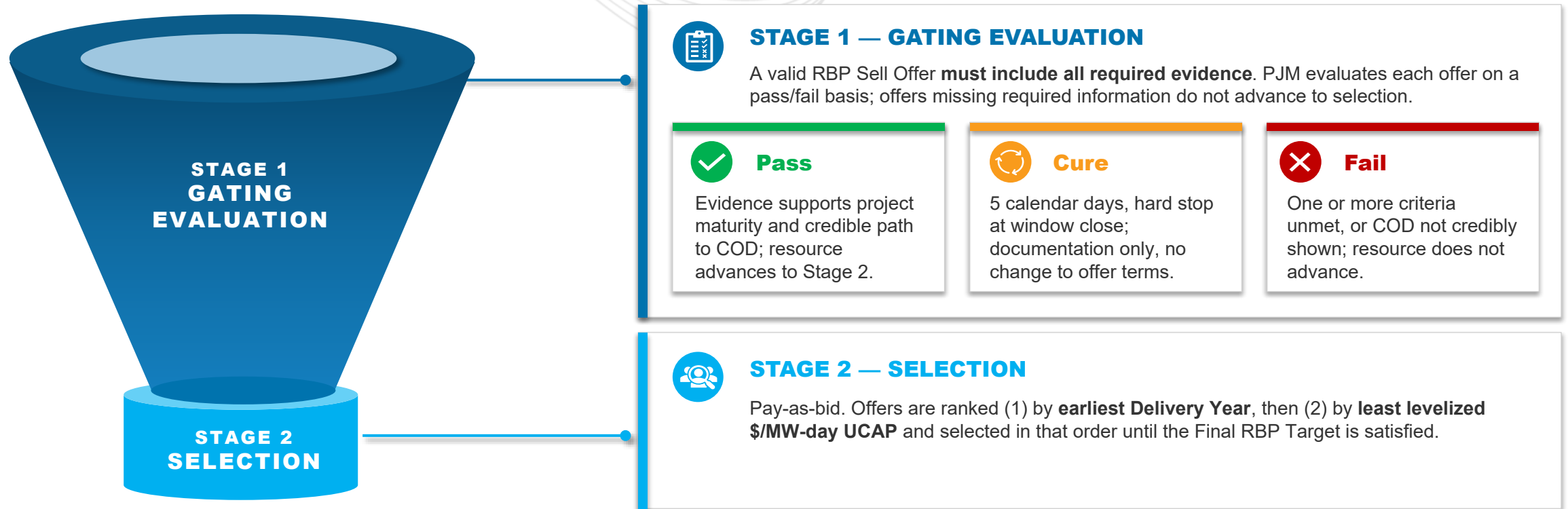
Resources must first satisfy initial eligibility requirements prior to PJM's gating review.



* A "new capacity resource" (*per Tariff, Att. DD §18.5(a)–(d)*) brings new ICAP to the system; never previously committed to provide capacity (no RPM/FRR commitment); not the subject of a cleared NOI through 2028/2029; and not supplying Qualifying RBP Offset UCAP MW.

Evaluation and Selection

Selection is two-stage: Only resources with a credible path to COD advance to selection.



Key Parameters

Levelized cost at 9.5% ATWACC

MW-weighted cap \$555/MW-day UCAP



Generation & Storage

1. **Construction schedule** — Critical-path schedule to COD by **June 1, 2032**
2. **Interconnection** — Study and timeline matched to queue position
3. **Site control** — 100% control for at least three-years from the date of submission
4. **Financing** — Funding sources and timeline to financial close
5. **Permitting** — All permits, status, and timeline to obtain
6. **Equipment procurement** — Signed evidence of major-equipment procurement
7. **EPC experience** — Comparable build record, self or contracted partner
8. **Fuel delivery** (*gas only*) — Pipeline capacity to serve the project
9. **External deliverability** (*outside PJM*) — Host-region study plus firm transmission to the PJM border



Demand Response & DER

1. **Locations & capacity** — By Zone / Sub-zonal LDA, with aggregate MW
2. **Customer commitments** — Executed agreements or binding commitments covering offered MW, with locations and customer names
3. **Enabling infrastructure** — Equipment procurement plan or deployed metering, telemetry, load control, SCADA
4. **DER coordination** (*DER only*) — Electric Distributor interconnection / distribution impact study, with initiation plan
5. **DR coordination** (*DR only*) — Electric Distributor metering, telemetry, and baseline measurement

Gating criteria are intended to demonstrate that a resource is sufficiently advanced in development, non-speculative, and has a credible path to achieving commercial operation.

Examples of Acceptable Gating Evidence*

	Firm (earlier COD)**	Conditional (later COD)**	Not acceptable
Construction schedule	Critical-path schedule + attestation	Same standard — study source varies by queue position, not COD	No attested schedule or supporting study
Site control	Executed lease / purchase / easement; 100% site-control certification	Same standard — does not slide by COD (Tariff §18.5(f)(i)(2); Part VIII-A §402; RRI standard)	Letters of intent or non-binding term sheets
Financing	Commitment letters / executed term sheets	Mandate letters, advanced proposals	Preliminary discussions without supporting documentation
Equipment procurement	Signed POs / reservations / invoices	Reservation w/ deposit pending	Letters of intent with equipment vendors
EPC experience	Prior comparable project (similar size & technology)	Same standard — self or contracted EPC partner (not COD-based)	No demonstrated construction / EPC experience
Fuel delivery (gas)	Precedent / firm transportation agreement	NOI or attestation of expansion	Non-binding capacity reservations
Customer commitments (DR/DER)	Executed customer agreements covering the committed MW	Same standard — binding commitments covering the balance, with enrollment plan	Letters of intent or internal memoranda
Interconnection	Most current PJM study report (TC2 & earlier)	Independent consultant report (Cycle 1 / EIT / not under study) — varies by queue, not COD	No study information or development timeline
Permitting	Complete permit matrix; filed applications with agency correspondence	Permit matrix with filing strategy/timeline for permits not yet filed	Incomplete matrix; missing applicable permit categories

Across these criteria, gating requires binding, executed documentation, not letters of intent or non-binding commitments.

*Illustrative and non-exhaustive; acceptable evidence and applicable thresholds are subject to update in the final tariff and PJM Manuals.

**Earlier COD refers to 2029/2030 and earlier delivery years; later COD refers to 2030/2031 and later.



Resources Eligible to Supply Qualifying RBP Offset MW

Must have an expected commercial operation date, or is 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:

- i. 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;
- ii. 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;
- iii. The incremental capacity created by the utilization of Surplus Interconnection Service;
- iv. Repowering of a deactivated generation resource that deactivated prior to April 10, 2026;
- v. 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
- vi. 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

May be submitted by Electric Distributors, LSEs, interconnecting customers, large loads, Transmission Owners, other entities; and must provide at least one of the following:

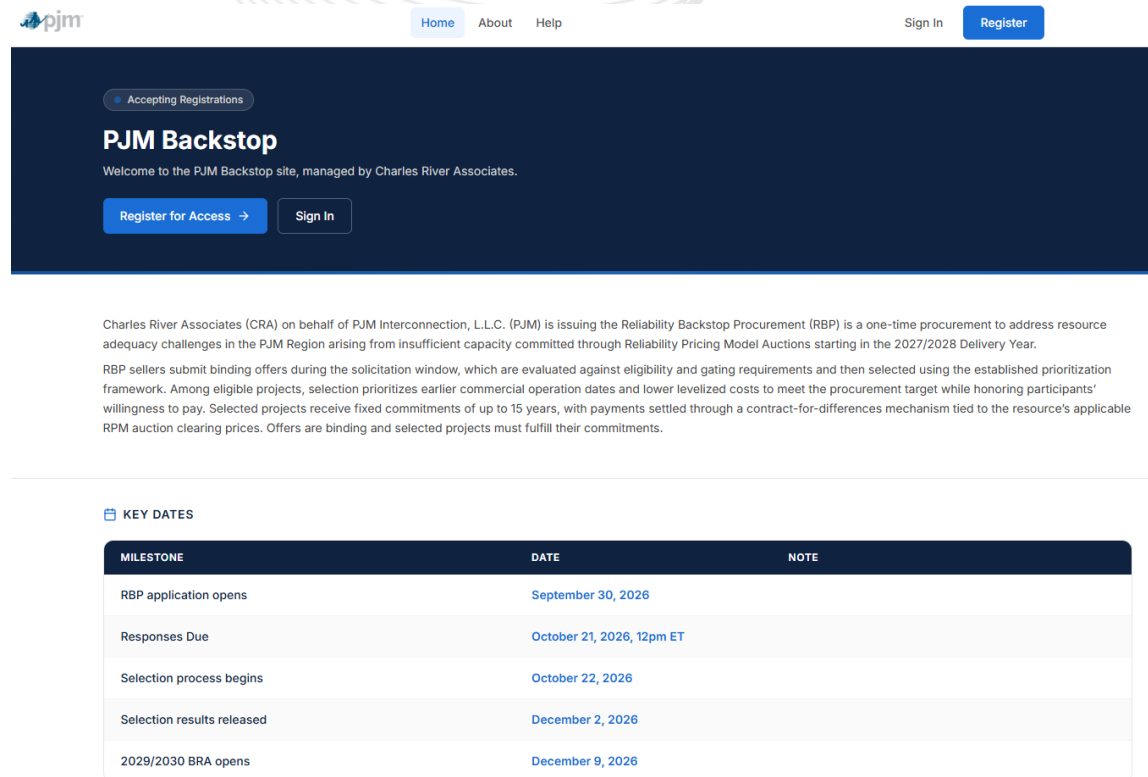
1. Signed bilateral contracts for Qualifying RBP Offset UCAP MW for at least five Delivery Years with a commercial operation date prior to the start of the 2032/2033 Delivery Year, and matched with load that has an executed electric service agreement or transmission service agreement, indicating that 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.

The Offset Form can be found along with the Sell-Offer Form on pjmbackstop.com

Opt-outs, to decrement from the Initial RBP Target, may be submitted by an Electric Distributor:

- A. 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)
- B. 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 MW quantity of load 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
 - 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.

The Opt-Out Form can be found along with the Sell-Offer Form on pjmbackstop.com



The screenshot shows the PJM Backstop website. At the top, there is a navigation bar with links for Home, About, and Help, along with Sign In and Register buttons. Below this, a dark blue banner features the PJM logo, a status indicator 'Accepting Registrations', the title 'PJM Backstop', and a welcome message: 'Welcome to the PJM Backstop site, managed by Charles River Associates.' Two buttons, 'Register for Access' and 'Sign In', are prominently displayed. Below the banner, a paragraph explains that Charles River Associates (CRA) on behalf of PJM Interconnection, L.L.C. (PJM) is issuing the Reliability Backstop Procurement (RBP) to address resource adequacy challenges. It details that RBP sellers submit binding offers during a solicitation window, which are evaluated against eligibility and gating requirements. The selection process prioritizes earlier commercial operation dates and lower levelized costs. Selected projects receive fixed commitments of up to 15 years, with payments settled through a contract-for-differences mechanism. A 'KEY DATES' section follows, containing a table with milestones and their respective dates.

Charles River Associates (CRA) on behalf of PJM Interconnection, L.L.C. (PJM) is issuing the Reliability Backstop Procurement (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.

RBP sellers submit binding offers during the solicitation window, which are evaluated against eligibility and gating requirements and then selected using the established prioritization framework. Among eligible projects, selection prioritizes earlier commercial operation dates and lower levelized costs to meet the procurement target while honoring participants' willingness to pay. Selected projects receive fixed commitments of up to 15 years, with payments settled through a contract-for-differences mechanism tied to the resource's applicable RPM auction clearing prices. Offers are binding and selected projects must fulfill their commitments.

KEY DATES

MIILESTONE	DATE	NOTE
RBP application opens	September 30, 2026	
Responses Due	October 21, 2026, 12pm ET	
Selection process begins	October 22, 2026	
Selection results released	December 2, 2026	
2029/2030 BRA opens	December 9, 2026	

Please visit pjmbackstop.com for more information and reach out to pjm_cra_rbphotline@pjm.com with any questions.

Appendix

Disclaimer: While materials are current at the time of publishing, applicable requirements may change. PJM Governing Documents control.

Collateral exceeds the remaining expected payment exposure.

Transfer of load: after transferee LSE posts collateral to cover the assumed load and any unpaid invoice amounts associated with such transfer have been paid by the transferor

Letter of Credit (LC):

- PJM's standard LC template must be utilized
- Both the form of letter of credit and issuing bank must be approved by PJM¹
- 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&P².
- Send draft LC for review to: rbp_collateral@pjm.com, with the subject line: **RBP - Letter of Credit Modification Approval**.
- For both review draft LC and Issuing bank approval subject line: **RBP – LC Modification and Financial Institution Approval**.

¹LC template and list of issuing banks may be found at pjmbackstop.com

²All other short-term ratings are currently not acceptable

Cash:

For bank instructions, contact PJM's Treasury department at: cashmanagement@pjm.com with the subject line: **RBP – Cash**

Collateral Transfer Details

ACH/Fed Wire transfers must include:

- Name of the resource for in the Originator to Beneficiary (OBI) area of a Fed Wire or the Addenda Record of an ACH for PJM to appropriately match the collateral received with the resource for which it pertains.
- If this information cannot be included with the electronic fund transfer, email cashmanagement@pjm.com, with the subject line : **RBP – Cash Collateral Transfer Details** include:
 - the resource name
 - amount of the cash remitted
 - resource name should align with the resource name submitted for the sell offer.
 - send electronic fund transfers individually by resource.

Presenters:

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Reliability Backstop Procurement



Member Hotline

(610) 666 – 8980

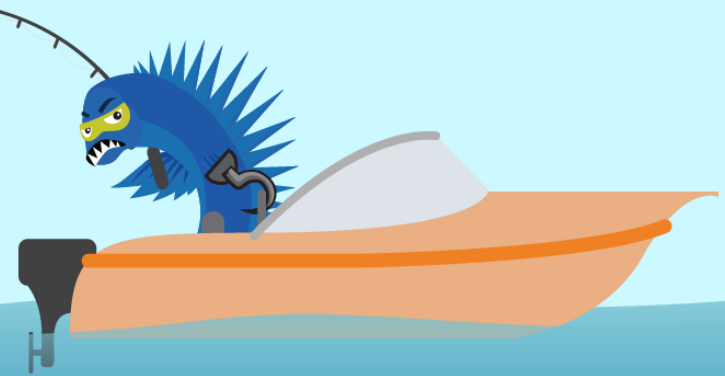
(866) 400 – 8980

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Call (610) 666-2244 or email it_ops_ctr_shift@pjm.com

Reliability Backstop Procurement Execution

Post-CIFP Workshop

PJM Staff

August 28, 2026

Disclaimer: While materials are current at the time of publishing, applicable requirements may change. PJM Governing Documents control.

- This presentation is intended to facilitate discussion about the details of executing the Reliability Backstop Procurement, as filed on July 31, 2026 (ER26-3380).
- Draft manual language is posted with these slides. PJM will update this language between workshops based on stakeholder feedback.

8/10/2026 Workshop (see appendix)

- Determination of Final RBP Target and Electric Distributor zone/area allocations
- Submission window details for RBP Sell Offers
- Selection Process
- Capacity Must Offer Obligation

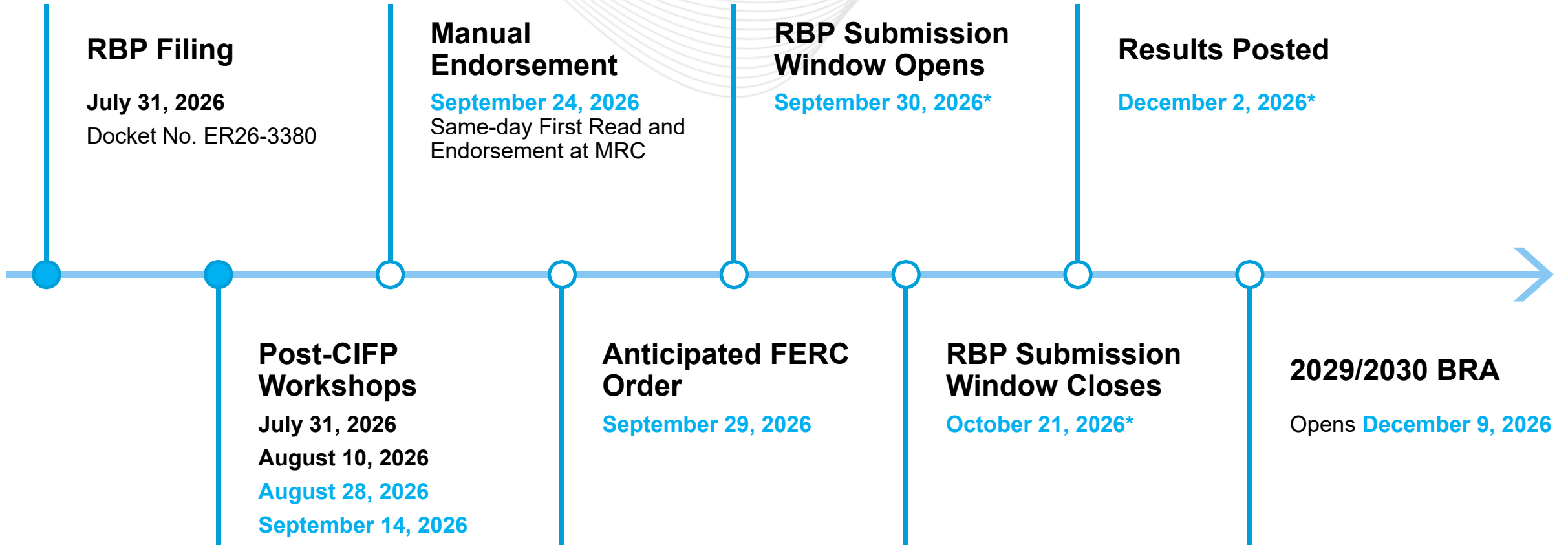
Today's Materials

- Key date reminders and clarifications on some 8/10 topics
- Settlements
- Delivery Year obligations
- Cost allocation to LSEs
- LSE credit requirement

9/14/2026 Workshop

- RBP Participant Training

General Timeline for Reliability Backstop Procurement



*Contingent upon FERC approval of ER26-3380

Key Dates for Final RBP Target Determination

	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 estimates communicated to submitting parties to inform RBP Window submission of Qualifying RBP Offset UCAP MW	PJM	9/14/2026	9/14/2026
3	Last day submit form for unit-specific ELCC analysis, if not submitted by 8/25. 2028/2029 ELCC estimates to be communicated no later than 10/14/2026.	Electric Distributors, LSEs, interconnecting customers, large loads, Transmission Owners, or other entities	9/30/2026	9/30/2026
4	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 EPT
5	Window to request opt-out	Electric Distributors	9/30/2026	10/21/2026 12:00pm EPT
6	Communication with participants for clarifications on evidence submitted, and approval or denial of Qualifying RBP Offset UCAP MW and opt-outs	PJM & CRA	9/30/2026	11/4-18/2026
7	Final RBP Target and Electric Distributor zone/area allocations posted	PJM & CRA	11/18/2026	11/18/2026
8	RBP results posted	PJM & CRA	12/2/2026	12/2/2026

	Activity	Responsible Party	Start	Stop
1	Request for configuration information for RBP Resources that will not have Preliminary Class Ratings for 2028/2029 through 2042/2043* and require unit-specific ELCC analysis	RBP Sellers	8/11/2026	8/25/2026
2	Preliminary Class Ratings for 2028/2029 through 2042/2043* 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 2042/2043* to RBP Sellers to inform submission of RBP Sell Offers	PJM	9/14/2026	9/14/2026
5	Last day submit form for unit-specific ELCC analysis, if not submitted by 8/25. ELCC values for 2028/2029 through 2042/2043* to be communicated no later than 10/14/2026.	RBP Sellers	9/30/2026	9/30/2026
6	Window to submit RBP Sell Offers and post credit requirement	RBP Sellers	9/30/2026	10/21/2026 12:00pm EPT
7	Provide notice of deficiencies in RBP Sell Offers	PJM & CRA	9/30/2026	10/21/2026 12:00pm EPT
8	Cure deficiencies in RBP Sell Offers in 5 calendar days from notice	RBP Sellers	9/30/2026	10/21/2026 12:00pm EPT
9	Communication of final gating pass/fail determinations to RBP Sellers	PJM & CRA	11/18/2026	11/18/2026
10	Return of credit requirement for RBP Sell Offers that do not pass gating	PJM	11/25/2026	11/25/2026
11	Post results	PJM & CRA	12/2/2026	12/2/2026
12	Communicate final selection determinations to RBP Sellers	PJM & CRA	12/2/2026	12/2/2026
13	Return of credit requirement for RBP Sell Offers that are not selected	PJM	12/9/2026	12/9/2026

* In alignment with the 15-year term of the RBP, Preliminary Class Ratings and unit-specific ELCC projections will also be for 15 years.

Clarification on Initial RBP Allocation to Electric Distributor Zone/Area

This table* shows the initial allocation of Initial RBP Target to each Electric Distributor zone/area, based on Load Adjustments, as set forth in [PJM Table B9b from the 2026 PJM Load Forecast](#).

- The difference between the Total Adjustments to Summer Peak Load (MW) for summer 2028 minus summer 2026 are used to calculate the allocation share.
- Zone/areas with 0 MW of Load Adjustment (2028 minus 2026), or that did not submit Large Load Adjustment Requests, do not have a share of the RBP Target (Initial or Final) and will not be allocated RBP Charges.
- Only zone/areas that submitted Load Adjustment Requests appear in [Table B9b](#). A complete list of zone/areas can be found in the “Zone-Areas” tab of the [Load Adjustment Request Template](#).

ZONENAME	AREANAME	2026	2028	Load Adjustment MW (2028 - 2026)	Initial Share of RBP Charges (%)	Initial Allocation of RBP Target (UCAP MW)
BGE	BGE	18.0	43.0	25.0	0.28%	18.9
PECO	PECO	17.0	281.0	264.0	2.92%	199.6
PPL	PPL	189.0	1,274.0	1,085.0	12.01%	820.5
PSEG	PSEG	308.0	628.0	320.0	3.54%	242.0
AEP	AEPOHIO	1,743.8	3,763.0	2,019.2	22.35%	1,527.0
APS	PE	165.0	319.0	154.0	1.70%	116.5
ATSI	PP	0.0	17.8	17.8	0.20%	13.5
ATSI	OHIO	132.0	281.2	149.2	1.65%	112.8
COMED	COMED	885.0	2,058.0	1,173.0	12.99%	887.1
DAY	DAY	0.0	277.0	277.0	3.07%	209.5
DOM	DOM	4,386.2	5,368.8	982.6	10.88%	743.1
DOM	NVEC	1,995.4	3,717.8	1,722.4	19.07%	1,302.6
DOM	ODEC	384.9	555.1	170.2	1.88%	128.7
DOM	REC	299.5	973.3	673.8	7.46%	509.6
RTO		10,523.8	19,557.0	9,033.2	100.00%	6,831.3

*This is the same table as the one shown on 8/10, but with the rows with 0 MW removed for clarity

Maximum UCAP shall be limited to no greater than 120% of the resource type's most recent maximum Preliminary ELCC Class Ratings for 2028/2029 through 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, installed capacity (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.

Settlements and Cost Allocation

Disclaimer: While materials are current at the time of publishing, applicable requirements may change. PJM Governing Documents control.

- RBP committed resources that offer and clear in RPM Auctions are paid RPM Auction Credits
 - Auction Credits are allocated as Locational Reliability Charges to load based on existing allocation methodology (See [RPM Cost Allocation](#) from Feb 25 Workshop)
- Any difference between the RBP committed price and the seller's unit-specific weighted average resource clearing price (WARCP) of applicable auctions will be settled via Contract for Differences as RBP Credits
 - RBP Credits can be positive or negative depending on RPM Auction Prices

RBP Credits and Charges will be a new Billing Line Item on the PJM Invoice

- Contract for Differences (CfD) will be settled based on the difference between the Delivery Year RBP commitment price and the seller's Delivery Year unit-specific weighted average resource clearing price (WARCP) for RPM auctions conducted after the RBP.
 - The MW eligible for CfD will be calculated as the lesser of a seller's RBP committed MW for the Delivery Year, daily owned MW and daily RPM cleared MW (all in UCAP terms).
- UCAP MW available *above the committed RBP UCAP* are eligible to participate in RPM auctions but are not subject to the RBP commitment obligations or settlement.

- The following examples are meant to illustrate how settlements for RBP commitments will flow through RPM and RBP billing
 - They use a simple scenario of one cleared supply resource and one RBP Load and the effect RPM activity has on the RBP settlement
- Credits are expressed as positive numbers
- Charges are expressed as negative numbers

Example #1 – Resource Settlement

RBP Commitment = RPM Commitment

RBP Price > RPM Price

RBP Clearing	
Committed MW (UCAP)	50
Price (\$/MW-Day)	\$250
Expected RBP Credits	\$12,500
RPM Clearing	
Cleared MW (UCAP)	50
Price (\$/MW-Day)	\$200
Settlements	
RPM Auction Credits	\$10,000
RBP Credits	\$2,500
Total Credits	\$12,500

The RPM Revenues are less than the expected RBP Settlement resulting in a positive RBP Credit. The total amount paid to the RBP resource is equal to the Expected RBP Credits.

Example #1 – Load Settlement

RBP Commitment = RPM Commitment

RBP Price > RPM Price

RBP Clearing		
Target MW (UCAP)	50	
Price (\$/MW-Day)	\$250	
Expected RBP Charges	(\$12,500)	
RPM Capacity Charges		
UCAP Obligation MW (UCAP)	50	
Final Zonal Capacity Price (\$/MW-Day)	\$200	
Settlements		
RPM Charges	(\$10,000)	UCAP Obligation MW * FZP
RBP Charges	(\$2,500)	Equal to RBP Credits
Total Charges	(\$12,500)	

The RPM Charges are less than the expected RBP Charges resulting in a positive RBP Charge. The total amount paid by the RBP load is equal to the Expected RBP Charges.

Example #2 – Resource Settlement

RBP Commitment = RPM Commitment

RBP Price < RPM Price

RBP Clearing	
Committed MW (UCAP)	50
Price (\$/MW-Day)	\$200
Expected RBP Settlement	\$10,000
RPM Clearing	
Cleared MW (UCAP)	50
Price (\$/MW-Day)	\$250
Settlements	
RPM Auction Credits	\$12,500
RBP Credits	(\$2,500)
Total Credits	\$10,000

The RPM Revenues are more than the expected RBP Settlement resulting in a negative RBP Credit. The total amount paid to the RBP resource is equal to the Expected RBP Settlement.

Example #2 – Load Settlement

RBP Commitment = RPM Commitment

RBP Price < RPM Price

RBP Clearing		
Target MW (UCAP)	50	
Price (\$/MW-Day)	\$200	
Expected RBP Charges	(\$10,000)	
RPM Capacity Charges		
UCAP Obligation MW (UCAP)	50	
Final Zonal Capacity Price (\$/MW-Day)	\$250	
Settlements		
RPM Charges	(\$12,500)	UCAP Obligation MW* FZP
RBP Charges	\$2,500	Equal to RBP Credits
Total Charges	(\$10,000)	

The RPM Charges are greater than the expected RBP Charges resulting in a negative RBP Charge. The total amount paid by the RBP load is equal to the Expected RBP Charges.

Example #3 – Resource Settlement

RBP Commitment < RPM Commitment
RBP Resource Clears in Multiple Auctions
RBP Price < WARCP

RBP Clearing		
Committed MW (UCAP)	50	
Price (\$/MW-Day)	\$200	
Expected RBP Credits	\$10,000	
RPM Clearing	BRA	3rd IA
Cleared MW	50	1
Auction Price	\$250	\$75
Weighted Average RCP (WARCP)	\$246.57	
Daily Committed MW (UCAP)	51	
Daily Owned MW (UCAP)	51	

In the event a resource clears in multiple Auctions, the Contract for Differences will be calculated as the difference between the RBP Price and the resource's Weighted Average Resource Clearing Price.

The total amount paid to the RBP resource is above the Expected RBP Credits due to the extra 1 MW Committed in the IA.

Settlements		
RPM Auction Credits	\$12,575	RPM Cleared MW * RPM Price
RBP Credits	(\$2,328.43)	RBP Committed MW * (RBP Price - RPM WARCP)
Total Credits	\$10,246.57	

Example #3 – Load Settlement

RBP Commitment < RPM Commitment
RBP Resource Clears in Multiple Auctions
RBP Price < WARCP

RBP Clearing	
Target MW (UCAP)	50
Price (\$/MW-Day)	\$200
Expected RBP Charges	(\$10,000)
RPM Capacity Charges	
UCAP Obligation MW (UCAP)	50
Final Zonal Capacity Price (\$/MW-Day)	\$246.57

RPM Charges are greater than the expected RBP Charges resulting in an RBP Credit.

The total amount paid by the RBP load is equal to the Expected RBP Charges. The RBP load does not pay for the additional RPM credits paid to the resource due to the IA clearing.

Settlements		
RPM Charges	(\$12,328.43)	UCAP Obligation MW* FZP
RBP Charges	\$2,328.43	RBP Credits
Total Charges	(\$10,000)	

Example assumes additional 1 MW of Cleared UCAP in 3rd IA is allocated to a non-RBP LSE

RBP Resources that **fail to reach commercial operation** by the first Delivery Year of their RBP commitment will be **subject to RBP shortfall charges** until the resource achieves commercial operation, for up to three years*.

*Except for generation or Energy Storage Resources that are unable to meet expected commercial operation date solely due to Network Upgrades if the RBP Resource successfully demonstrates readiness through test energy and seeks interim deliverability.

If the resource fails to come online for three Delivery Years, the RBP shortfall charge will terminate, and the RBP commitment will be rescinded.

Once rescinded, the shortfall charge will terminate; however, RBP Resource will be ineligible for RBP compensation for the remainder of the fixed 15-year term.

$$\text{RBP Shortfall Charge} = \text{RBP Shortfall MW} * \text{RBP Shortfall Charge Rate}$$

RBP Shortfall MW = RBP DY Commitment MW (UCAP)

*Not subject to partial shortfalls due to ELCC variation

RBP Shortfall Charge Rate = 20%

* RBP DY Price

RBP Shortfall Charges will be allocated as credits to LSEs allocated a share of the total RBP Obligation MW for zone/area.

RBP Resources may also be subject to overlapping RPM Commitment Deficiency Charges. *RPM Commitment Deficiency Charges are allocated as credits to RPM Load.*

Example #4 – RBP Resource Deficiency Full Shortfall

RBP Clearing	
Committed MW (UCAP)	50
Price (\$/MW-Day)	\$250
Expected RBP Credits	\$12,500
RPM Clearing	
Cleared MW (UCAP)	49
Price (\$/MW-Day)	\$200
Daily Committed MW (UCAP)	49
Daily Owned MW (UCAP)	0

Unit does not come online for Delivery Year and does not specify replacement capacity to decrease RPM commitment.

Resource is still paid for RPM Auction Credits, but assessed RPM Commitment Charges in excess of Credits (status quo)

Resource is not paid for the undelivered RBP MW, resulting in a \$0 RBP Credit payment. In addition, Resource is subject to RBP Shortfall Charge of 20% RBP Price.

Settlements		
RPM Auction Credits	\$9,800	RPM Committed MW * RPM Price
RPM Commitment Deficiency MW	49	Daily Committed MW – Daily Owned MW
RPM Commitment Charge	(\$11,760)	RPM Commitment Deficiency MW * 1.2 * RPM WARCP
RBP Credits	\$0	Daily Owned MW * (RBP Price - RPM Price)
RBP Shortfall MW	50	RBP Committed MW
RBP Shortfall Charges	(\$2,500)	RBP Shortfall Penalty MW * .2 * RBP Price
Total Credits	(\$4,460)	Total Settlement is less than Expected due to non-delivery of the RBP resource

Example #4 – RBP Load Allocation of Deficiency

RBP Full Shortfall; RPM Full Shortfall

RBP Clearing	
Committed MW (UCAP)	50
Price (\$/MW-Day)	\$250
Expected RBP Charges	(\$12,500)
RPM Clearing	
UCAP Obligation MW (UCAP)	49
Final Zonal Capacity Price (\$/MW-Day)	\$200

RPM Load is still assessed RPM Charges but is allocated the RPM Commitment Deficiency Credits.

RBP Load does not pay for the undelivered RBP MW, resulting in no RBP Charges. In addition, RBP Load is allocated RBP Shortfall Charges collected.

Settlements		
RPM Charges	(\$9,800)	UCAP Obligation MW* FZP
RPM Commitment Deficiency Credits	\$11,760	
RBP Charges	\$0	Equal to RBP Credits
RBP Shortfall Credits	\$2,500	Allocated RBP Shortfall Charges
Total Charges	\$4,460	Load is credited due to non-delivery of RBP resource

Example #5 – RBP Resource Deficiency

RPM Shortfall; No RBP Shortfall

RBP Clearing	
Committed MW (UCAP)	50
Price (\$/MW-Day)	\$250
Expected RBP Credits	\$12,500
RPM Clearing	
Cleared MW (UCAP)	50
Price (\$/MW-Day)	\$200
Daily Committed MW (UCAP)	50
Daily Owned MW (UCAP)	45

DY Owned UCAP is lower than RBP Commitment and RPM commitment. No RPM Replacement specified.

Resource is subject to RPM Commitment Deficiency.

No payments for the undelivered RBP MW, resulting in a \$250 reduction of RBP Credits [5 MW * (RBP Price – RPM Price)]. Resource is **not** subject to RBP Shortfall Charge.

Settlements		
RPM Auction Credits	\$10,000	RPM Cleared MW * RPM Price
RPM Commitment Deficiency MW	5	Daily Committed MW – Daily Owned MW
RPM Commitment Charge	(\$1,200)	RPM Commitment Deficiency MW * 1.2 * RPM WARCP
RBP Credits	\$2,250	Daily Owned MW * (RBP Price - RPM Price)
RBP Shortfall MW	0	RBP Shortfall MW
RBP Shortfall Charges	0	RBP Shortfall Penalty MW * .2 * RBP Price
Total Credits	\$11,050	Total Settlement is less than Expected due to partial RPM deficiency

Example #5 – RBP Load Allocation of Deficiency

RPM Shortfall; No RBP Shortfall

RBP Clearing	
Target MW (UCAP)	50
Price (\$/MW-Day)	\$250
Expected RBP Charges	(\$12,500)
RPM Clearing	
UCAP Obligation MW (UCAP)	50
Final Zonal Capacity Price (\$/MW-Day)	\$200

RPM Load is still assessed RPM Charges but is allocated the RPM Commitment Deficiency Credits.

RBP Load does not pay for the 5 MW of undelivered RBP supply, resulting in a \$250 reduction of RBP Charges.

Settlements		
RPM Charges	(\$10,000)	RPM Cleared MW * RPM Price
RPM Commitment Deficiency Credits	\$1,200	RPM Commitment Deficiency MW * 1.2 * RPM WARCP
RBP Charges	(\$2,250)	Daily Owned MW * (RBP Price - RPM Price)
RBP Shortfall Credits	0	RBP Shortfall Penalty MW * .2 * RBP Price
Total Charges	(\$11,050)	Total Settlement is less than Expected due to partial RPM deficiency

- The total RBP Credits due to each resource are summed across the RTO to determine the RBP Costs
 - The total RBP Costs can vary daily due to changing ICAP owned or RPM cleared values.

		RBP Clearing			RPM Clearing			RBP Credits
Unit	LDA	Committed MW	Price	Expected RBP Credits	Cleared MW	Price	RPM Credits	CfD
1	RTO	1,000	\$300	\$300,000	1,000	\$350	\$350,000	(\$50,000)
2	B	1,000	\$600	\$600,000	1,000	\$500	\$500,000	\$100,000
3	C	500	\$500	\$250,000	400	\$400	\$160,000	\$40,000
Total		2,500		\$1,150,000	2,400		\$1,010,000	\$90,000

Zone Area Pro-Rata Cost Allocation: Costs will first be allocated to zone areas based on their pro-rata share of the target MW as described on slides 14 of the [August 10 presentation](#)

Area allocation is fixed for the entire 15-year RBP term based on the zone/area's assigned share of the total Final RBP Target MW across all zone/areas

- The total RBP Costs are allocated on a pro-rata basis using the zone/area's assigned share of the total Final RBP Target MW across all zone/areas

Zone/Area	Alloc Area Final Target MW	Pro-Rata Share of Final Target	Alloc Area Share of RBP Charges
A	450	22.5%	\$20,250
B	1000	50%	\$45,000
C	550	27.5%	\$24,750
Total	2,000		\$90,000

Pro-Rata Share = Area Alloc Final Target MW /
Sum of all Area Alloc Final Target MWs

Areas that are not assigned a Final Allocation of RBP Target MW **cannot** be assessed a share of RBP Costs

LSE Pro-Rata Cost Allocation: Zone area costs will then be allocated pro-rata to LSEs based on the LSE's share of the total RBP Obligation MW for the zone/area

- Electric Distributors will be responsible for allocating to customers via introduction of new Reliability Backstop Obligation MW assignment in Capacity Exchange (similar to existing PLC and NSPL processes)
- As a backstop, If Electric Distributor does not allocate via RBO, PJM will allocate to all load in the zone (including non-large loads) using existing Daily UCAP Obligation assignments.

Total RBP Charges are allocated pro-rata to LSEs based on Electric Distributor-submitted RBO values

Settlements						
Zone/Area	Alloc Area Final Target MW	Alloc Area Share of RBP Charges	LSE	ED-submitted RBO MW	LSE Pro-Rata Share of Area RBO	RBP Charges (\$/day)
A	450	\$20,250	AA	400	88.9%	\$18,000
			BB	50	11.1%	\$2,250
			CC	600	66.7%	\$30,000
B	1000	\$45,000	DD	300	33.3%	\$15,000
C	550	\$24,750	EE	600	100%	\$24,750
Total	2,000	\$90,000		1950		\$90,000

LSE's RB Obligation can be updated daily.
No scaling is performed; it's inherent in the pro-rata share.

LSE Pro-Rata Share of Area RBO =
 $\text{Alloc LSE RBO MW} / \text{Sum(ED-submitted RBO MW in the Area)}$
 RBP Charges = Alloc Area Share of RBP Charges * LSE Pro-Rata Share of Area RBO

- RBP Credits and Charges will be assessed via a new Billing Line Item on the PJM Invoice
- Resources that receive RBP commitments will only be paid for delivered MW via Contract for Differences (CfD)
- The total CfD due RBP Resources is netted across the RTO to determine RBP Costs and are allocated to Areas pro-rata using their assigned share of the final RBP Target MW across the RTO.
- Area costs are allocated to LSEs via Electric Distributor assigned RB Obligation MW
 - RPM LSEs will be allocated RBP costs *only* if the Electric Distributor does not assign RBP Obligation MW

LSE Credit Requirement

Disclaimer: While materials are current at the time of publishing, applicable requirements may change. PJM Governing Documents control.

Credit Requirement

Buyer's (LSE) RBP credit requirement is a function of two inputs: RBP credit rate and RBP UCAP MW committed:

Credit Rate x RBP UCAP MW Committed

- Credit rate – \$1.5 million
- RBP UCAP MW committed – level of RBP UCAP MW for which an LSE is allocated cost responsibility submitted for the buyer by the EDC

Form of Collateral (either):

Cash deposit or letter of credit (PJM-approved form and issuing bank)

Timing:

Prior to 45 days before the start of the Delivery Year

Credit Requirement for Buyer (LSE)

\$150,000,000

LSE Roll-Off Schedule (100 MW RBP Obligation^[1])

Delivery Year Starts	Annual Payment Obligation (\$)	Total Remaining Payment Obligation (\$)	Collateral Required (\$)
2028/29	20,257,500	303,862,500	150,000,000
2029/30	20,257,500	283,605,000	150,000,000
2030/31	20,257,500	263,347,500	150,000,000
2031/32	20,257,500	243,090,000	150,000,000
2032/33	20,257,500	222,832,500	150,000,000
2033/34	20,257,500	202,575,000	150,000,000
2034/35	20,257,500	182,317,500	150,000,000
2035/36	20,257,500	162,060,000	150,000,000
2036/37	20,257,500	141,802,500	141,802,500 ^[2]
2037/38	20,257,500	121,545,000	121,545,000
2038/39	20,257,500	101,287,500	101,287,500
2039/40	20,257,500	81,030,000	81,030,000
2040/41	20,257,500	60,772,500	60,772,500
2041/42	20,257,500	40,515,000	40,515,000
2042/43	20,257,500	20,257,500	20,257,500

Assumptions:

- Credit rate of \$1.5 million
- RBP UCAP MW committed 100 MW
- No change to RBP UCAP MW for 15-year term

[1] RBP obligation may come from EDC assigned RBP UCAP MW or come from the PLC allocation if EDC does not assign RBP UCAP MW.

[2] Credit requirement/collateral is reduced due to payment obligation is smaller than collateral held.

Credit Requirement	For buyers serving load in an Electric Distributor zone/area in which no RBP obligations have been reported Credit Rate x RBP UCAP MW Committed • Credit rate – \$1.5 million • RBP UCAP MW committed – shall equal the Load Serving Entity’s pro rata share of the Daily Unforced Capacity Obligation for the zone/area as determined in RAA, Schedule 8.
Form of Collateral (either):	Cash deposit or letter of credit (PJM approved form and issuing bank)
Timing:	Prior to 45 days before the start of the Delivery Year

The transferee LSE **must satisfy the credit requirements** associated with taking on such load serving obligation, including any cost allocation for the RBP UCAP MW associated with such transferred.

Transferring LSE would then be released from its financial obligations once:

- (i) The new LSE has posted the RBP collateral.
- (ii) Any unpaid invoice amounts associated with such transfer have been paid by the transferor.

Collateral exceeds the remaining expected payment exposure.

Transfer of load: after transferee LSE posts collateral to cover the assumed load and any unpaid invoice amounts associated with such transfer have been paid by the transferor



Reliability Backstop Procurement Execution

Post-CIFP Workshop

PJM Staff & Charles River Associates

August 10, 2026

Disclaimer: While materials are current at the time of publishing, applicable requirements may change. PJM Governing Documents control.

- This presentation is intended to facilitate discussion about the details of executing the Reliability Backstop Procurement, as filed on July 31, 2026 (ER26-3380).
- Draft manual language is posted with these slides. PJM will update this language between workshops based on stakeholder feedback.

Today's Materials

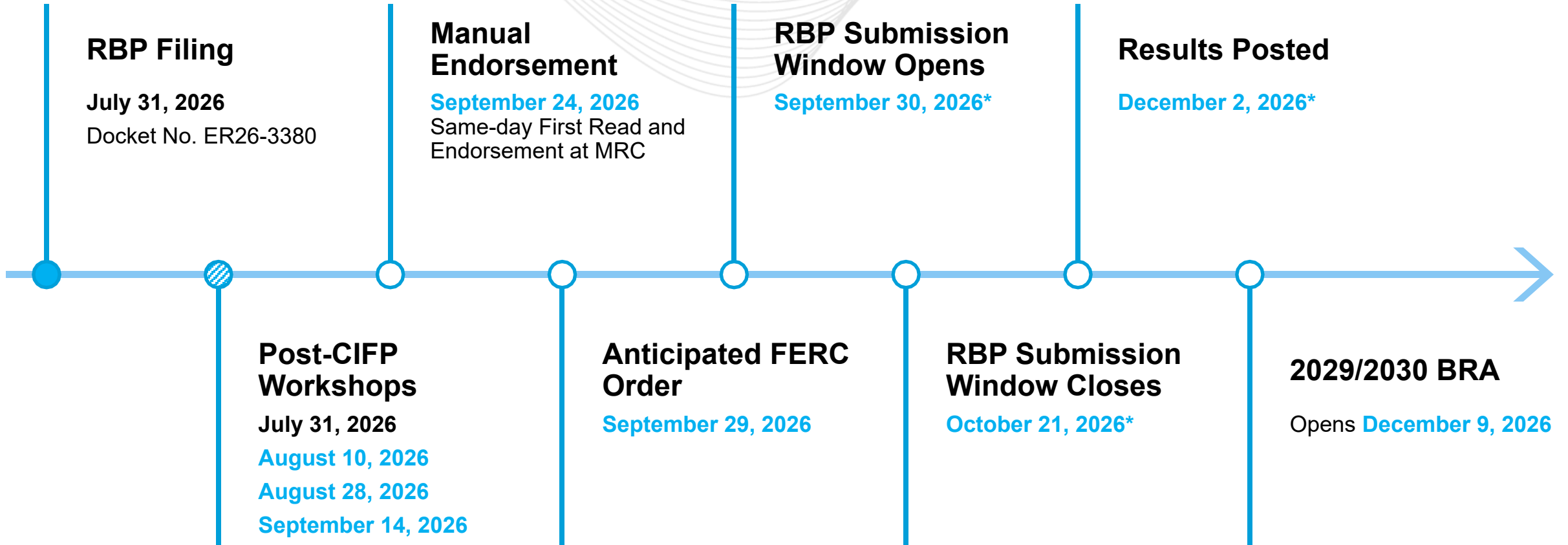
- Determination of Final RBP Target and Electric Distributor zone/area allocations
- Submission window details for RBP Sell Offers
- Selection Process
- Capacity Must Offer Obligation

Topics for 8/28 and 9/14/2026

- Carryover from 8/10/2026 Workshop
- Cost allocation to LSEs
- Delivery Year obligations
- Settlements
- Participant training

Procurement	Capacity Only (UCAP)
Target	2028/2029 BRA Shortfall minus verified offset and opt-out MW
Term	15-year term (2028/2029 – 2042/2043 delivery years)
Network Upgrade	Included in supply offer
Location	RTO
ELCC	Suppliers need to offer expected UCAP by Delivery Year
Clearing Price	Pay as Bid
Max Willingness To Pay	Volume-weighted average of the levelized cost of all selected RBP offers may not exceed \$555/MW-day UCAP
Settlement	Contract for Differences Approach against RPM

General Timeline for Reliability Backstop Procurement



*Contingent upon FERC approval of ER26-3380

Key Dates for Final RBP Target Determination

	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 2028/2029 ELCC Class Rating 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 EPT
4	Window to request opt-out	Electric Distributors	9/30/2026	10/21/2026 12:00pm EPT
5	Communication with participants for clarifications on evidence submitted, and approval or denial of Qualifying RBP Offset UCAP MW and opt-outs	PJM & CRA	9/30/2026	11/4/2026
6	Final RBP Target and Electric Distributor zone/area allocations posted	PJM & CRA	11/18/2026	11/18/2026
7	RBP results posted	PJM & CRA	12/2/2026	12/2/2026

	Activity	Responsible Party	Start	Stop
1	Request for configuration information for RBP Resources that will not have Preliminary Class Ratings for 2028/2029 through 2036/2037 2042/2043 and require unit-specific ELCC analysis	RBP Sellers	8/11/2026	8/25/2026
2	Preliminary Class Ratings for 2028/2029 through 2036/2037 2042/2043 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 2036/2037 2042/2043 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 & CRA	9/30/2026	10/21/2026 12:00pm EPT
7	Cure deficiencies in RBP Sell Offers in 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 & CRA	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 & CRA	12/2/2026	12/2/2026
11	Communicate final selection determinations to RBP Sellers	PJM & CRA	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



Unit-Specific ELCC Analysis: Request for Information

Who: Resources that **do not** have an ELCC Class Rating and intend to either:

1. Submit an RBP Sell Offer to take on an RBP commitment, or
2. Supply Qualifying RBP Offset UCAP MW to decrement the RBP Target

How: Submit the 'RBP_SellOffer_Unit_Specific_Form.xlsx' or 'RBP_Offset_Unit_Specific_Form.xlsx' which are posted on the [CIFP-RBP page](#) to rbpunitspecificelcc@pjm.com

When:

- Submit from 8/11/2026 through 8/25/2026 (strongly suggested).
 - Analysis results will be communicated no later than 9/14/2026.
- For resources that do not submit information in the timeframe above, the final deadline to submit such information once the RBP window opens will be 9/30/2026.
 - Analysis results will be communicated no later than 10/14/2026.

Why: Allow for timely execution of required analysis and have ELCC values ahead of RBP window to inform participation.

Additional Details: Each submission will receive a unique identifier that will be communicated to the participant with their results. That identifier will be a required field in the RBP submission form so that PJM and CRA can map each bid to the studied unit-specific configuration. Any discrepancies will trigger a deficiency.

Determination of Final RBP Target and Allocations

Disclaimer: While materials are current at the time of publishing, applicable requirements may change. PJM Governing Documents control.

Initial RBP Target = 6,831.3 MW

- This is the region-wide UCAP MW quantity that PJM cleared short of the Reliability Requirement in the July 2026 Base Residual Auction for the 2028/2029 Delivery Year.
- Fixed Resource Requirement Entities are excluded from the Initial and Final RBP Targets, as well as the RBP.



Initial Allocation to Electric Distributor Zone/Area

This is the initial allocation of Initial RBP Target to each Electric Distributor zone/area, based on Load Adjustments, as set forth in [PJM Table B9b from the 2026 PJM Load Forecast](#).

- The difference between the Total Adjustments to Summer Peak Load (MW) for summer 2028 minus summer 2026 are used to calculate the allocation share.
- Zone/areas with 0 MW of Load Adjustment (2028 minus 2026) do not have a share of the RBP Target (Initial or Final) and will not be allocated RBP Charges.

ZONENAME	AREANAME	2026	2028	Load Adjustment MW (2028 - 2026)	Initial Share of RBP Charges (%)	Initial Allocation of RBP Target (UCAP MW)
AE		0.0	0.0	0.0	0.00%	0.0
BGE	BGE	18.0	43.0	25.0	0.28%	18.9
DPL		0.0	0.0	0.0	0.00%	0.0
JCPL		0.0	0.0	0.0	0.00%	0.0
METED		0.0	0.0	0.0	0.00%	0.0
PECO	PECO	17.0	281.0	264.0	2.92%	199.6
PENLC		0.0	0.0	0.0	0.00%	0.0
PEPCO	PEPCO	0.0	0.0	0.0	0.00%	0.0
PEPCO	SMECO	0.0	0.0	0.0	0.00%	0.0
PPL	PPL	189.0	1,274.0	1,085.0	12.01%	820.5
PSEG	PSEG	308.0	628.0	320.0	3.54%	242.0
RECO		0.0	0.0	0.0	0.00%	0.0
UGI		0.0	0.0	0.0	0.00%	0.0
AEP	AEPOHIO	1,743.8	3,763.0	2,019.2	22.35%	1,527.0
APS	PE	165.0	319.0	154.0	1.70%	116.5
APS	WPP	0.0	0.0	0.0	0.00%	0.0
APS	REC	0.0	0.0	0.0	0.00%	0.0
ATSI	PP	0.0	17.8	17.8	0.20%	13.5
ATSI	OHIO	132.0	281.2	149.2	1.65%	112.8
COMED	COMED	885.0	2,058.0	1,173.0	12.99%	887.1
DAY	DAY	0.0	277.0	277.0	3.07%	209.5
DEOK	DEOK	0.0	0.0	0.0	0.00%	0.0
DLCO		0.0	0.0	0.0	0.00%	0.0
EKPC		0.0	0.0	0.0	0.00%	0.0
OVEC		0.0	0.0	0.0	0.00%	0.0
DOM	DOM	4,386.2	5,368.8	982.6	10.88%	743.1
DOM	NVEC	1,995.4	3,717.8	1,722.4	19.07%	1,302.6
DOM	ODEC	384.9	555.1	170.2	1.88%	128.7
DOM	REC	299.5	973.3	673.8	7.46%	509.6
RTO		10,523.8	19,557.0	9,033.2	100.00%	6,831.3

$$\text{Final RBP Target} = \text{Initial RBP Target} - \text{Total Qualifying RBP Offset UCAP MW} - \text{Total UCAP MW of Opt-Outs}$$

- **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.
- 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 Load Adjustment MW (2028 minus 2026) for each zone/area that have not been opted out (UCAP equivalent based on the 2028/2029 BRA Forecast Pool Requirement (FPR) of 0.9401).
- **Total UCAP MW of Opt-Outs**

$$= \sum (\text{Opt-Out Load Adjustment MW provided by each Electric Distributor} \times 2028/2029 \text{ BRA FPR of } 0.9401)$$

**(1) Final Load Adjustment MW = Initial Load Adjustment MW –
(Qualifying RBP Offset UCAP MW / 2028/2029 BRA FPR) –
Opt-Out MW**

**(2) Final Pro-Rata Share based on all ED zone/areas’
Final Load Adjustment MW**

**(3) Final Allocation of RBP Target (UCAP MW)
= Final Pro-Rata Share × Final RBP Target**

- This comprises the Step 1 of the RBP cost allocation methodology, in which the Final RBP Target, at the RTO level, is allocated to Electric Distributor zone/areas.
- Step 2, in which the Electric Distributor zone/area allocations are further allocated to Load Serving Entities for each Delivery Year, will be covered in detail during the next Post-CIFP Workshop.

Final Target and Allocation Example

(1) Initial Load Adjustment MW and Allocation

ZONENAME	AREANAME	Load Adjustment MW (2028 - 2026)	Initial Share of RBP Charges (%)	Initial Allocation of RBP Target (UCAP MW)
BGE	BGE	25.0	0.28%	18.9
PECO	PECO	264.0	2.92%	199.6
PPL	PPL	1,085.0	12.01%	820.5
PSEG	PSEG	320.0	3.54%	242.0
AEP	AEPOHIO	2,019.2	22.35%	1,527.0
APS	PE	154.0	1.70%	116.5
ATSI	PP	17.8	0.20%	13.5
ATSI	OHIO	149.2	1.65%	112.8
COMED	COMED	1,173.0	12.99%	887.1
DAY	DAY	277.0	3.07%	209.5
DOM	DOM	982.6	10.88%	743.1
DOM	NVEC	1,722.4	19.07%	1,302.6
DOM	ODEC	170.2	1.88%	128.7
DOM	REC	673.8	7.46%	509.6
RTO		9,033.2	100.00%	6,831.3

(2) Qualifying RBP Offset MW & Opt-Out MW

ZONENAME	AREANAME	Load MW	Qualifying RBP Offset UCAP MW	Opt-Out MW
DOM	ODEC	130	122.2	0
DOM	REC	673.8	633.4	0

$$(3) \text{ Final RBP Target} = 6,831.3 \text{ MW} - [122.2 \text{ MW} + 633.4 \text{ MW}] = 6,075.7 \text{ MW}$$

(4) Final Load Adjustment MW:

$$\text{DOM/ODEC} = 170.2 \text{ MW} - 130 \text{ MW} = 40.2 \text{ MW}$$

$$\text{DOM/REC} = 673.8 \text{ MW} - 673.8 \text{ MW} = 0 \text{ MW}$$

(5) Final Pro-Rata Share and Allocation

ZONENAME	AREANAME	Final Load Adjustment MW	Final Share of RBP Charges (%)	Final Allocation of RBP Target (UCAP MW)
BGE	BGE	25.0	0.30%	18.5
PECO	PECO	264.0	3.21%	194.9
PPL	PPL	1,085.0	13.18%	801.0
PSEG	PSEG	320.0	3.89%	236.3
AEP	AEPOHIO	2,019.2	24.54%	1,490.8
APS	PE	154.0	1.87%	113.7
ATSI	PP	17.8	0.22%	13.1
ATSI	OHIO	149.2	1.81%	110.2
COMED	COMED	1,173.0	14.25%	866.0
DAY	DAY	277.0	3.37%	204.5
DOM	DOM	982.6	11.94%	725.4
DOM	NVEC	1,722.4	20.93%	1,271.6
DOM	ODEC	40.2	0.49%	29.7
DOM	REC	0.0	0.00%	0.0
RTO		8,229.4	100.00%	6,075.7



Resources Eligible to Supply Qualifying RBP Offset MW

Must have an expected commercial operation date, or is 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:

- i. 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;
- ii. 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;
- iii. The incremental capacity created by the utilization of Surplus Interconnection Service;
- iv. Repowering of a deactivated generation resource that deactivated prior to April 10, 2026;
- v. 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
- vi. 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

May be submitted by Electric Distributors, LSEs, interconnecting customers, large loads, Transmission Owners, other entities; and 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.

Opt-outs, to decrement from the Initial RBP Target, may be submitted by an Electric Distributor:

- A. 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)

- B. 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 DY~~
 - 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.**

Submission Window Details for RBP Sell Offers

Disclaimer: While materials are current at the time of publishing, applicable requirements may change. PJM Governing Documents control.

RBP Seller Eligibility Requirements

All Resource Types

1. Meet the RBP credit requirements
2. Has a commercial operation date, or is 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, inclusive of any required Network Upgrades
3. Has not received a capacity commitment or been committed in an FRR Plan as of the commencement of the Reliability Backstop Procurement;
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

7. 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.

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).

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

1. **UCAP MW** to for each Delivery Year from first full Delivery Year through end of fixed 15-year term
 - Maximum UCAP shall be limited to no greater than 120% of the resource type's most recent maximum Preliminary ELCC Class Ratings for 2028/2029 through 2036/2037, 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
2. **Price in \$/MW-day UCAP** for each Delivery Year beginning with the first full Delivery Year in which the RBP UCAP MW is expected to provide capacity through the end of the fixed 15-year term;
 - 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. **First full Delivery Year** for which such resource shall be available and offering to provide capacity;
4. **All relevant documentation** needed for evaluating the project

Credit Requirement:

- Each RBP Resource seeking to submit an RBP Sell Offer in the Reliability Backstop Procurement is subject to the following credit requirements:

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

where $n = \text{Delivery Year}$

- 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.

Form of Collateral (Either):

- Cash deposit or letter of credit (PJM-approved form and issuing bank)

Timing:

- Prior to or simultaneously to submitting RBP Sell offers
- Letters of credit form approved prior to bid submission

In the event of a change in ownership, PJM will retain the original RBP Seller's RBP Collateral and financial responsibility for a committed RBP Resource until the receiving party posts sufficient credit with PJM and provides written confirmation to PJM of its agreement to fully assume the credit responsibility associated with the committed RBP Resource.

RBP Seller Credit Requirement Example

Resource A ^[1]					
Delivery Year	Sell Offered UCAP (MW)	Sell Offer Price (\$/MWD)	Collateral Required \$	Total Collateral Posted \$	Notes
October 2026				\$5,475,000	[4]
June 2028	50	\$555	\$2,025,750	\$5,475,000	[2]
June 2029	45	\$500	\$1,642,500	\$5,475,000	
June 2030	55	\$450	1,806,750	\$5,475,000	
June 2031				??	[3]
Total Collateral for Resource A:			5,475,000		

Resource B ^[1]					
Delivery Year	Sell Offered UCAP (MW)	Sell Offer Price (\$/MWD)	Collateral Required \$	Total Collateral Posted \$	Notes
October 2026				\$8,760,000	[4]
June 2028	100	\$400	\$2,920,000	\$8,760,000	[2]
June 2029	100	\$400	\$2,920,000	\$8,760,000	
June 2030	100	\$400	\$2,920,000	\$8,760,000	
June 2031				??	[3]
Total Collateral for Resource B:			8,760,000		

Notes Key

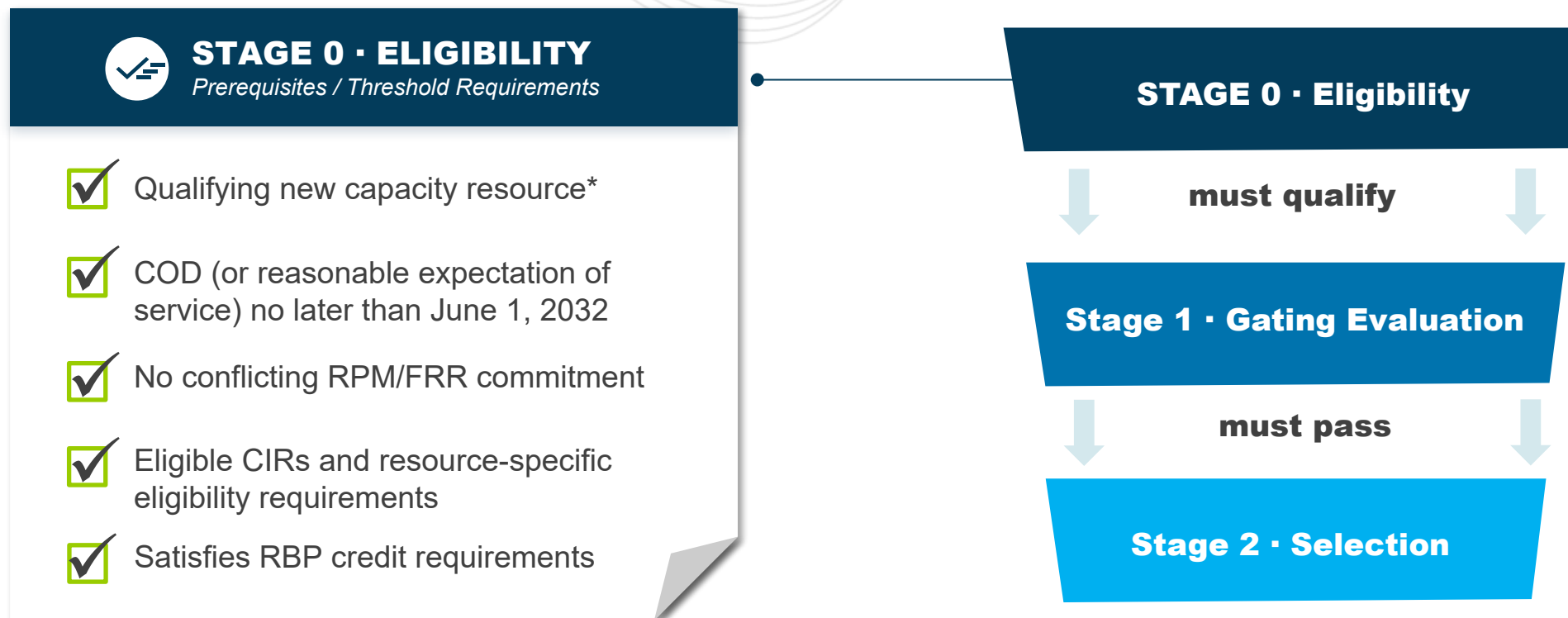
- [1] Each resource must post its own collateral.
- [2] $20\% * \text{Offered Price} * \text{Offered MW} * 365$
- [3] May return collateral after one-year look-back
- [4] Post collateral at the time of bid. Collateral is returned within 5 business days if the resource is not selected.

RBP Resources that do not receive a commitment through the Reliability Backstop Procurement, collateral will be returned within 5 business days.

RBP Resource that secured a commitment, collateral returned only after the resource achieves commercial operation and then after a one-year look-back

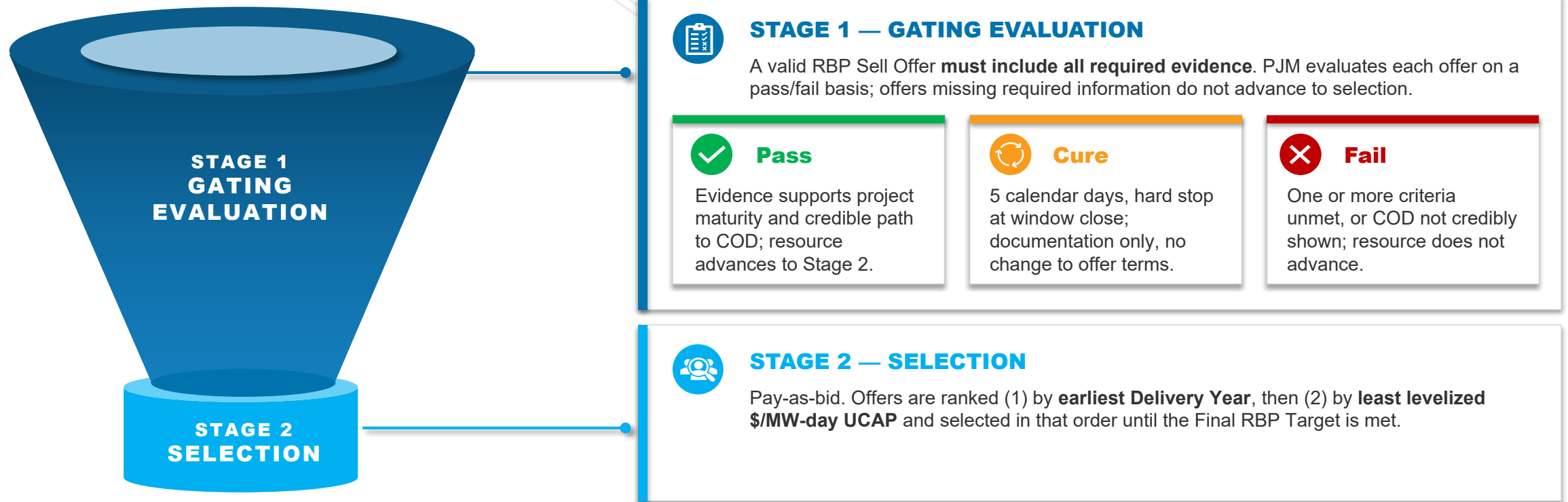
Change in ownership, after receiving party posts sufficient credit with PJM

Resources must first satisfy initial eligibility requirements prior to PJM's gating review.



* A "new capacity resource" (per Tariff, Att. DD §18.5(a)–(d)) brings new ICAP to the system; never previously committed to provide capacity (no RPM/FRR commitment); not the subject of a cleared NOI through 2028/2029; and not supplying Qualifying RBP Offset UCAP MW.

Selection is two-stage: only resources with a credible path to COD advance to selection.



Key Parameters	Levelized cost at 9.5% ATWACC	MW-weighted cap \$555/MW-day UCAP	Offer term 15 years through 2042/43	Bid window Sep 30-Oct 21, 2026
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Gating criteria are intended to demonstrate that a resource is sufficiently advanced in development, non-speculative, and has a credible path to achieving commercial operation.



Generation & Storage

1. **Construction schedule** — Critical-path schedule to COD by **June 1, 2032**
2. **Interconnection** — Study and timeline matched to queue position
3. **Site control** — 100% control for at least three-years from the date of submission
4. **Financing** — Funding sources and timeline to financial close
5. **Permitting** — All permits, status, and timeline to obtain
6. **Equipment procurement** — Signed evidence of major-equipment procurement
7. **EPC experience** — Comparable build record, self or contracted partner
8. **Fuel delivery** (*gas only*) — Pipeline capacity to serve the project
9. **External deliverability** (*outside PJM*) — Host-region study plus firm transmission to the PJM border and transmission service within PJM



Demand Response & DER

1. **Locations & capacity** — By Zone / Sub-zonal LDA, with aggregate MW
2. **Customer commitments** — Executed agreements or binding commitments covering offered MW, with locations and customer names
3. **Enabling infrastructure** — Equipment procurement plan or deployed metering, telemetry, load control, SCADA
4. **DER coordination** (*DER only*) — Electric Distributor interconnection / distribution impact study, with initiation plan
5. **DR coordination** (*DR only*) — Electric Distributor metering, telemetry, and baseline measurement

Examples of Acceptable Gating Evidence*

Across these criteria, gating requires binding, executed documentation, not letters of intent or non-binding commitments.

	✓ Firm (earlier COD)**	Conditional (later COD)**	✗ Not acceptable
Construction schedule	Critical-path schedule + attestation	Same standard — study source varies by queue position, not COD	No attested schedule or supporting study
Site control	Executed lease / purchase / easement; 100% site-control certification	Same standard — does not slide by COD (Tariff §18.5(f)(i)(2); Part VIII-A §402; RRI standard)	Letters of intent or non-binding term sheets
Financing	Commitment letters / executed term sheets	Mandate letters, advanced proposals	Preliminary discussions without supporting documentation
Equipment procurement	Signed POs / reservations / invoices	Reservation w/ deposit pending	Letters of intent with equipment vendors
EPC experience	Prior comparable project (similar size & technology)	Same standard — self or contracted EPC partner (not COD-based)	No demonstrated construction / EPC experience
Fuel delivery (gas)	Precedent / firm transportation agreement	NOI or attestation of expansion	Non-binding capacity reservations
Customer commitments (DR/DER)	Executed customer agreements covering the committed MW	Same standard — binding commitments covering the balance, with enrollment plan	Letters of intent or internal memoranda
Interconnection	Most current PJM study report (TC2 & earlier)	Independent consultant report (Cycle 1 / EIT / not under study) — varies by queue, not COD	No study information or development timeline
Permitting	Complete permit matrix; filed applications with agency correspondence	Permit matrix with filing strategy/timeline for permits not yet filed	Incomplete matrix; missing applicable permit categories

*Illustrative and non-exhaustive; acceptable evidence and applicable thresholds are subject to update in the final tariff and PJM Manuals.

**Earlier COD refers to 2029/2030 and earlier Delivery Years; later COD refers to 2030/2031 and later.

Selection Assessment

Disclaimer: While materials are current at the time of publishing, applicable requirements may change. PJM Governing Documents control.

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 \$555/MW-day UCAP.

- Constraint applied across 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.

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

with a discount rate equal to 9.5% after-tax average weighted average cost of capital

Example

Unit A	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
Price (\$/MW-day)	91	91	100	100	100	100	100	110	110	110	110	110	110	110	110
UCAP MW	10	10	9	9	9	9	9	8	8	8	8	8	8	8	8

$$\text{Unit A Levelized Cost} = \frac{\$7,005.26 / \text{day}}{69.32 \text{ MW}} = \$101.05 / \text{MW-day}$$

When determining whether to select the n^{th} offer in the rank order, we consider:

$$\text{MW-Weighted Levelized Cost (\$/MW-day)} = \frac{\sum_i^n (\text{Levelized Cost}_i \times \text{Levelized MW}_i)}{\sum_i^n (\text{Levelized MW}_i)}$$

- If this value > \$555/MW-day, skip the offer. Else, procure the offer.
- Loop back to beginning of rank order each time an offer is procured and continue until the target is satisfied.

Illustrative example of maximum willingness to pay = **\$100 / MW-day** and a Final RBP Target of **6,800 MW**

		2028/29	2029/30	2030/31	2031/32	NPV
Offer 1	MW UCAP	500	450	450	400	1,453
	\$/MW-Day	\$50	\$50	\$50	\$50	\$50
	Revenue Cost Stream	\$25,000	\$22,500	\$22,500	\$20,000	\$72,645
Offer 2	MW UCAP	3,000	3,000	2,800	2,800	9,322
	\$/MW-Day	\$100	\$100	\$100	\$100	\$100
	Revenue Cost Stream	\$300,000	\$300,000	\$280,000	\$280,000	\$932,200
Offer 3	MW UCAP	400	400	500	500	1,428
	\$/MW-Day	\$200	\$200	\$200	\$200	\$200
	Revenue Cost Stream	\$80,000	\$80,000	\$100,000	\$100,000	\$285,503
Offer 4	MW UCAP	-	2,000	1,900	2,000	4,506
	\$/MW-Day	\$0	\$50	\$50	\$50	\$50
	Revenue Cost Stream	\$0	\$100,000	\$95,000	\$100,000	\$225,316
Offer 5	MW UCAP	-	900	1,000	1,000	2,208
	\$/MW-Day	\$0	\$90	\$90	\$90	\$90
	Revenue Cost Stream	\$0	\$81,000	\$90,000	\$90,000	\$198,705
Offer 6	MW UCAP	-	-	150	150	219
	\$/MW-Day	\$0	\$0	\$300	\$300	\$300
	Revenue Cost Stream	\$0	\$0	\$45,000	\$45,000	\$65,575
Offer 7	MW UCAP	-	-	-	200	139
	\$/MW-Day	\$0	\$0	\$0	\$300	\$300
	Revenue Cost Stream	\$0	\$0	\$0	\$60,000	\$41,734
Offer 8	MW UCAP	-	-	-	250	174
	\$/MW-Day	\$0	\$0	\$0	\$300	\$300
	Revenue Cost Stream	\$0	\$0	\$0	\$75,000	\$52,168

MW x Price

NPV of each row,
9.5% ATWACC

Illustrative example of maximum willingness to pay = **\$100 / MW-day** and a Final RBP Target of **6,800 MW**

		2028/29	2029/30	2030/31	2031/32	NPV
Offer 1	MW UCAP	500	450	450	400	1,453
	\$/MW-Day	\$50	\$50	\$50	\$50	\$50
	Revenue Cost Stream	\$25,000	\$22,500	\$22,500	\$20,000	\$72,645
Offer 2	MW UCAP	3,000	3,000	2,800	2,800	9,322
	\$/MW-Day	\$100	\$100	\$100	\$100	\$100
	Revenue Cost Stream	\$300,000	\$300,000	\$280,000	\$280,000	\$932,200
Offer 3	MW UCAP	400	400	500	500	1,428
	\$/MW-Day	\$200	\$200	\$200	\$200	\$200
	Revenue Cost Stream	\$80,000	\$80,000	\$100,000	\$100,000	\$285,503
Offer 4	MW UCAP	-	2,000	1,900	2,000	4,506
	\$/MW-Day	\$0	\$50	\$50	\$50	\$50
	Revenue Cost Stream	\$0	\$100,000	\$95,000	\$100,000	\$225,316
Offer 5	MW UCAP	-	900	1,000	1,000	2,208
	\$/MW-Day	\$0	\$90	\$90	\$90	\$90
	Revenue Cost Stream	\$0	\$81,000	\$90,000	\$90,000	\$198,705
Offer 6	MW UCAP	-	-	150	150	219
	\$/MW-Day	\$0	\$0	\$300	\$300	\$300
	Revenue Cost Stream	\$0	\$0	\$45,000	\$45,000	\$65,575
Offer 7	MW UCAP	-	-	-	200	139
	\$/MW-Day	\$0	\$0	\$0	\$300	\$300
	Revenue Cost Stream	\$0	\$0	\$0	\$60,000	\$41,734
Offer 8	MW UCAP	-	-	-	250	174
	\$/MW-Day	\$0	\$0	\$0	\$300	\$300
	Revenue Cost Stream	\$0	\$0	\$0	\$75,000	\$52,168

Total MW in Selection			
2028/29	2029/30	2030/31	2031/32
500	450	450	400

MW-Weighted Average Levelized Cost	\$72,645 / 1,453 = \$50
Procure Offer 1	

Illustrative example of maximum willingness to pay = **\$100 / MW-day** and a Final RBP Target of **6,800 MW**

		2028/29	2029/30	2030/31	2031/32	NPV
Offer 1	MW UCAP	500	450	450	400	1,453
	\$/MW-Day	\$50	\$50	\$50	\$50	\$50
	Revenue Cost Stream	\$25,000	\$22,500	\$22,500	\$20,000	\$72,645
Offer 2	MW UCAP	3,000	3,000	2,800	2,800	9,322
	\$/MW-Day	\$100	\$100	\$100	\$100	\$100
	Revenue Cost Stream	\$300,000	\$300,000	\$280,000	\$280,000	\$932,200
Offer 3	MW UCAP	400	400	500	500	1,428
	\$/MW-Day	\$200	\$200	\$200	\$200	\$200
	Revenue Cost Stream	\$80,000	\$80,000	\$100,000	\$100,000	\$285,503
Offer 4	MW UCAP	-	2,000	1,900	2,000	4,506
	\$/MW-Day	\$0	\$50	\$50	\$50	\$50
	Revenue Cost Stream	\$0	\$100,000	\$95,000	\$100,000	\$225,316
Offer 5	MW UCAP	-	900	1,000	1,000	2,208
	\$/MW-Day	\$0	\$90	\$90	\$90	\$90
	Revenue Cost Stream	\$0	\$81,000	\$90,000	\$90,000	\$198,705
Offer 6	MW UCAP	-	-	150	150	219
	\$/MW-Day	\$0	\$0	\$300	\$300	\$300
	Revenue Cost Stream	\$0	\$0	\$45,000	\$45,000	\$65,575
Offer 7	MW UCAP	-	-	-	200	139
	\$/MW-Day	\$0	\$0	\$0	\$300	\$300
	Revenue Cost Stream	\$0	\$0	\$0	\$60,000	\$41,734
Offer 8	MW UCAP	-	-	-	250	174
	\$/MW-Day	\$0	\$0	\$0	\$300	\$300
	Revenue Cost Stream	\$0	\$0	\$0	\$75,000	\$52,168

Total MW in Selection			
2028/29	2029/30	2030/31	2031/32
3,500	3,450	3,250	3,200

MW-Weighted Average Levelized Cost	\$1,004,845 / 10,775 = \$93.26
Procure Offer 2	

Illustrative example of maximum willingness to pay = **\$100 / MW-day** and a Final RBP Target of **6,800 MW**

		2028/29	2029/30	2030/31	2031/32	NPV
Offer 1	MW UCAP	500	450	450	400	1,453
	\$/MW-Day	\$50	\$50	\$50	\$50	\$50
	Revenue Cost Stream	\$25,000	\$22,500	\$22,500	\$20,000	\$72,645
Offer 2	MW UCAP	3,000	3,000	2,800	2,800	9,322
	\$/MW-Day	\$100	\$100	\$100	\$100	\$100
	Revenue Cost Stream	\$300,000	\$300,000	\$280,000	\$280,000	\$932,200
Offer 3	MW UCAP	400	400	500	500	1,428
	\$/MW-Day	\$200	\$200	\$200	\$200	\$200
	Revenue Cost Stream	\$80,000	\$80,000	\$100,000	\$100,000	\$285,503
Offer 4	MW UCAP	-	2,000	1,900	2,000	4,506
	\$/MW-Day	\$0	\$50	\$50	\$50	\$50
	Revenue Cost Stream	\$0	\$100,000	\$95,000	\$100,000	\$225,316
Offer 5	MW UCAP	-	900	1,000	1,000	2,208
	\$/MW-Day	\$0	\$90	\$90	\$90	\$90
	Revenue Cost Stream	\$0	\$81,000	\$90,000	\$90,000	\$198,705
Offer 6	MW UCAP	-	-	150	150	219
	\$/MW-Day	\$0	\$0	\$300	\$300	\$300
	Revenue Cost Stream	\$0	\$0	\$45,000	\$45,000	\$65,575
Offer 7	MW UCAP	-	-	-	200	139
	\$/MW-Day	\$0	\$0	\$0	\$300	\$300
	Revenue Cost Stream	\$0	\$0	\$0	\$60,000	\$41,734
Offer 8	MW UCAP	-	-	-	250	174
	\$/MW-Day	\$0	\$0	\$0	\$300	\$300
	Revenue Cost Stream	\$0	\$0	\$0	\$75,000	\$52,168

Total MW in Selection			
2028/29	2029/30	2030/31	2031/32
3,900	3,850	3,750	3,700

MW-Weighted Average Levelized Cost	\$1,290,348 / 12,202 = \$105.75
Skip Offer 3	

Illustrative example of maximum willingness to pay = **\$100 / MW-day** and a Final RBP Target of **6,800 MW**

		2028/29	2029/30	2030/31	2031/32	NPV
Offer 1	MW UCAP	500	450	450	400	1,453
	\$/MW-Day	\$50	\$50	\$50	\$50	\$50
	Revenue Cost Stream	\$25,000	\$22,500	\$22,500	\$20,000	\$72,645
Offer 2	MW UCAP	3,000	3,000	2,800	2,800	9,322
	\$/MW-Day	\$100	\$100	\$100	\$100	\$100
	Revenue Cost Stream	\$300,000	\$300,000	\$280,000	\$280,000	\$932,200
Offer 3	MW UCAP	400	400	500	500	1,428
	\$/MW-Day	\$200	\$200	\$200	\$200	\$200
	Revenue Cost Stream	\$80,000	\$80,000	\$100,000	\$100,000	\$285,503
Offer 4	MW UCAP	-	2,000	1,900	2,000	4,506
	\$/MW-Day	\$0	\$50	\$50	\$50	\$50
	Revenue Cost Stream	\$0	\$100,000	\$95,000	\$100,000	\$225,316
Offer 5	MW UCAP	-	900	1,000	1,000	2,208
	\$/MW-Day	\$0	\$90	\$90	\$90	\$90
	Revenue Cost Stream	\$0	\$81,000	\$90,000	\$90,000	\$198,705
Offer 6	MW UCAP	-	-	150	150	219
	\$/MW-Day	\$0	\$0	\$300	\$300	\$300
	Revenue Cost Stream	\$0	\$0	\$45,000	\$45,000	\$65,575
Offer 7	MW UCAP	-	-	-	200	139
	\$/MW-Day	\$0	\$0	\$0	\$300	\$300
	Revenue Cost Stream	\$0	\$0	\$0	\$60,000	\$41,734
Offer 8	MW UCAP	-	-	-	250	174
	\$/MW-Day	\$0	\$0	\$0	\$300	\$300
	Revenue Cost Stream	\$0	\$0	\$0	\$75,000	\$52,168

Total MW in Selection			
2028/29	2029/30	2030/31	2031/32
3,500	5,450	5,150	5,200

MW-Weighted Average Levelized Cost	\$1,230,160 / 15,281 = \$80.50
Procure Offer 4	

Illustrative example of maximum willingness to pay = **\$100 / MW-day** and a Final RBP Target of **6,800 MW**

		2028/29	2029/30	2030/31	2031/32	NPV
Offer 1	MWUCAP	500	450	450	400	1,453
	\$/MW-Day	\$50	\$50	\$50	\$50	\$50
	Revenue Cost Stream	\$25,000	\$22,500	\$22,500	\$20,000	\$72,645
Offer 2	MWUCAP	3,000	3,000	2,800	2,800	9,322
	\$/MW-Day	\$100	\$100	\$100	\$100	\$100
	Revenue Cost Stream	\$300,000	\$300,000	\$280,000	\$280,000	\$932,200
Offer 3	MWUCAP	400	400	500	500	1,428
	\$/MW-Day	\$200	\$200	\$200	\$200	\$200
	Revenue Cost Stream	\$80,000	\$80,000	\$100,000	\$100,000	\$285,503
Offer 4	MWUCAP	-	2,000	1,900	2,000	4,506
	\$/MW-Day	\$0	\$50	\$50	\$50	\$50
	Revenue Cost Stream	\$0	\$100,000	\$95,000	\$100,000	\$225,316
Offer 5	MWUCAP	-	900	1,000	1,000	2,208
	\$/MW-Day	\$0	\$90	\$90	\$90	\$90
	Revenue Cost Stream	\$0	\$81,000	\$90,000	\$90,000	\$198,705
Offer 6	MWUCAP	-	-	150	150	219
	\$/MW-Day	\$0	\$0	\$300	\$300	\$300
	Revenue Cost Stream	\$0	\$0	\$45,000	\$45,000	\$65,575
Offer 7	MWUCAP	-	-	-	200	139
	\$/MW-Day	\$0	\$0	\$0	\$300	\$300
	Revenue Cost Stream	\$0	\$0	\$0	\$60,000	\$41,734
Offer 8	MWUCAP	-	-	-	250	174
	\$/MW-Day	\$0	\$0	\$0	\$300	\$300
	Revenue Cost Stream	\$0	\$0	\$0	\$75,000	\$52,168

Total MW in Selection			
2028/29	2029/30	2030/31	2031/32
3,900	5,850	5,650	5,700

MW-Weighted Average Levelized Cost	\$1,515,663 / 16,709 = \$90.71
Procure Offer 3	

Illustrative example of maximum willingness to pay = **\$100 / MW-day** and a Final RBP Target of **6,800 MW**

		2028/29	2029/30	2030/31	2031/32	NPV
Offer 1	MW UCAP	500	450	450	400	1,453
	\$/MW-Day	\$50	\$50	\$50	\$50	\$50
	Revenue Cost Stream	\$25,000	\$22,500	\$22,500	\$20,000	\$72,645
Offer 2	MW UCAP	3,000	3,000	2,800	2,800	9,322
	\$/MW-Day	\$100	\$100	\$100	\$100	\$100
	Revenue Cost Stream	\$300,000	\$300,000	\$280,000	\$280,000	\$932,200
Offer 3	MW UCAP	400	400	500	500	1,428
	\$/MW-Day	\$200	\$200	\$200	\$200	\$200
	Revenue Cost Stream	\$80,000	\$80,000	\$100,000	\$100,000	\$285,503
Offer 4	MW UCAP	-	2,000	1,900	2,000	4,506
	\$/MW-Day	\$0	\$50	\$50	\$50	\$50
	Revenue Cost Stream	\$0	\$100,000	\$95,000	\$100,000	\$225,316
Offer 5	MW UCAP	-	900	1,000	1,000	2,208
	\$/MW-Day	\$0	\$90	\$90	\$90	\$90
	Revenue Cost Stream	\$0	\$81,000	\$90,000	\$90,000	\$198,705
Offer 6	MW UCAP	-	-	150	150	219
	\$/MW-Day	\$0	\$0	\$300	\$300	\$300
	Revenue Cost Stream	\$0	\$0	\$45,000	\$45,000	\$65,575
Offer 7	MW UCAP	-	-	-	200	139
	\$/MW-Day	\$0	\$0	\$0	\$300	\$300
	Revenue Cost Stream	\$0	\$0	\$0	\$60,000	\$41,734
Offer 8	MW UCAP	-	-	-	250	174
	\$/MW-Day	\$0	\$0	\$0	\$300	\$300
	Revenue Cost Stream	\$0	\$0	\$0	\$75,000	\$52,168

Total MW in Selection			
2028/29	2029/30	2030/31	2031/32
3,900	6,750	6,650	6,700

MW-Weighted Average Levelized Cost	\$1,714,369 / 18,917 = \$90.63
Procure Offer 5	

Illustrative example of maximum willingness to pay = **\$100 / MW-day** and a Final RBP Target of **6,800 MW**

		2028/29	2029/30	2030/31	2031/32	NPV
Offer 1	MW UCAP	500	450	450	400	1,453
	\$/MW-Day	\$50	\$50	\$50	\$50	\$50
	Revenue Cost Stream	\$25,000	\$22,500	\$22,500	\$20,000	\$72,645
Offer 2	MW UCAP	3,000	3,000	2,800	2,800	9,322
	\$/MW-Day	\$100	\$100	\$100	\$100	\$100
	Revenue Cost Stream	\$300,000	\$300,000	\$280,000	\$280,000	\$932,200
Offer 3	MW UCAP	400	400	500	500	1,428
	\$/MW-Day	\$200	\$200	\$200	\$200	\$200
	Revenue Cost Stream	\$80,000	\$80,000	\$100,000	\$100,000	\$285,503
Offer 4	MW UCAP	-	2,000	1,900	2,000	4,506
	\$/MW-Day	\$0	\$50	\$50	\$50	\$50
	Revenue Cost Stream	\$0	\$100,000	\$95,000	\$100,000	\$225,316
Offer 5	MW UCAP	-	900	1,000	1,000	2,208
	\$/MW-Day	\$0	\$90	\$90	\$90	\$90
	Revenue Cost Stream	\$0	\$81,000	\$90,000	\$90,000	\$198,705
Offer 6	MW UCAP	-	-	150	150	219
	\$/MW-Day	\$0	\$0	\$300	\$300	\$300
	Revenue Cost Stream	\$0	\$0	\$45,000	\$45,000	\$65,575
Offer 7	MW UCAP	-	-	-	200	139
	\$/MW-Day	\$0	\$0	\$0	\$300	\$300
	Revenue Cost Stream	\$0	\$0	\$0	\$60,000	\$41,734
Offer 8	MW UCAP	-	-	-	250	174
	\$/MW-Day	\$0	\$0	\$0	\$300	\$300
	Revenue Cost Stream	\$0	\$0	\$0	\$75,000	\$52,168

Total MW in Selection			
2028/29	2029/30	2030/31	2031/32
3,900	6,750	6,800	6,850

MW-Weighted Average Levelized Cost	\$1,779,944 / 19,135 = \$93.02
Procure Offer 6	

- Final RBP Target has been satisfied and procurement is complete.
- Offers 7 & 8 are not selected.

- RBP Resources shall not be partially cleared.
- 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.
- The Reliability Backstop Procurement may also clear short of the Final RBP Target.
- If multiple RBP Sell Offers have same initial offered Delivery Year and levelized cost, and not all are needed to satisfy the Final RBP Target, the offer with the earliest timestamp will be selected.

Capacity Must Offer Obligation

Disclaimer: While materials are current at the time of publishing, applicable requirements may change. PJM Governing Documents control.

Capacity Must Offer Obligation for RBP Resources

RBP Resources committed through the RBP must offer all committed RBP UCAP MW into the RPM Auctions as Capacity Resources pursuant to the capacity must offer requirements and exceptions set forth in Tariff, Attachment DD, sections 6.6 and 6.6A.

- Must be offered into the applicable RPM Auctions as **price takers**, i.e., \$0/MW-day UCAP
- The **UCAP MW quantity offered** in an applicable RPM Auction for the Delivery Year must be equal to the lesser of:
 - Committed RBP UCAP MW minus total RPM committed MW through RPM Auctions for the Delivery Year, and
 - The available UCAP MW at the time of the RPM Auction.

The RBP Resource's capacity must offer obligation into RPM Auctions for a Delivery Year is satisfied once the entirety of the committed RBP UCAP MW have cleared in RPM Auction(s) for such Delivery Year.

RBP Resources with RBP UCAP MW committed through RPM Auctions will be subject to all RPM capacity market rules, as set forth in Tariff, Attachments DD and DD-1.

The applicable RPM auctions shall be the Base Residual Auctions and Incremental Auctions conducted after an RBP Resource’s RBP UCAP MW have been committed through the Reliability Backstop Procurement and continuing for each subsequent Delivery Year through the end of the fixed 15-year term.

- Exception: RBP UCAP MW for RBP Resources committed in the RBP for the 2029/2030 DY but without a notice of intent to offer for the 2029/2030 BRA, to open December 9, 2026.
 - Such resources have a must offer requirement for the next RPM Auction

- In the event a committed RBP Resource is not expected to be in-service or deliverable by the relevant Delivery Year, the Capacity Market Seller of such committed RBP Resource may notify PJM, with supporting documentation, that the resource is not expected to be in-service or deliverable by the relevant Delivery Year.
- Such notice for a committed RBP Resource shall be submitted no later than (i) the immediately preceding December 1 for a Base Residual Auction or (ii) ninety (90) days prior to the commencement of the offer period for an Incremental Auction.
- A committed RBP Resource that provides such notice will be assessed any applicable RBP shortfall charge and not be allowed to be offered into the applicable RPM Auction.
 - An RBP Resource that is unable to meet expected commercial operation date solely due to Network Upgrades shall be exempted from RBP shortfall charges if the RBP Resource successfully demonstrates readiness through test energy and seeks interim deliverability.