Elevate Renewables and AlphaGen Proposed Enhancements and Recommendations to the PJM Reliability Resource Initiative (RRI)

INTRODUCTION

Elevate Renewables F7, LLC ("Elevate") and Alpha Generation ("AlphaGen", collectively "we"), have a vested interest in preserving resource adequacy and reliability in the PJM region. We are committed to providing power to the region as our generation fleet has done so for years. However, with the rapid pace of retirements, increased electrical demand, and lagging entry of new resources, we feel our facilities and vision for the future stand to contribute considerably in the ongoing discussion of reliability in the region.

We thank PJM and its dedicated Staff for convening a collaborative, informative series of stakeholder opportunities regarding the Reliability Resource Initiative (RRI) proposal presented and developed by PJM in conjunction with stakeholders. We hereby submit the following recommendations and comments for close consideration to ensure that the objectives of integrating new reliable supply resources on the PJM grid with the most certain ability to energize within the short-term can be accomplished through this proposed RRI process.

In light of the growing reliability issues experienced across the PJM footprint, it's apparent that urgent action must be taken to enable viable, meaningful additions to the resource mix. Given the reiterated emphasis throughout the stakeholder process upon the selection and ultimate development and operation of timely, high-confidence projects, we strongly encourage PJM adopt the following RRI eligibility formula criteria and weighting.

Elevate Renewables and AlphaGen RRI Formula Proposal:			
UCAP (30 points) Rank highest to lowest UCAP	**In Service Date Viability** (40 points) Critical Path Construction Schedule Validated by PJM (target is June 1, 2029 or sooner (Full engineering plan, 100% site control, incl. gen-tie line, Possess permits or plan for securing final permits, Acquisition or ordering of equipment, Demonstration of full project financing, etc.) Must submit plan detailing ability to meet COD date Uprates SIS Impact	**ELCC** (20 points) ELCC Ranking	**Location** (10 points) Located in a zone OR has a contractual agreement with LSE in a zone that cleared above rest of RTO in 2025/2026 BRA

In Service Date Viability (40 Points)

As has been suggested by other stakeholders, PJM's existing approach lacks the strict standards necessary to attest to the feasibility and deliverability of a potential RRI project. A higher threshold for commercial readiness should be required to avoid speculative projects and yield shovel-ready contributions capable of

providing near-term relief. Projects applying for RRI consideration should provide a full engineering plan, demonstration of 100% site control including the generator tie line, secured permits or a plan for obtaining permits, acquisition plan for equipment, and demonstration of full project financing. A greater emphasis on and more strict maturity requirements for Project Viability may also provide a more informed understanding of interconnection, system impact, and other affiliated costs for each project.

The precedent set at FERC by CAISO in its revisions to its Open Access Transmission Tariff to amend its generator interconnection procedure[1] provides a helpful and applicable model for the RRI formula. Our proposed emphasis on Project Viability mirrors CAISO's final scoring criteria that also vested 35% of its weight into this criterion, with greater weight granted to projects that are further along in their technical planning and design. In its approval of the CAISO proposal, FERC made clear that the supporting maturity requirements under the Project Viability criterion and their specificity did much to ensure that the selected projects were among the "most viable, ready, and needed".

Per PJM's recommendations in its own proposal, RRI projects' In-Service Date should be reached by June 1, 2029. Greater weighting within this category could be granted for projects capable of commercial operation by 2029 and added weighting to projects that can COD sooner than June 1, 2029.

UCAP/ELCC (50 Points)

A project's Contribution to Reliability is a critical element and central to the RRI. Both a project's Unforced Capacity (UCAP) and Effective Load Carrying Capacity (ELCC) rating should be factored into the ranking. While the objective of the RRI solicitation is in part to spur development of assets capable of providing reliability to the grid, these assets must also emphatically prove they are capable of reaching COD within a timeframe appropriate for the expected need RRI is meant to address. As one stakeholder framed this concept in a November Committee meeting, "UCAP means little if we can't confidently expect [the project] will come online". It is for this reason that— while ELCC and UCAP are integral to gauging the potential of an RRI asset— our proposed weighting prioritizes shovel-readiness over the rankings of a hypothetical project and its technology type.

Location (10 Points)

While Dominion and BGE zones cleared considerably above the RTO in the 2025/2026 Base Residual Auction (BRA), it should be noted that the rest of RTO clearing price was nearly ten times higher than the previous 2024/2025 BRA. With that said, we propose that PJM consider awarding the full Location adder to projects contracted to serve a zone clearing above the RTO in the 2025/2026 BRA; though the asset itself may not be located within the footprint, a service contract attests to the direct impact of the asset upon the area's reliability and therefore its eligibility as an RRI asset.

CONCLUSION

Elevate and AlphaGen thank PJM, Staff, and fellow stakeholders for the opportunity to continue to engage on the RRI proposal.

[1] FERC Docket No. ER24-2671-000