

New Subsection – 8.6.7

8.6.7 Stakeholder Consultation Process for DOE 202(c) Orders

The Department of Energy has issued, and may continue to issue, orders under section 202(c) of the Federal Power Act (DOE 202(c) Order) that require a specific generating unit to continue operating beyond its planned retirement date. When a DOE 202(c) Order is issued, cost allocation rules will need to be applied or developed based on the relevant circumstance specified below.

1. Where a DOE 202(c) Order is issued to address circumstances for which a cost allocation methodology has already been defined in the RAA, PJM will notify members that it will use the same cost allocation methodology specified in the Reliability Assurance Agreement, Article 7 without having to institute a new stakeholder process.
2. In circumstances where the new DOE 202(c) Order is based on resource adequacy needs, but other attributes of the Order and/or the cost compensation mechanism sought by the unit owner or operator do not fit under the circumstances for which a cost allocation methodology has already been defined in the RAA, stakeholders will pursue an abbreviated consultation process for developing a cost allocation method related to the Order.

Attributes of the abbreviated stakeholder process are provided below:

- Notifications will be transmitted to stakeholders via PJM's email distribution system using established mailing lists.
 - The abbreviated stakeholder process will be conducted using Workshops, and all materials associated with the stakeholder process will be posted on that page.
 - Candidate cost allocation methodologies have been developed and will be used as starting points in the abbreviated stakeholder processes. These candidate methodologies will be posted on the Workshop page on pjm.com.
 - The number of meetings necessary for each abbreviated stakeholder process will be determined via consultation with stakeholders at first Workshop in each series.
 - Both written and oral feedback will be sought from stakeholders and polling may be used if time allows.
 - Members Committee indicative voting will be sought on proposed cost allocation methodologies.
3. In circumstances where the new DOE 202(c) Order is based on anything other than resource adequacy needs, and if the unit is not already being compensated via an RMR agreement, a Critical Issue Fast Path (or similar stakeholder process) will be implemented to identify the appropriate cost allocation methodology.