

Informational Item: Deactivation Enhancements Senior Task Force (DESTF) Update

www.pjm.com | Public PJM © 2025



- On Feb. 14, FERC accepted PJM's proposal in Docket No. <u>ER25-682</u> that, among other things, recognize the capacity contribution of qualifying Reliability Must-Run (RMR) units that can be reasonably expected to perform during capacity emergencies for the 2026/27 and 2027/28 Delivery Years.
- The accepted RMR proposal addresses the near-term concern regarding the accounting of Brandon Shores and Wagner RMR units in the upcoming capacity auctions for the 2026/27 and 2027/28 Delivery Years.
- These reforms, as noted in the FERC Order, were proposed as a "stop-gap measure" and "an interim solution for the next two delivery years while PJM works with its stakeholders to develop a more fulsome proposal for considering resource adequacy contributions of RMR resources."



Proposed Update to DESTF Issue Charge

- The development of a longer-term solution for considering capacity contribution of RMR units will need to be completed this year in order to be implemented in time for the 2028/29 BRA scheduled for May 2026.
- To facilitate that discussion and development of a longer-term solution with stakeholders, PJM is proposing to have that work be done at the DESTF, and specifically explore longer-term solution options through a pro forma RMR arrangement, taking into consideration how it's handled in some of the other ISOs.

www.pjm.com | Public 9JM © 2025



Proposed Update to DESTF Issue Charge (cont'd)

New item under Key Work Activities and Scope:

7. Develop longer-term solution options effective with the 2028/2029 Delivery Year to recognize resource adequacy contributions of RMR resources in the capacity market through a pro forma RMR arrangement

New item under Areas in scope:

6. Pro Forma RMR Arrangements: Development of a pro forma RMR arrangement and accompanying updates to capacity market rules for deactivating generators that may need to be temporarily retained to maintain reliability.

Update to out of scope section:

1. Capacity market changes. Any capacity market (with the exception of rules related to recognizing resource adequacy contributions of RMR resources in the capacity market) and/or existing reliability backstop auction issues identified will be assigned separately to the appropriate stakeholder group.



BE ALERT TO
MALICIOUS PHISHING
EMAILS

Report suspicious email activity to PJM.

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