

Eddystone 202c Cost Allocation

Market Settlements Subcommittee
August 11, 2025

- On May 30, 2025, Department of Energy (DOE) issued an emergency order, pursuant to section 202c of the Federal Power Act, to PJM Interconnection.
- The emergency order directs PJM, in coordination with Constellation Energy, to ensure specified generation units at the Eddystone Generation Station in Pennsylvania remain available for operation, minimizing the risk of generation shortfall that could lead to unnecessary power outages.

- The cost allocation process for the Eddystone 202c order was the subject of the recent [CIFP Process](#)
 - PJM filed the supermajority-supported Capacity-based allocation methodology for RTO-wide allocation. This allocation applies solely to the current order expiring on August 28, 2025 ([ER25-2653-000](#)).
- Pending FERC approval, the DOE 202c Emergency Order charges for Eddystone will be assessed using Unforced Capacity (UCAP) Obligation ratio share
 - Applies to all RTO load (load covered through both RPM auctions and Fixed Resource Requirement plans)

- Similar to RMR billing, the 202c charges will be billed on a one-month lag (i.e. June 2025 charges will be allocated in the July monthly bill issued in August)
 - A new Billing Line Item has been created for billing:
 - Charges: BLI ID 1935 – DOE 202C
 - Credits: BLI ID 2935 – DOE 202C
 - If parties wish to transfer the associated charges to another PJM member:
 - June ~~or July~~ amounts can be done only via fixed amount miscellaneous bilateral transaction or outside of PJM
 - ~~▪ July or~~ August can be done via a new Billing Line Item Transfer (must be entered and approved by both parties before the end of the respective month)

- 202c charges can be independently recalculated using the following equation:
 - $202c \text{ Charge} = \text{Total Monthly UCAP Obligation} * 202c \text{ Charge Rate}$
- The 202c Charge Rate will be posted on the Market Settlements page prior to inclusion in the monthly bill
- 202c Charges will be assessed pro-rata based on each Participant's total monthly UCAP Obligation for days within the calendar month covered by the 202c order (June 1- August 28, 2025)
 - The next slide contains instructions on how to calculate the total monthly UCAP Obligation.

- The *Schedule 9 & 10 Daily Usage Details* MSRS Report (under Other Ancillary Services) contains the Daily UCAP Obligation for each Load Serving Entity.
- The total monthly UCAP obligation can be determined by summing the Daily UCAP Obligation (MW) (Column 3004.26) for all days in the calendar month covered by the 202c order.
 - Note, two schedules use the Daily UCAP Obligation. Be sure to filter report results to only list one to prevent double counting (either the 9-4: Capacity Resource and Obligation Management or the 9-PSI: PJM Settlement, Inc. - 9-4 schedule).

- The cost allocation methodology in this presentation only applies through August 28, 2025.
- A new cost allocation methodology will need to be filed in the event the DOE Extends the 202c order for Eddystone or issues for another unit.
 - Future allocation methodologies are currently being discussed at the new [202C Cost Allocation Senior Task Force](#).

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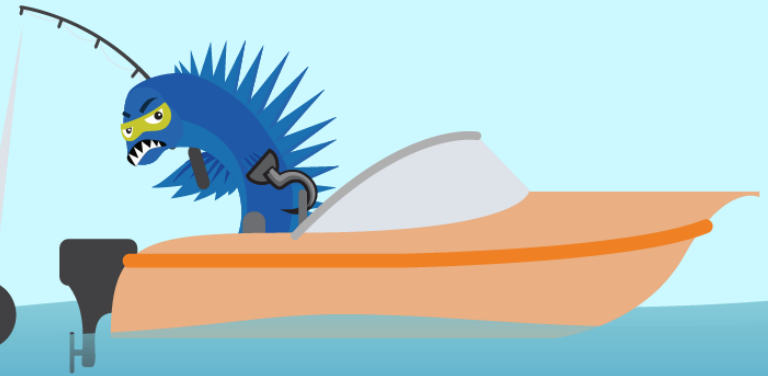
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