



<b>Effective Date</b>	12/5/2019
<b>Impacted Manual #(s)/Manual Title(s):</b>	
Manual 18: PJM Capacity Market	
<b>Conforming Order(s):</b>	
ER19-2417	
<b>Associated Issue Tracking Title:</b>	MIC: Must-Offer Exception Process Issue
<b>Committee Approval Path - What committee(s) have already seen these changes?</b>	
MIC 10/16/2019 MRC 10/31/2019 MIC 11/13/2019	
<b>MRC 1<sup>st</sup> read date:</b>	10/31/2019
<b>MRC voting date:</b>	12/5/2019
<b>Impacted Manual sections:</b>	
Section 5.2 RPM Auction Timeline Section 5.4.1 Resource-Specific Sell Offer Requirements Section 5.4.7 Removal of Generation Capacity Resource Status (new) Section 8.8 Replacement Resources	
<b>Reason for change:</b>	
Conforming manual revisions for the Must-Offer Exception Process proposal approved by the MC on 6/27/2019 and accepted by FERC on 9/16/2019 (ER19-2417)	
<b>Summary of the changes:</b>	

Several revisions to the RPM Must-Offer Exception Process for improved efficiency and clarity

- Capacity Market Sellers may specify multiple auctions in their submitted written must-offer exception requests to PJM and the IMM
- Must-offer exception requests are not required for MW approved in an “early replacement” transaction, as those MW are ineligible to be offered in the auction
- Timing is an acceptable reason for a CP must-offer exception, specifically in regard to a project that may be needed by the unit to meet the requirements of a CP resource, but cannot be completed in time for the start of the Delivery Year

Documented Process added for Capacity Market Sellers to voluntarily request removal of Capacity Resource status from a Generation Capacity Resource

- Participant requests for Capacity Resource status removal and the review by PJM and the IMM follow the same timeline as must-offer exceptions related to deactivation
- Capacity Interconnection Rights (CIRs) of a resource that loses its Capacity Resource status will be terminated consistent with a generation unit that is deactivating, as described in Tariff, Part VI, section 230.3.3

Effective with the 2023/2024 Delivery Year, exception requests submitted for a BRA on the basis that the resource is incapable of meeting the Capacity Performance Resource requirements must include a documented plan with the submission of their request showing the steps the seller intends to pursue for the resource to become physically capable of satisfying the requirements of a Capacity Performance Resource, and provide periodic updates on the progress of such plan in accordance with Tariff, Attachment DD, section 6.6A(c)