

Participation of Planned Resources in RPM 2018/2019 Base Residual Auction (BRA)

The 2018/2019 RPM BRA opens on May 11, 2015. This communication is directed to Market Participants that plan to offer Planned External/Internal Generation Resources, Planned Demand Resources, Energy Efficiency Resources, Qualifying Transmission Upgrades, and Price Responsive Demand into the 2018/2019 Base Residual Auction.

The 2018/2019 BRA Planning Period Parameters will be posted by February 1, 2015 under Delivery Year 2018/2019 at <http://www.pjm.com/markets-and-operations/rpm/rpm-auction-user-info.aspx>. The RPM Schedule, with important RPM deadlines, can be found at <http://www.pjm.com/~media/markets-ops/rpm/rpm-auction-info/rpm-auction-schedule.ashx>.

The following table summarizes the activities and corresponding deadlines for planned resource participation in 2018/2019 Base Residual Auction.

Resource Type	Activity	Deadline
Planned (External/Internal) Generation (includes upgrades to existing generation)	Notification of Intent to Offer	March 1, 2015 (Resources in AA1 queue or earlier)
	Request with full documentation for exception to Minimum Offer Price Rule (MOPR)	December 27, 2014
	Executed Impact Study Agreement	April 27, 2015
	PJM Provisional Approval of Cap Mod Transaction	5:00 PM on Thursday, May 7, 2015
Planned Demand Resource	DR Sell Offer Plan & Officer Certification Form	April 17, 2015
	DR Setup Window closes	5:00 PM on Friday, May 8, 2015
Energy Efficiency Resource	Initial/Updated Measurement & Verification Plan	April 11, 2015
	EE Setup Window closes	5:00 PM on Friday, May 8, 2015
Qualifying Transmission Upgrade (QTU)	Notification of Intent to Offer	February 15, 2015
	Executed Facilities Study	March 27, 2015

	Agreement	
	PJM Certification of Increase in Import Capability	March 27, 2015
Price Responsive Demand (PRD)	Submit PRD Plan Documentation	January 15, 2015

Additional information on participation requirements for planned resources in the 2018/2019 Base Residual Auction are provided by resource type below. **All Notifications of Intent, DR Plans, Initial/Updated EE M&V Plans, and PRD Plans must be submitted to rpm_hotline@pjm.com.**

Planned (External/ Internal) Generation Resources:

At a minimum, an executed System Impact Study Agreement for a Planned Internal Generation Resource (or an equivalent for Planned External Generation Resource) must be in place no later than April 27, 2015 in order for PJM to proceed with approving the Planned Generation Resource for participation in the 2018/2019 Base Residual Auction.

PJM requests Market Participants that want to offer a Planned Generation Resource in the 2018/2019 Base Residual Auction to provide advance notification of their intent to offer by March 1, 2015. The purpose of the advance notification is to provide PJM with an opportunity to execute the System Impact Study Agreement for a Planned Internal Generation Resource and review a submitted equivalent System Impact Study for Planned External Generation Resources by the established deadline. An advance notification, however, will not require PJM to process an interconnection request or perform studies more quickly than provided for in the PJM Tariff. PJM’s ability to execute the System Impact Study Agreement by the deadline will depend on the position of the resource in the AA1 queue (or earlier queue) and the status of the studies.

The advance notification of intent to offer a Planned Generation Resource into the auction does not constitute an obligation on a Market Participant to offer that Planned Generation Resource into the auction.

PJM requests that Market Participants submit their Capacity Modification transaction for their Planned Generation Resource in a timely manner that enables PJM to review the transaction and provide provisional approval by 5:00 PM on Thursday, May 7, 2015. PJM will only provisionally approve a Capacity Modification transaction for a Planned Generation Resource after an Impact Study has been executed and the RPM Credit Requirements have been satisfied.

As per Section 5.14(h) of Attachment DD of the PJM Open Access Transmission Tariff (OATT), a Minimum Offer Price Rule (MOPR) applies to certain Planned Generation Capacity Resources (including upgrade or

addition to an Existing Generation Capacity Resource). If the MOPR is applicable to a Planned Generation Capacity Resource, a Capacity Market Seller wishing to offer the resource at a price below the MOPR screen price may request such an exception by submitting an exception request to PJM and the Market Monitoring Unit with full documentation by December 27, 2015.

Planned Demand Resources:

Providers of all Planned Demand Resources (Direct Load Control, Firm Service Level, or Guaranteed Load Drop implementations) must submit a completed DR Sell Offer Plan Template and Officer Certification Form by April 17, 2015 (15 business days prior to the Base Residual Auction). The DR Sell Offer Plan Template can be found at: <http://pjm.com/~media/markets-ops/rpm/rpm-auction-info/demand-response-sell-offer-plan-template-for-2018-2019-delivery-year.ashx>, and the Officer Certification Form at <http://pjm.com/~media/markets-ops/rpm/rpm-auction-info/dr-sell-offer-plan-officer-certification-form.ashx>.

In addition to the completed Sell Offer Plan Template and Officer Certification Form, Providers of Demand Resources must complete the DR Setup process in eRPM, instructions for which can be found at: <http://pjm.com/~media/markets-ops/rpm/rpm-auction-info/dr-auction-set-up.ashx>. PJM will only accept Planned DR sell offers once the RPM Credit Requirements have been satisfied.

Energy Efficiency Resources:

Providers of Energy Efficiency Resources must submit Initial/Updated Measurement and Verification (M&V) Plan by April 11, 2015 (30 days prior to the Base Residual Auction). The requirements for an Initial/Updated M&V Plan are available in Manual 18B: Energy Efficiency Measurement and Verification.

In addition to the Initial/Updated M&V Plan, Providers of Energy Efficiency Resources must complete the EE Setup process in eRPM, instructions for which can be found at: <http://pjm.com/~media/markets-ops/rpm/rpm-auction-info/energy-efficiency-auction-setup-in-erpm.ashx>. PJM will only accept Planned Energy Efficiency sell offers once the RPM Credit Requirements have been satisfied.

Qualifying Transmission Upgrades (QTU):

Certification of an increase in import capability must be completed no later than March 27, 2015 (45 days prior to the Base Residual Auction) for a QTU to participate in the 2018/2019 Base Residual Auction.

PJM requests Market Participants that want to offer a QTU in the 2018/2019 Base Residual Auction to provide advance notification of their intent to offer by February 15, 2015. The purpose of the advance notification is to provide PJM with enough time to determine the increase in import capability

by the established deadline; however, the advance notification will not obligate PJM to deviate from the timeframes for processing studies in the PJM Tariff. PJM will complete the studies associated with a QTU in accordance with the PJM Tariff. There are no penalties imposed by PJM on a Market Participant if it provides PJM with advance notification of its intent to offer and the Market Participant does not actually offer the QTU in the auction. To participate in the 2018/2019 Base Residual Auction a QTU must have, at a minimum, an executed Facilities Study Agreement in place by March 27, 2015.

Price Responsive Demand (PRD):

A PRD Provider that wishes to nominate PRD load for the upcoming BRA must submit a PRD Plan by January 15, 2015. The PRD Plan indicates the Nominal PRD Value in MWs that the PRD Provider is willing to commit at different reservation prices (\$/MW-day). PRD Plan requirements are described in Section 3A of Manual 18: <http://www.pjm.com/~media/documents/manuals/m18.ashx>

Any questions regarding this communication should be directed to rpm_hotline@pjm.com.