

Identification of Resources Entitled to State Subsidies & MOPR Exemptions

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- The owner of any resource that is eligible to receive a state-subsidy for the relevant delivery year must self-identify such resource as a state-subsidized resource
 - Unless the resource qualifies for a categorical exemption or elects the Competitive Exemption by certifying to forgo the state-subsidy for the relevant delivery year, it is subject to the applicable default MOPR floor price or may seek a unit-specific exception to justify offer below the applicable default MOPR floor price
- Any resource owned by a self-supply entity is presumed to be a state-subsidized resource
 - Unless the resource qualifies for a self-supply exemption, it is subject to the applicable default MOPR floor price or may seek a unit-specific exception to justify offer below the applicable default MOPR floor price

- Three Types of Categorical MOPR Exemptions
 - Renewable Portfolio Standards (“RPS”) Exemption
 - Self-Supply Exemption
 - Demand Response, Energy Efficiency and Capacity Storage Exemption
- The owner of a State-Subsidized Resource may elect the Competitive Exemption by certifying to forgo the state-subsidy for the relevant delivery year

- In advance of Unit-Specific Exception request deadline, PJM will pre-identify resources (and resource uprates) that meet following exemptions
 - Renewable Portfolio Standards (“RPS) Exemption
 - Self-Supply Exemption
 - Demand Response, Energy Efficiency and Capacity Storage Exemption
- PJM’s pre-identified Exemption status will be presented for each resource (and resource uprate) residing in the Market Seller account at that point in time
- Market Seller confirmation of resource exemption status will allow for a proactive and timely resolution of any differences in expectations of exemption status

- Applicable to any renewable resource (and resource uprate) meeting one of the following criteria:
 - has cleared an auction prior to 12/19/2019
 - has executed ISA/WMPA/CSA on or before 12/19/2019
 - has unexecuted ISA/WMPA/CSA filed with FERC on or before 12/19/2019
- Renewable resource for this purpose defined as a generation resource with output that varies as a function of its energy source, such as wind, solar, run of river hydro and other renewable resources

- Applicable to any resource (and resource uprate) owned by self-supply entity meeting one of the following criteria:
 - has cleared an auction prior to 12/19/2019
 - has executed ISA/WMPA/CSA on or before 12/19/2019
 - has unexecuted ISA/WMPA/CSA filed with FERC on or before 12/19/2019
- Self-supply entity includes vertically integrated utilities, public power and single customer entities
- Self-supply resources are not eligible to elect the competitive exemption

- No later than 30 days prior to the auction, the owner of any resource that is eligible to receive a state-subsidy for the relevant delivery year must self-identify such resource in Capacity Exchange as a State-Subsidized Resource
- By this same deadline, the owner of a State-Subsidized Resource may certify in Capacity Exchange that it will forgo the state-subsidy for the relevant delivery year (i.e., competitive exemption)
- The identification of a resource as a state-subsidized resource will carry across delivery years.
- An existing resource that is not eligible for a state-subsidy at the time of the certification process that subsequently elects to accept a state-subsidy for any part of the relevant delivery year will forgo capacity market revenues for that delivery year (subject to retroactive unit exception review)