

January 13, 2023

DELIVERED VIA EMAIL

PJM Interconnection, L.L.C. generatordeactivation@pjm.com

RE: Notice of deactivation pursuant to PJM Open Access Transmission Tariff Part V, Section 113.1

Pursuant to Part V, Section 113.1 of the PJM Open Access Transmission Tariff, Wheelabrator Portsmouth Inc. ("Portsmouth") is hereby providing notice to PJM Interconnection, L.L.C. of the planned deactivation and retirement of the capacity resource, Unit ID 96710101 in the PJM eRPM system, effective July 1, 2024 at 00:00:01. Portsmouth has been preparing for a planned deactivation and retirement based on anticipated, unavoidable negative economic projections for the facility. However, due to a catastrophic fire on December 16, 2022, decommissioning of the facility may occur prior to the planned deactivation date. In the event that it is determined that decommissioning of the facility must occur prior to the planned deactivation date, we will timely notify PJM of that decision.

Pursuant to Attachment DD, Section 6.6(g)A and Attachment M – Appendix, Section 11.C.4 of the PJM Open Access Transmission Tariff, Portsmouth is concurrently submitting a preliminary request for exception to the RPM must-offer requirement to PJM and the Market Monitoring Unit for the Base Residual Auction for Delivery Year 2025/2026 and all RPM auctions thereafter. A copy of the preliminary request is enclosed.

Please let us know if you have any questions or require any additional information.

Regards

Reginald D. Goldie Senior Vice President

Enclosure: Preliminary request for exception to the RPM must-offer requirement pursuant to PJM Open Access Transmission Tariff Section 6.6(g)A



January 13, 2023

DELIVERED VIA EMAIL

PJM Interconnection, L.L.C. generatordeactivation@pjm.com

Monitoring Analytics rpmacr@monitoringanalytics.com

RE: Preliminary request for exception to the RPM must-offer requirement pursuant to PJM Open Access Transmission Tariff Section 6.6(g)A

Pursuant to Attachment DD, Section 6.6(g)A and Attachment M – Appendix, Section II.C.4 of the PJM Open Access Transmission Tariff, Wheelabrator Portsmouth Inc. ("Portsmouth") is submitting this preliminary request for exception for the capacity resource, Unit ID 96710101 in the PJM eRPM system, to the RPM must-offer requirement for the Base Residual Auction for Delivery Year 2025/2026 and all RPM auctions thereafter.

Concurrent with this request, pursuant to Part V, Section 113.1 of the PJM Open Access Transmission Tariff, Portsmouth is also providing notice to PJM Interconnection, L.L.C. of the planned deactivation and retirement of the capacity resource effective July 1, 2024 at 00:00:01. Portsmouth has been preparing for a planned deactivation and retirement based on anticipated, unavoidable negative economic projections for the facility. However, due to a catastrophic fire on December 16, 2022, decommissioning of the facility may occur prior to the planned deactivation date. A copy of the Section 113.1 notice is attached hereto as Attachment A. The Section 113.1 notice, together with this request, document the retirement plan that will render the resource physically unable to participate in the 2025/2026 Delivery Year and all subsequent Delivery Years.

This request for exception to the RPM must-offer requirement, pursuant to Attachment DD, Section 6.6(g)A, is based on determination that Portsmouth will be physically unable to operate during the 2025/2026 and subsequent Delivery Years. The requested deactivation at 00:00:01 July 1, 2024 corresponds with the termination of a long-term steam sale obligation. Further, the economic analysis attached hereto as Attachment B, reports that Portsmouth is expected to be uneconomic in 2024 and each year thereafter. The financial analysis provided as Attachment B indicates an average annual negative cash flow of \$16.1 million over the 5-year period beginning on January 1, 2024. As such, Portsmouth would need an additional \$21 million in annual revenue beyond the estimated revenue in the financial analysis to remain in service in order to cover its costs and a required return.

Please let us know if you have any questions or require any additional information.

Regards,

Reginald D. Goldie Senior Vice President