



## Executive Summary Manual Changes

<b>Effective Date:</b>	11/02/2022
<b>Impacted Manual #(s)/Manual Title(s):</b>	
M-18 PJM Capacity Market M-18B Energy Efficiency Measurement & Verification	
<b>Conforming Order(s):</b>	
None	
<b>Associated Issue Tracking Title:</b>	N/A
<b>Committee Approval Path - What committee(s) have already seen these changes?</b>	
None	
<b>MRC 1<sup>st</sup> read date:</b>	8/24/2022
<b>MRC voting date:</b>	9/21/2022
<b>Impacted Manual sections:</b>	
See Summary of changes for impacted manual sections	
<b>Reason for change:</b>	
Periodic Review	
<b>Summary of the changes:</b>	
<b>M18 Revisions:</b>	
Periodic Review updates include:	
<ul style="list-style-type: none"> <li>• Deletion of outdated information in the following sections: <ul style="list-style-type: none"> <li>- Section 1.5</li> <li>- Sections 2.1.3, 2.2, 2.3, 2.3.4, 2.4.3, 2.4.3A, 2.4.4, &amp; 2.4.5</li> <li>- Sections 3.3.1, 3.3.2, 3.4, 3.5, 3A.1, 3A.2, 3A.3, 3A.4.1, 3A.4.2, 3A.5, 3A.6, 3A.6.2, &amp; 3A.6.2A</li> <li>- Sections 4.1, 4.2.2, 4.2.4, 4.2.5, 4.2.6, 4.3.1, 4.3.3, 4.3.4, 4.3.5, 4.3.7, 4.3.8, 4.3.10, 4.4, 4.4.1,</li> </ul> </li> </ul>	

4.4.2, 4.4.3, 4.5, 4.6.2, 4.6.4, 4.6.5, 4.6.6, 4.6.7, 4.6.8, 4.7.1, 4.7.2, 4.7.2, 4.7.3, 4.8.3, 4.8.4, 4.8.5, 4.9, & 4.10

– Sections 5.3, 5.4.1, 5.4.4, 5.4.5, 5.4.8, 5.5, 5.7.1, 5.7.2, 5.7.3, 5.8.1, 5.8.3, 5.8.5, & 5.9.1

– Section 6.1.3

– Section 7.2.2

– Sections 8.1, 8.2.1, 8.2.2, 8.2.3, 8.3, 8.4, 8.4A, 8.5, 8.6, 8.7, 8.8

– Sections 9.1.1, 9.1.2, 9.1.3, 9.1.5, 9.1.6, 9.1.9, 9.3.1, 9.3.3, 9.4.2, 9.4.4

– Sections 11.1.2, 11.3, 11.4.1, 11.4.7, 11.4.8, 11.8.1, 11.8.3, 11.8.5, 11.8.6, & 11.8.7

– Attachment A: Glossary of Terms

- Added reference to Section 3.4 for development of VRR Curves (Sections 2.4.4 & 2.4.5)
- Added missing OVEC zone to CONE Area (Section 3.3.1)
- Added footnote to clarify the Reliability Requirement used in UCAP quantity equation for points (a), (b), and (c) of VRR Curve excludes any adjustment for PRD or EE (Section 3.4)
- Clarified VRR Curve is adjusted rightward for EE addback (Section 3.4)
- Clarified information to be verified in Resource Confirmation process to reflect current practice in Capacity Exchange system (Section 4.1)
- Clarified generation resource committed to FRR Capacity Plan must satisfy same qualification requirements as resource offering into RPM Auction (Section 4.2)
- Moved Prior CIL Exception Resource definition from Section 2.3 to this section (Section 4.2.2)
- Clarified load management programs and EE installations are eligible to be committed to FRR Capacity Plan (Section 4.3 & Section.4.4)
- Updated DR Plan deadline from 15 business prior to 30 days prior (Sections 4.3.1, 5.2, 11.4.7, & Attachment C: DR Sell Offer Plan)
- Replaced "annual" product availability with "Capacity Performance" (Section 4.3.10)
- Added Nominated EE Value Template requirement to reflect current practice (Section 4.4)
- Updated EE Modification process to reflect current practice (Section 4.4.3)
- Clarified UCAP Value of CP EE Resource and Summer Period EE Resource (Section 4.4.2)
- Added Generation Resource Rating Test Failure Charge to list of charges applicable to Seller of Auction Specific MW Transaction (Section 4.6.6)
- Added footnote to reference RPM Auction schedule on website for DYs FERC approved a compressed auction schedule (Section 5.2)
- Added Capacity Performance value when missing (Section 8.2.3)
- Clarified party/PJM Weighted Average Resource Clearing Price to consider segment-specific RCPs (Section 9.1.3)
- Clarified LDA Incremental CTR Credit Rate (Section 9.3.4)
- Changed "product-specific" to "segment-specific" in description of price applicable to Auction Specific MW transaction (Section 9.3.5)
- Clarified Capacity Exchange tool functionality (Section 10.1)
- Clarified alternative retail LSE is subject to credit requirement as opposed to FRR Entity for alternative retail LSE's Planned Resources (Section 11.1.3)
- Corrected the treatment of switched load between FRR Entity and RPM LSEs to be in compliance with RAA (Section 11.2.3)
- Clarified EE Modification submittal process (Section 11.4.9)
- Clarified the requirement to perform Load Management test (Section 11.8.5)

- Added footnote to clarify final Shortfall or Bonus MW will be allocated to RPM and FRR if have both RPM and FRR commitments on resource (Section 11.8.7)
- Clarified definition of DR Mod, EFORd, Effective EFORd, Nominated DR Value, Pool-wide average EFORd, Resource Clearing Price, Weighted Average Resource Clearing Price, and Zonal Capacity Price (Attachment A: Glossary of Terms)
- Administrative updates throughout manual
  - Corrected manual or agreement references
  - Consolidated information
  - Deleted duplicative information
  - Updated tool name to Capacity Exchange
  - Corrected grammar and formatting

#### Section 4.2.2 Update:

- Update the process for Capacity Market Seller to demonstrate written commitment to must-offer requirement for an External Resource via Officer Certification Form as opposed to External Resource Must Offer Agreement

#### Manual 18B Revisions:

##### Periodic Review updates:

- Deleted outdated Delivery Year information (Section 1.1 and 5.1.3)
- Updated tool name to Capacity Exchange system (Section 1.3)
- Updated EE Modification process to reflect current practice (Section 1.3)
- Added Nominated EE Value Template requirement to reflect current practice (Section 2.2)
- Clarified the basis for ICAP Owned on EE Resource (Section 5.1.3)
- Added Capacity Performance Value where missing (Section 5.2.2, 5.2.3, and throughout Section 10)
- Corrected the definition of equation terms (Section 9.2.3 and 9.3.1)
- Clarified Capacity Performance value may be offered/committed on annual basis and difference between Nominated EE Value and Capacity Performance value may be offered/committed on summer period basis (Section 10.1)