

# Generation Deactivation Informational Item Identifying RMR Units

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## Improving Deactivation Unit Reliability Must Run (RMR) Transparency

- During M14D Deactivation Timing manual updates associated with the Tariff quick fix, stakeholders identified a transparency concern regarding RMR.
- RMR was not part of the quick fix proposal, so this is being addressed separately.
- PJM agreed to review and improve the TEAC posting language to more clearly identify when RMR is being sought.

- RMR is **NOT** a Tariff defined term or a phrase used in PJM's Tariff Part V, Generation Deactivation.
- So what is RMR?
  - Phrase used to describe when a unit agrees to remain operational beyond its requested deactivation date to mitigate reliability concerns until necessary upgrades can be established.
- When is RMR needed?
  - After a unit provides a Deactivation Notice
  - AND
  - Necessary Network Upgrades associated with that Deactivation Notice cannot be completed prior to the requested deactivation date
  - AND
  - No mitigating operational measures are available.

- PJM does not approve deactivations, but rather identifies whether the requested deactivation date could lead to reliability concerns on the system.
- When PJM has determined a proposed deactivation(s) would adversely affect the reliability of the Transmission System, upgrades cannot be completed on time, and no operational measures are available, PJM desires and requests the Generation Owner extend operations of the deactivating unit(s) until necessary upgrades are completed.
- The Generation Owner may elect to support system reliability by operating until necessary network upgrades are completed.
- The Generation Owner has two options for continued operations:
  1. file its proposed Cost of Service Recovery Rate (CSRR) at FERC; or
  2. receive the Deactivation Avoidable Cost Credit (DACC) as provided in the Tariff.
- At the TEAC Deactivation Notice second read, PJM will identify its requested extended operations.
- PJM will announce at subsequent TEAC(s) after the Generation Owner submits a CSRR to the FERC and after the FERC accepts the CSRR filing or after the Generation Owner agrees to the DACC.



# Example TEAC First Read for RMR Scenario

Unit(s)	Transmission Zone	Requested Deactivation Date*	PJM Reliability Status
Indian River 4 - 411.9 MW	DPL	5/31/2022	Reliability analysis complete. Reliability impacts identified. New baselines b3326, b3327, b3328, b3329, b3330, b3331, and b3332 resolve identified reliability impacts provided they are completed by the requested deactivation date. Operating measures are not available in interim. PJM Planning, Operations and Transmission Owner are continuing to investigate mitigation and timing.

\* PJM does not approve deactivations, but rather identifies whether the requested deactivation date could lead to reliability concerns on the system. When PJM determines a proposed deactivation would adversely affect the reliability of the Transmission System due to upgrade completion timeline and absent operational measures, PJM desires and requests the Generation Owner extend operations of the deactivating unit(s). The Generation Owner may elect to support system reliability by operating until necessary network upgrades are completed by either filing its proposed Cost of Service Recovery Rate (CSRR) at FERC or accepting the Deactivation Avoidable Cost Credit (DACC) provided in the Tariff. PJM will announce at subsequent TEAC(s) after the Generation Owner submits a CSRR to the FERC and after the FERC accepts the CSRR filing or after the Generation Owner agrees to the DACC.



# Example TEAC Second Read for RMR Scenario

Unit(s)	Transmission Zone	Requested Deactivation Date*	PJM Reliability Status
Indian River 4 - 411.9 MW	DPL	5/31/2022	Reliability analysis complete. Reliability impacts identified. New baselines b3326, b3327, b3328, b3329, b3330, b3331, and b3332 resolve identified reliability impacts however they are unable to be completed in time to avoid potential reliability impacts if the generator deactivates on the requested date. Operating measures are not available in interim. PJM requested the generator continue to operate beyond the deactivation date. Negotiations with the IMM and the Generation Owner are underway.

\* PJM does not approve deactivations, but rather identifies whether the requested deactivation date could lead to reliability concerns on the system. When PJM determines a proposed deactivation would adversely affect the reliability of the Transmission System due to upgrade completion timeline and absent operational measures, PJM desires and requests the Generation Owner extend operations of the deactivating unit(s). The Generation Owner may elect to support system reliability by operating until necessary network upgrades are completed by either filing its proposed Cost of Service Recovery Rate (CSRR) at FERC or accepting the Deactivation Avoidable Cost Credit (DACC) provided in the Tariff. PJM will announce at subsequent TEAC(s) after the Generation Owner submits a CSRR to the FERC and after the FERC accepts the CSRR filing or after the Generation Owner agrees to the DACC.

The above footnote has the same wording as the previous slides. The smaller font will be used in all official announcements. The first slide's font was larger for ease of reading in the presentation.



# Example TEAC 1<sup>st</sup> & 2<sup>nd</sup> Read When RMR Not Required

Unit(s)	Transmission Zone	Requested Deactivation Date*	PJM Reliability Status
<b>Sammis 5,6,7 - 1504.3 MW</b>	ATSI	6/1/2023	Reliability analysis complete. Reliability impacts identified. New baseline B3714 resolves identified impact. Operating measures identified to mitigate reliability impacts in interim. Units can retire as scheduled without an impact to reliability.

\* PJM does not approve deactivations, but rather identifies whether the requested deactivation date could lead to reliability concerns on the system. When PJM determines a proposed deactivation would adversely affect the reliability of the Transmission System due to upgrade completion timeline and absent operational measures, PJM desires and requests the Generation Owner extend operations of the deactivating unit(s). The Generation Owner may elect to support system reliability by operating until necessary network upgrades are completed by either filing its proposed Cost of Service Recovery Rate (CSRR) at FERC or accepting the Deactivation Avoidable Cost Credit (DACC) provided in the Tariff. PJM will announce at subsequent TEAC(s) after the Generation Owner submits a CSRR to the FERC and after the FERC accepts the CSRR filing or after the Generation Owner agrees to the DACC.

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