



IROL/CIP Cost Recovery Package

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Operating Committee
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PJM Tariff Schedule for IROL/CIP Service

- Mechanism similar to PJM Black Start cost recovery

IROL CIP Critical Resource Owner must notify PJM of intent to recover costs within 1 year of Effective Date

- Effective Date is date of notification to Critical Resource change in status

No filing required but only 1 request for cost recovery per 12 months

PJM identifies resources as a IROL Critical Resource, qualifying resource submits all capital and recurring costs to IMM/PJM for review and approval

- Costs submitted to IMM/PJM
- IMM/PJM review for eligibility

Payments and Charges

- PJM will make monthly payments starting the month immediately following confirmation of eligibility from IMM/PJM review approving the IROL-CIP Costs for recovery
- Charges will be allocated across entire RTO

Tariff Schedule Cost Recovery

- Generator Owners required to make costly upgrades above and beyond typical requirements
- PJM operational analysis done **annually** develops a list of “IROL-critical” facilities that could include these generators
- PJM’s package allows cost recovery within a year of approval by IMM and PJM

Cost Recovery through Capacity Offer Adjustments

- Annual PJM analysis does not provide a far enough look ahead for a generator to include IROL/CIP cost recovery during the future auction period’s BRA.

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IROL CIP Cost Recovery



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