



**DATE:** June 11, 2021  
**TO:** PJM  
**FROM:** IMM  
**SUBJECT:** MOPR Matrix entries

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## **Critical Issue Fast Path MOPR – Component Details**

### ***What Gets Screened for Application of the MOPR***

1. Potential indicators of buyer-side market power
  - a. Market power is the ability to increase/decrease the market price above/below the competitive level.
2. Resource types subject to review for potential application of the MOPR (e.g., planned, existing, all resources vs. gas only, etc.)
  - a. All resource types.
3. State actions subject to review for potential application of the MOPR
  - a. State subsidies
  - b. Offers below competitive level

### ***Exemptions***

4. Exemptions for self-supply
  - a. Utilities subject to direct regulation of generation investments by state commissions.
5. Thresholds for Self-Supply Net Short/Net Long Tests (where applicable)
  - a. Net long, subject to consistency with entities' long term resource plans, not to exceed 15 percent.
6. Other Exemptions
  - a. Competitive offers
  - b. State subsidies to uneconomic, emerging technologies

### ***Process***

7. Arbiter of which state policies are mitigated
  - a. Tariff rules
8. Establishment of MOPR Floor Price
  - a. Defaults by technology types
  - b. Unit specific

9. Level of MOPR Floor Price
  - a. Net ACR
  - b. Default values by technology
  - c. Unit specific review option
    - i. Base financial parameters fixed for all resource types:
      - 1) Unit life
      - 2) Levelization
      - 3) No sunk costs
      - 4) No salvage value
      - 5) Standard financial model
10. Term of MOPR
  - a. Life of the asset/duration of subsidy
11. Modifications to the Clearing Process
12. Proposal Sunset Provision
13. Transition/Implementation
14. Accommodate State Subsidy Policies as well as States without Subsidy Policies