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Via Electronic Mail

February 3, 2022

Laura Roche
Chief of Staff, IL Environmental Protection Agency
1021 North Grand Ave. East
Springfield, IL 62794-9276

Dear Ms. Roche,

I am writing first to express PJM's gratitude to you and your staff for the time you have taken to collaborate with us in our efforts to provide additional clarity and guidance to our stakeholder community regarding the Climate and Equitable Jobs Act (CEJA). PJM appreciates this opportunity to work with the Illinois Governor's Office and the Illinois Environmental Protection Agency (IEPA) to further our grid reliability mandate in concert with the state's clean energy policy.

In addition to expressing PJM's gratitude regarding our collaboration on a comprehensive guidance document, I am writing to you with an urgent request focused on a critical, singular issue within the overall guidance. As discussed in our previous meetings, the final decision on whether the statutory emission exemptions apply to generators before or only after they have reached their emission ceiling is a determining factor in both the way the affected generators will structure their offers to PJM and to the ability of the Independent Market Monitor to validate those offers. Do the emissions which result from dispatch by PJM for reliability decrement the emissions cap before the cap is reached? Specifically, the treatment of the emission exemption will directly impact the level of opportunity cost a generator will be able to include in its generation offer.

PJM is respectfully requesting that the IEPA issue a written determination, or reply to this communication, regarding this facet of CEJA. This will allow us to provide this guidance to the IMM and generation operators.

Again, we thank you for your collaboration. We also thank you for understanding the urgency facing PJM as we finalize the critical operational and market-related details of how CEJA will impact PJM and our stakeholders.

Sincerely,

A handwritten signature in black ink, appearing to read 'A Z Haque', with a stylized flourish at the end.

Asim Z. Haque
Vice-President, State and Member Services
PJM Interconnection, LLC

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