



DATE: December 1, 2021
TO: Capacity Market Participants
FROM: The Independent Market Monitor for PJM
SUBJECT: Data Submission Window Reopening for the 2023/2024 RPM Base Residual Auction

The following message contains important information about the upcoming PJM 2023/2024 RPM Base Residual Auction.

Market Seller Offer Cap Order

In the September 2, 2021, Order in Docket Nos. EL19-47-000, EL19-64-000, ER21-2444-000, and ER21-2877-000, the Commission established a market seller offer cap (MSOC) of net avoidable cost rate (ACR), replacing the net CONE times B offer cap.

PJM filed a revised schedule and set of deadlines for MSOC requests which FERC granted by order issued October 25, 2021, in Docket No. ER21-2877-000.

Projected Net Energy and Ancillary Services Revenues

On November 18, 2021, Monitoring Analytics, acting in its capacity as the Independent Market Monitor for PJM (IMM), filed a motion for clarification, or in the alternative, a motion for a waiver regarding the deadlines for projected net energy and ancillary services revenues and Market Seller Offer Caps (MSOCs) for the 2023/2024 RPM Base Residual Auction.¹

On November 23, 2021, PJM filed a request to modify the IMM's proposed waiver to, among other things, allow Capacity Market Sellers to switch from the default MSOC to the unit specific MSOC option no later than December 3, 2021, and only if the applicable default MSOC was reduced since October 1, 2021, due to the projected net E&AS revenue updates.² PJM requests these specific deadlines subject to a Commission decision. PJM requests that the Commission decide on PJM's requested deadlines by no later than December 27, 2021. The actual implementation of MSOCs based on PJM's requested waiver will depend on the Commission order, which occurs after PJM's proposed deadlines.

In order to facilitate any Capacity Market Seller that wishes to meet PJM's proposed deadline of December 3, 2021, the IMM is reopening the RPM/ACR system.

¹ See Motion for Clarification, or in the Alternative, Motion for Waiver of the Independent Market Monitor for PJM, Docket No. EL19-47-000 et al. (November 18, 2021).

² See Answer of PJM Interconnection, L.L.C, Docket No. EL19-47-000, et al. (November 23, 2021).

RPM/ACR Module

As of Wednesday, December 1, 2021, the RPM/ACR system is reopened for entering data for the PJM 2023/2024 RPM Base Residual Auction. The RPM/ACR system will remain open for entering data for purposes of calculating offer caps through Friday, December 3, 2021.

Guidance on using the RPM/ACR system is available on the Monitoring Analytics website: http://www.monitoringanalytics.com/tools/docs/IMM_RPMACR_in_MIRA_User_Guide_20210913.pdf

Unit Specific ACR Requests

RPM/ACR Template

The RPM/ACR Template, Version 14.3, is available for Capacity Market Sellers to use to support unit specific offer cap requests: http://www.monitoringanalytics.com/tools/docs/RPM_ACR_Template_v14.3.xlsx

The RPM/ACR Template, Version 14.3, includes updated ACR technology classes.

Capacity Market Sellers should download the template, fill it out, and upload it to the RPM/ACR module for unit specific offer cap requests. Instructions for using the RPM/ACR Template Version 14.3 can be found in the RPM/ACR Template Version 14.3 Instructions document: http://www.monitoringanalytics.com/tools/docs/IMM_RPM-ACR_Template_Version_14_3_Instructions_20210913.pdf

For ACR escalation guidelines, please see: http://www.monitoringanalytics.com/tools/docs/IMM_ACR_Escalation_Guidelines_20201209.pdf

ACR Supporting Documentation Requirements

A supporting documentation requirements document for unit specific MSOC requests is available on the Monitoring Analytics website: http://www.monitoringanalytics.com/tools/docs/IMM_Supporting_Documentation_Requirements_for_Unit_Specific_MSOC_Requests_20210913.pdf

APIR Calculation

An example APIR calculation for multiple projects with varying start dates is available on the Monitoring Analytics website: http://www.monitoringanalytics.com/tools/docs/APIR_Example_20210929.xlsx

Please direct any questions regarding this communication to the Monitoring Analytics RPM/ACR email address at rpmacr@monitoringanalytics.com.