



DATE: October 30, 2021
TO: Capacity Market Participants
FROM: The Independent Market Monitor for PJM
SUBJECT: IMM Determinations Posted for the 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.

IMM Determinations

As of Friday, October 29, 2021, Monitoring Analytics, acting in its capacity as the Independent Market Monitor for PJM, has posted Market Seller Offer Cap (MSOC) values and determinations on RPM must offer exception requests for the reason specified in OATT Attachment M-Appendix § II.C.4.A (retirement) for the 2023/2024 RPM Base Residual Auction, to RPM Auction participants' RPM/ACR system accounts based on the data and information timely submitted by Capacity Market Sellers.

The Market Monitor welcomes discussion with Capacity Market Sellers about the MSOC values and MMU determinations.

Capacity Market Seller Confirmations

Capacity Market Sellers should log into the RPM/ACR system in the Member Information Reporting Application (MIRA) and review the MSOC values and MMU determinations on RPM must offer exception requests for the reason specified in OATT Attachment M-Appendix § II.C.4.A (retirement) (which may be modified based on discussion with the Market Monitor). By Friday, November 5, 2021, a Capacity Market Seller must confirm whether it agrees with the posted MSOC values or indicate the lowest MSOC value to which it commits. By Friday, November 5, 2021, a Capacity Market Seller must confirm whether it agrees with the MMU determinations on RPM must offer exception requests for the reason specified in OATT Attachment M-Appendix § II.C.4.A (retirement).

Capacity Market Sellers must also communicate directly to PJM their agreement or disagreement with the MMU values and determinations and, for MSOC requests, the values to which they agree or commit. If the Capacity Market Seller indicates disagreement with the MMU MSOC values or determinations, the Market Monitor will evaluate whether it must bring the matter to the attention of the Federal Energy Regulatory Commission.

Offer Caps

Instructions for using the “RPM Offer Cap Confirmation” module are available on the Monitoring Analytics website under “Tools”: [https://www.monitoringanalytics.com/tools/docs/IMM RPMACR in MIRA User Guide 20210913.pdf](https://www.monitoringanalytics.com/tools/docs/IMM_RPMACR_in_MIRA_User_Guide_20210913.pdf)

Please note that the posted MSOC values for ACR based and opportunity cost based offer caps are in \$ per MW-day of installed capacity (ICAP) or nameplate MW. For non ELCC resources, the MSOC values will be converted to a UCAP basis at the time of the auction by dividing by (1 – sell offer EFORd). For ELCC resources, the MSOC values will be converted to a UCAP basis at the time of the auction by multiplying by the ratio of the Effective Nameplate MW to the lesser of Capacity Interconnection Rights (CIRs) or Accredited UCAP. The submission of sell offer prices and the application of MSOCs in the auction are on a UCAP basis.

Other RPM Requests

Instructions for using the MIRA “RPM Requests” module are available on the Monitoring Analytics website under “Tools”: [http://www.monitoringanalytics.com/tools/docs/IMM RPM Requests Module User Guide 20201215.pdf](http://www.monitoringanalytics.com/tools/docs/IMM_RPM_Requests_Module_User_Guide_20201215.pdf)

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