



**DATE:** December 3, 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

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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.<sup>1</sup>

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.<sup>2</sup> PJM requested these specific deadlines subject to a Commission decision. PJM requested 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 would depend on the Commission order, which occurs after PJM's proposed deadlines.

On December 1, 2021, Monitoring Analytics, acting in its capacity as the Independent Market Monitor for PJM (IMM), filed an answer to PJM including supporting PJM's proposal to allow requests for waivers of the October 1, 2021, deadline to request unit specific MSOCs rather than

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<sup>1</sup> 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).

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

default MSOCs, proposing a revised deadline of December 10, 2021, for such requests and eliminating any restrictions on such requests.<sup>3</sup>

On December 2, 2021, PJM filed an answer to the IMM supporting a revised deadline of December 10, 2021, for requesting unit specific MSOCs.<sup>4</sup>

In order to facilitate any Capacity Market Seller that wishes to meet the proposed deadline of December 10, 2021, for switching from default to unit specific MSOCs, the IMM is reopening the RPM/ACR system.

## **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, for such new unit specific MSOC requests only. The RPM/ACR system will remain open for entering data for purposes of calculating offer caps through Friday, December 10, 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](http://www.monitoringanalytics.com/tools/docs/IMM_RPMACR_in_MIRA_User_Guide_20210913.pdf)

## **RPM Requests Module**

As of Wednesday, December 1, 2021, the RPM Requests module is reopened for submitting RPM offer cap documentation for the PJM 2023/2024 RPM Base Residual Auction, for such new unit specific MSOC requests only. The RPM Requests module will remain open for submitting these requests and documentation through Friday, December 10, 2021.

For details and instructions, please refer to the RPM Requests User Guide: [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)

## **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](http://www.monitoringanalytics.com/tools/docs/RPM_ACR_Template_v14.3.xlsx)

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<sup>3</sup> See Answer of the Independent Market Monitor for PJM, Docket No. EL19-47-000 et al. (December 1, 2021).

<sup>4</sup> See Answer of PJM Interconnection, L.L.C, Docket No. EL19-47-000, et al. (December 2, 2021).

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](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 20210913.pdf](http://www.monitoringanalytics.com/tools/docs/IMM_ACR_Escalation_Guidelines_20210913.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](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](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](mailto:rpmacr@monitoringanalytics.com).