



<b>Effective Date</b>	December 2018 for 2022/23 BRA
<b>Impacted Manual #(s)/Manual Title(s):</b>	
Manual 18: PJM Capacity Market	
<b>Conforming Order(s):</b>	
None	
<b>Associated Issue Tracking Title:</b>	MIC: Balancing Ratio Issue
<b>Committee Approval Path - What committee(s) have already seen these changes?</b>	
MIC 6/6/2018 MIC 7/11/2018	
<b>MRC 1<sup>st</sup> read date:</b>	7/26/2018
<b>MRC voting date:</b>	8/23/2018
<b>Impacted Manual sections:</b>	
Attachment A Glossary Section 5.4.1 Resource-Specific Sell Offer Requirements	
<b>Reason for change:</b>	
To address the Problem Statement and Issue Charge approved at the MRC to develop a more comprehensive methodology of calculating the Balancing Ratio used in the CP default Market Seller Offer Cap and review the CP Non-Performance Charge Rate.	
<b>Summary of the changes:</b>	
<p>Change the methodology of calculating the estimated Balancing Ratio used in the CP default Market Seller Offer Cap to take the average of the balancing ratios during the three Delivery Years that immediately precede the BRA using both:</p> <ol style="list-style-type: none"> <li>1. Actual Balancing Ratios calculated during RTO Performance Assessment Intervals of the Delivery Year, and</li> <li>2. For any Delivery Year with less than 30 hours (360 intervals) of RTO Performance Assessment Intervals, estimated Balancing Ratios calculated during intervals of the highest RTO peak loads that do not overlap a Performance Assessment Interval</li> </ol>	

