

Strawman for Implementation Details in Response to FERC Notice

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Strawman to Answer Questions in Deficiency Response

Q	Description	Plan
1	E3 Delta method vs. simple method	Work w/ stakeholders to clarify
2	Floor handling if class is redefined	Work w/ stakeholders to clarify
3	Floor details: arithmetic behind supporting floors; how are groupings determined; what if the entire ELCC Portfolio cannot support floors.	Work w/ stakeholders to clarify
4	CIRs: interaction of status quo with ELCC policy	Narrative answer
5	Why not implement ELCC framework for a DY after its BRA	Narrative answer
6	Preliminary results	Numerical answer
7	Can hybrids participate as two resources?	Work w/ stakeholders to clarify

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Strawman approach:

 Use the Delta method and document the arithmetic relative to "First In" and "Last In" metrics.



Q2: Impact of Class Redefinition on Floors

Strawman approach:

- Define classes in a granular fashion (e.g., fixed and tracking solar in separate classes).
- In case of an old class being split, or multiple old classes being joined:
 - Adjust previously issued floors by the ratio of performance of new class relative to performance of old class.



Q3d: What if the Portfolio Cannot Support the Floors

Q3d: "Is it possible for ELCC Class Rating floors to bind to such an extent that PJM would be unable to identify sufficient offsetting reductions in ELCC Class Ratings across the ELCC portfolio to preserve the ELCC Portfolio UCAP? If so, how would PJM ensure that ELCC Resources are not assigned an aggregate UCAP greater than the ELCC Portfolio UCAP?"

Strawman answer: the only way to maintain that condition is to adjust previously issued floors until the aggregate UCAP of resources in the ELCC model is equal to the ELCC Portfolio UCAP.



Q7: Can Hybrids Participate as Two Units?

Q7a: "Under PJM's proposal, would a Combination Resource offer into the capacity market as a single resource or two separate resources? Please provide any relevant tariff or manual citations."

Strawman approach: Combination Resources (e.g., hybrids) participate in the Capacity Market as a single resource.

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