

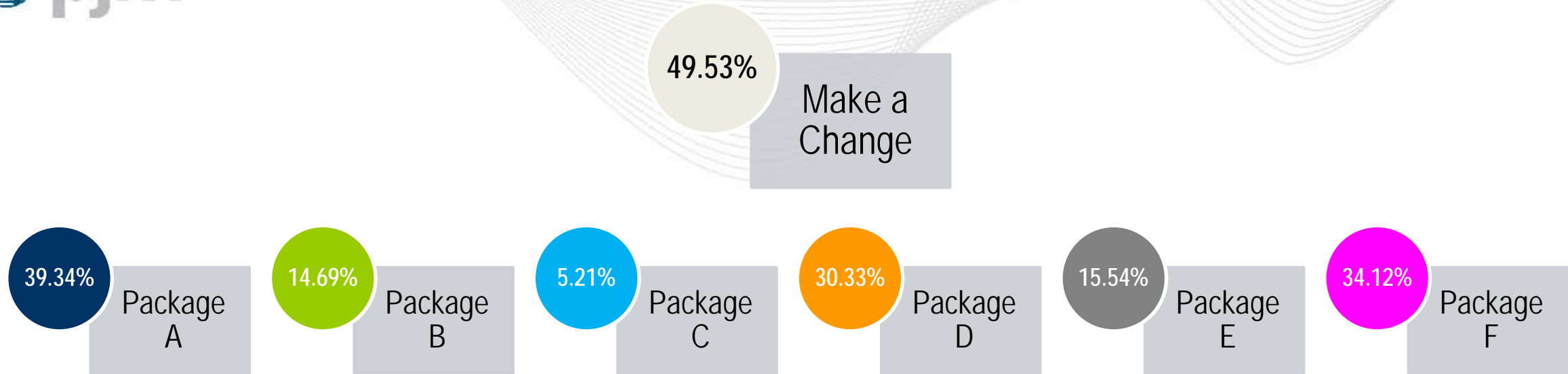


Incremental Auction Senior Task Force RPM Incremental Auction PJM Sales

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- [RPM Incremental Auction PJM Sales](#) approved in November 2016
 - Address historically low Incremental Auction (IA) prices through an investigation of PJM excess capacity sale practices, IA timing and structure.
- Key discussion areas:
 - Number & timing of IAs
 - PJM Sell Offer – Price & Quantity
 - Allocation of Excess Commitment Credits (ECCs)



- No package received majority support; (narrow) majority prefer status quo
- Major points of contention included:
 - Elimination of ECCs (Packages A,B)
 - PJM Sell price equal to BRA MCP (Packages A,B,F)
 - Number of Incremental Auctions – 2 (Packages A,B,F) Vs. 3 (C,D,E)
 - Implementation timing

- Continue discussions on potential modifications to the PJM Sell Offer Price, Excess Commitment Credit allocation and implementation timing
- Continue discussions on Replacement Capacity Transactions
 - Independent problem statement #2

- Next meeting scheduled for October 17th
 - Discuss potential of an additional proposal
- Report back to the MRC October 26th
- Work plan is scheduled through the end of this year for both problem statements