

OFFER CAPPING FOR RESOURCES SCHEDULED PRIOR TO THE DAY AHEAD ENERGY MARKET

PROBLEM / OPPORTUNITY STATEMENT

PJM System Operators, at times, will schedule resources in advance of the Day-ahead Energy Market based on projected system conditions that may warrant conservative resource scheduling. Resources scheduled in advance of the Day-ahead Energy Market have the opportunity to submit updated bids prior to the next available Day-ahead Energy Market closing. ~~Certain entities have~~ Such resources are offer capped in certain circumstances prior to the initiation of the Day-ahead case to mitigate against the potential exercise of ~~concerns with potential~~ market power, ~~and manipulation when resources are scheduled prior to the Day-ahead Energy Market.~~ ~~To address this concern, t~~There is an opportunity to explore enhancements to the existing rules related to offer capping of resources committed prior to the Day-ahead Energy Market.