



Preliminary Excess Congestion Charge Allocation

Ray Fernandez
Manager, Market Settlements Development
Market Settlements Subcommittee
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- Excess Congestion Charges are allocated at the end of the planning period
 - Allocated proportionally to ARR holders with net positive ARR target allocations for the planning period

Excess Congestion Charge Allocation

$$= \frac{\text{Net positive ARR Target Credits}}{\text{PJM Total Net Positive ARR Target Credits}} * \text{Excess Congestion Charges}$$

- Three data elements for the planning period are needed to determine a member's preliminary allocation
 1. Sum of year-to-date daily ARR Target Credits
 2. Preliminary planning period to-date PJM Total Net Positive ARR Target Credits
 3. Cumulative Planning Period Surplus

- Use the ARR Target Credits report
 - Calculate the year-to-date sum of all daily ARR Target Credits
 - If the sum is negative, then the surplus allocation is \$0



Preliminary Planning Period to-date PJM Total Net Positive ARR Target Credits

- Added in the Revenue Adequacy report published on the Financial Transmission Rights page

Revenue Adequacy

Percent FTR Credit By Month [XLS](#)

Month	Monthly Surplus/Deficiency (\$Millions)	Cumulative Planning Period Surplus/Deficiency (\$Millions)	Preliminary Planning Period to date Total Positive FTR Target Credits (\$Millions)	Preliminary Planning Period to date Total Positive ARR Target Credits (\$Millions)
Aug-17	4.4	16.9	147.2	
Sep-17	5.8	22.7	256.5	
Oct-17	-15	7.7	333.8	
Nov-17	10.4	18.1	390.7	
Dec-17	61.5	79.6	483.8	
Jan-18	251.5	331.1	812.7	
Feb-18	9.6	340.7	847.8	
Mar-18	4.1	344.8	928.8	
Apr-18	6.8	351.6	987.5	
May-18	17.3	368.9	1105	
Jun-18	10.8	10.8		
Jul-18	12.8	23.6		



- Currently provided in the Revenue Adequacy report

Month	Monthly Surplus/Deficiency (\$Millions)	Cumulative Planning Period Surplus/Deficiency (\$Millions)	Preliminary Planning Period to date Total Positive FTR Target Credits (\$Millions)
Jun-17	4.9	4.9	
Jul-17	6.5	11.4	
Aug-17	4.4	15.8	
Sep-17	5.8	21.6	
Oct-17	-15	6.6	
Nov-17	10.4	17.0	
Dec-17	61.5	78.5	
Jan-18	251.5	330.0	
Feb-18	9.2	339.2	



Preliminary Excess Congestion Charge Allocation

- A. Sum of year-to-date daily ARR Target Credits
- B. Preliminary planning period to-date PJM Total Net Positive ARR Target Credits
- C. Cumulative Planning Period Surplus

$$\text{Excess Congestion Charge Allocation} = \frac{A}{B} \times C$$