1) PJM and the IMM will use the same ACR model to determine MSOC prices. Please see the IMM website for more information. Please also see the following (IMM_MSOC_slides.ashx and PJM MSOC slides).

2) PJM and the IMM have similar documentation requirements as posted on the IMM website with the following clarifications for the PJM review process on the PJM website:
   
a. PJM MSOC officer certification - this is a voluntary certification that will facilitate the review process where the Capacity Market Seller does not agree with the IMM determination and requests PJM to review the Seller’s submitted netACR price. An Officer Certification is mandatory if the Seller submitted a CPQR value based on 3b below.

3) CPQR determination and associated support documentation is contingent on one of the following 3 options:
   
a. Insurance premium/expenses for capacity non-performance risk (energy market risk must be excluded). Provide support documentation such as accounting records or the insurance policy with the premium.

b. Actuarial practices generally used by the industry to model or value risk and if it is based on actuarial practices used by the Capacity Market Seller to model or value risk in other aspects of the Capacity Market Seller’s business. Such reasonable support shall also include an officer certification that the modeling and valuation of the CPQR was developed in accordance with such practices.

c. Other methods (such as a deterministic or probabilistic model as outlined by the IMM) that shows the CPQR is limited to risks the seller faces from committing a Capacity Resource, that quantifies the costs of mitigating such risks, and that includes supporting documentation (which may include an officer certification) for the identification of such risks and quantification of such costs.