



# Settlement C Polling Results

Market Settlements Subcommittee  
February 18, 2016

- Purpose of Poll is to quantify support for the various packages in the Settlement C Matrix
- 119 responses received, 29 unique responders
- Poll Format
  - Executive Summary provided by Package Owner
  - “Can you support Package?”
    - Yes
    - No
  - Comments for Package

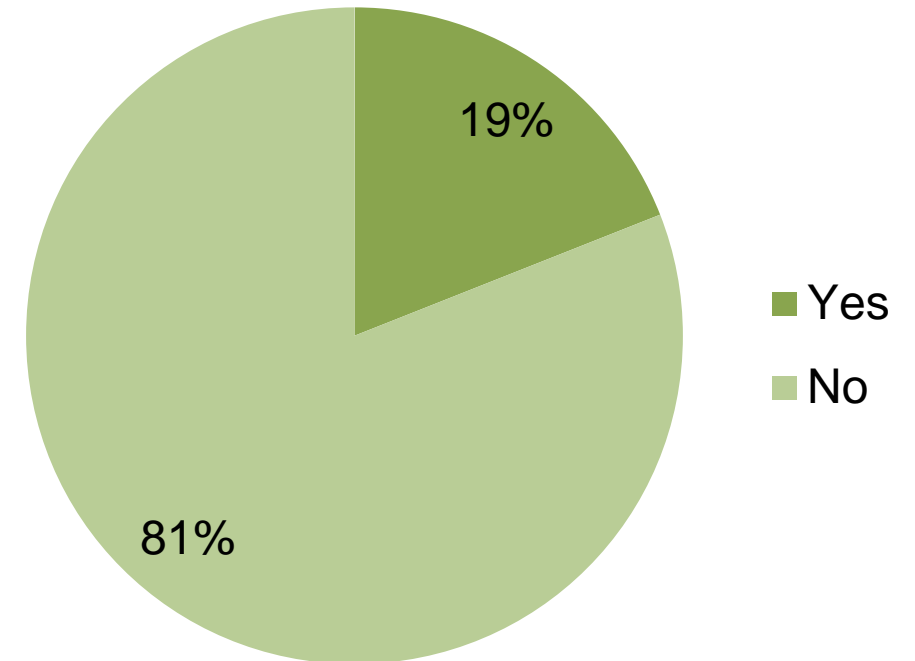
## Package A

This package would make use of a billing services agreement for any adjustments after the current 60 day Settlement B deadline. The agreement would be signed by the parties that wish to be involved in the adjustment and PJM. Parties involved would perform all settlement calculations and provide PJM with bilateral adjustments netting to \$0. A nominal processing fee would be paid by the requesting party. PJM would perform the financial adjustments only, which would not require a rerun in the settlements system. EDCs would be required to coordinate with affected parties, and PJM would notify the affected parties with regards to the resettlement.

The main benefits to this package include:

1. Allows the EDCs to resettle with all parties that sign the billing services agreement. Full signoff of affected parties would no longer be necessary to resettle.
2. Gives members the ability to view all financial transactions through PJM's settlement system.

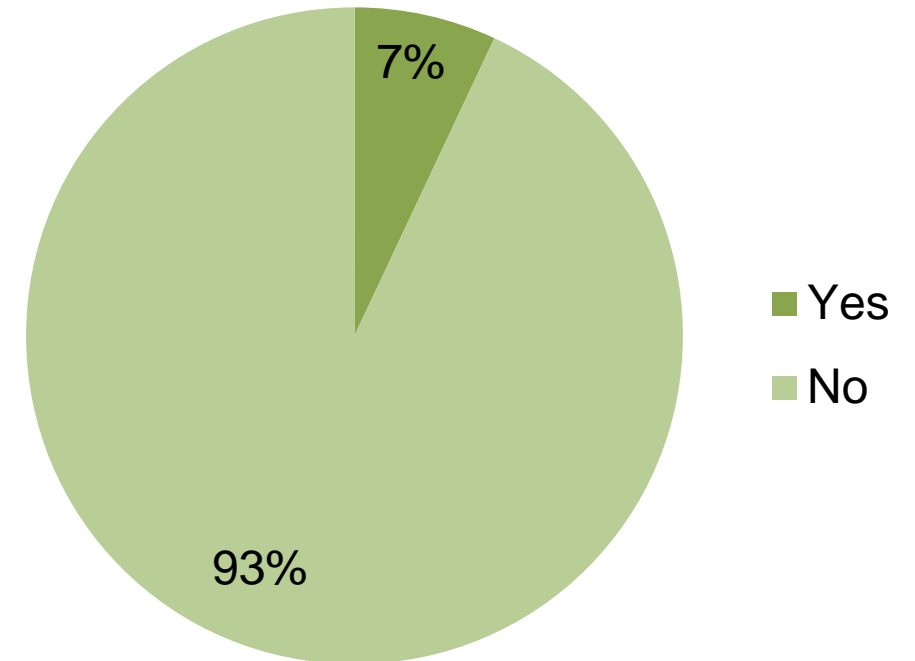
### Can you support Package A?



## Package B

The theory behind this proposal is that all competitive or contract retail energy providers in an EDC zone should have an interest in getting wholesale energy volumes and costs that are accurate and consistent with their retail energy customer list and revenues. Key features of this option are that every LSE in a zone must participate in a settlement C event, that Settlement C rebillings to not impact market participants other than the LSEs serving a zone, and that EDCs who perform retail billing for LSEs in their zone commit to performing any retail invoicing to bring LSE costs and revenues as much into line as possible.

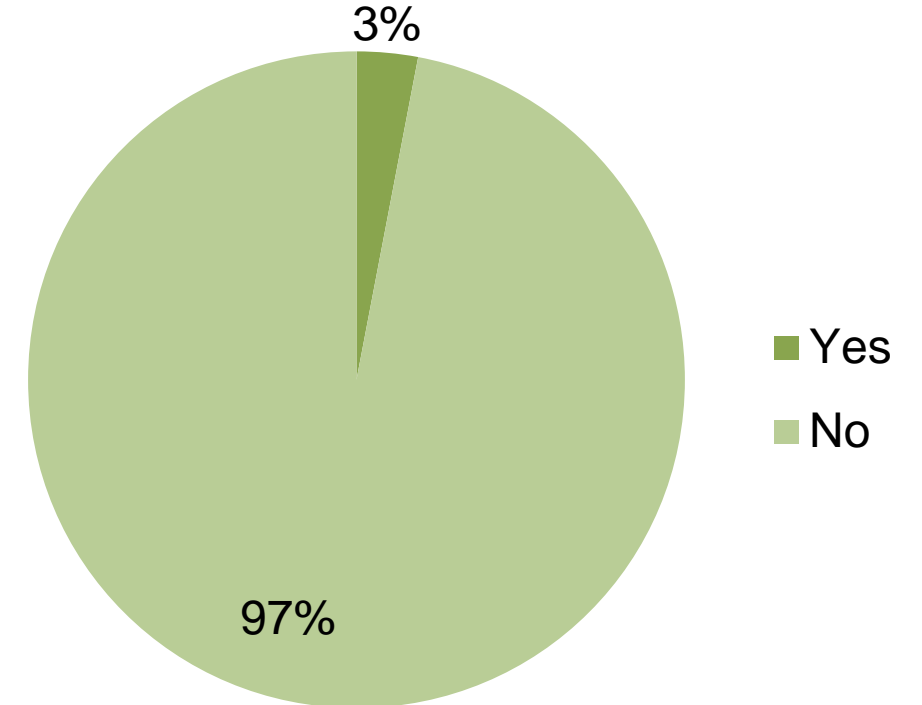
### Can you support Package B?



## Package B-Prime

This proposal is identical to Proposal B, except that rebillings under Settlement C would not apply to customers with hourly retail meters unless those customers' initial meter readings had been estimated or otherwise were in error. Part of the original rationale for this option was the mistaken belief that EDC allocations of UFE to hourly metered customers would not change in most Settlement C events.

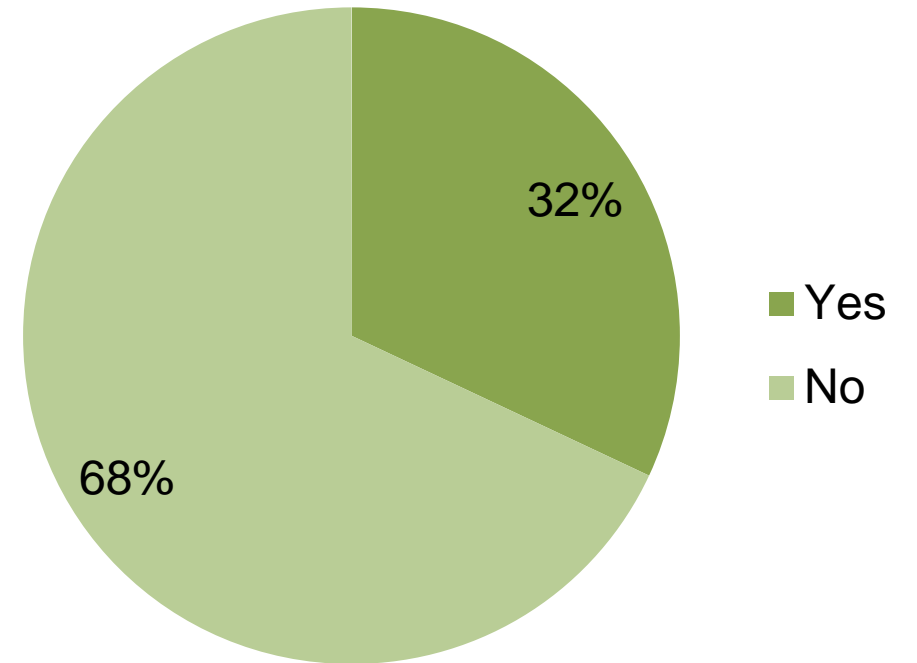
### Can you support Package B-Prime?



## Package C

This proposal is essentially “Status Quo.” In an effort to improve the process, the Deadline for Adjustments will be reduced from 2 years to 18 months.

### Can you support Package C?

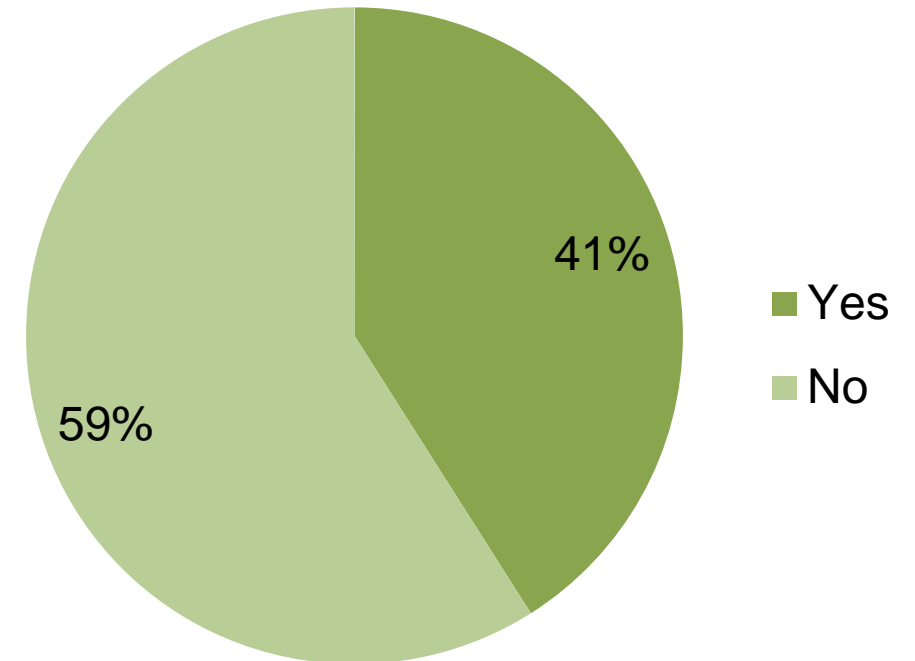


## Package D

This package proposal recommends that a full Settlement C be implemented and deployed at 6 months beyond the original Settlement A for the operating month at the EDC's option. No LSE sign offs would be required and there would be no dollar threshold for the Settlement C. There would be no change made to the current Settlement B (2 month lag) process.

There would be no bilateral adjustments permitted 2 years beyond the original Settlement A for the operating month, except in extenuating circumstances on a case by case basis with the approval of the MSS and PJM.

### Can you support Package D?



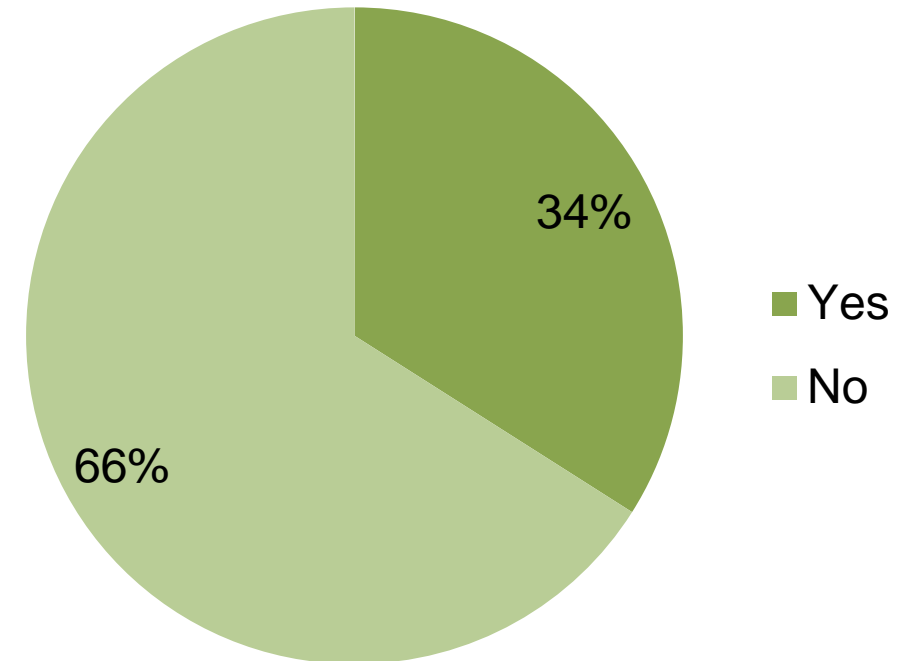
## Package E

This package views Settlement C as a tool for the EDCs to use to properly settle their zones. It makes the assumption that when there is an issue, all parties work with the EDC to come up with a fair solution.

The main benefits of this package are:

1. It provides an official framework for resolving issues after Settlement B outside of just using Bilateral Agreements;
2. PJM is performing the billing, so it eliminates possible errors when parties try to calculate charges on spreadsheets; and
3. It allows the EDC to settle with the many changing retail providers without having to create a bilateral agreement between up to 100 parties.

### Can you support Package E?





- No Package received >50% support
- Next Steps:
  - Discuss poll comments posted with meeting materials
  - Consider combining packages
  - Further discussion or take to MIC?