



2750 Monroe Blvd.
Audubon, PA 19403

June 15, 2021

VIA Electronic Delivery

Glen Thomas
President, PJM Power Providers Group
101 Lindenwood Drive
Malvern, PA 19355

Dear Glen:

Thank you for your June 1, 2021 letter expressing the PJM Power Providers Group (P3) position with respect to the current efforts to reform the Minimum Offer Price Rule (MOPR). As you note, the MOPR is a topic of the current Critical Issue Fast Path (CIFP) stakeholder process initiated by the PJM Board of Managers (Board) on April 6, 2021 ([April 6 Letter](#)).

The Board and PJM remain very supportive of competitive markets. PJM operates some of the leading wholesale power markets in the nation. The capacity market in particular has delivered significant benefits to consumers in the PJM footprint. These benefits include the support of PJM's strong reliability performance, affordability for consumers, reduced emissions, investment in innovative technologies, and the facilitation of a smooth transition of primary fuel types of our generating mix. In our April 6 Letter initiating the CIFP process, we expressly identified "embrace[ing] competitive principles and send[ing] appropriate price signals for efficient entry and exit" as a key principle in designing any capacity market reforms. The Board expressed its desire to visit some of the market issues that you discuss in your letter and has requested that the stakeholder body evaluate these issues. However, the Board also expressed its desire and rationale for seeking to address the MOPR first.

According to the CIFP process adopted by Members in Manual 34, PJM produced its initial proposal in the first stage and presented an updated proposal in the third stage. The Board understands there have been multiple meetings where stakeholders have added alternative options and that PJM has adjusted its proposal based upon some of that feedback. Package proposers, including PJM, will work to finalize their packages prior to the June 23, 2021 posting deadline for the final meeting scheduled for June 30, 2021.

The Board encourages P3 and any of its individual members to provide a solution package during this stage of the process. The Board looks forward to hearing about all proposals during the final meeting.

Sincerely,

Mark Takahashi

Mark Takahashi
Chair, PJM Board of Managers