

Incremental Auction Senior Task Force Report PJM Interconnection Members Committee Webinar February 20, 2018

The Incremental Auction Senior Task Force was created to focus on reviewing the current PJM RPM Incremental Auction process and structure with specific focus on circumstances where PJM is a capacity seller. This group will review excess capacity sale and Incremental Auction practices and discuss whether modifications are required to the PJM Incremental Auction processes.

At the September 20th meeting, stakeholders reviewed the binding voting results in regards to 6 proposed solution packages for <u>problem statement #1.</u> While no package received 50% in favor, the group agreed a consensus could be reached through further discussions and variations of the previously proposed packages. <u>Voting results can be found here.</u> The results were presented at the September MRC and it was agreed upon by the committee to continue working towards a potential consensus.

At the following two meetings on October 31st and November 10th the group discussed and finalized 5 solution packages to be voted a final time. The <u>results</u> were posted on November 27th and shared at the November 30th meeting and a final report for problem statement #1 was presented at the December 7th MRC. Since no solution package received majority support from the IASTF a motion was made at the MRC to first read and vote on the PJM compromise solution package A". At the December 21st MRC meeting, package A" was endorsed. Tariff revisions were presented and endorsed at the January 25th MC meeting. The Tariff revisions will be filed sometime in February.

The IASTF continued discussions on its <u>second problem statement</u>, involving concerns with the current Replacement Capacity business rules at its meeting on January 19th. The group decided to poll for interest in pursuing potential solutions versus suspending the group until the FERC acts on its first proposal regarding changes to the IA process and structure. The group supported the decision to suspend until action taken by the FERC by 86.5%. This result will be presented at the February MRC for formal endorsement.

Next Meetings: TBD

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