



FTR Mark-to-Auction Credit Requirement Credit Subcommittee Poll Results

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Credit Subcommittee
September 28, 2018

- 129 companies responded (52 voting, 77 affiliates)
- 96% want to make a change from the status quo
- Only Package A received more than 50%
- Package A (65% support)
 - Monthly comparison (maximum of current and MTA)
 - Intra-auction evaluation
 - Default after 2nd consecutive MTA breach
 - No deductible
 - Transition plan

- The poll also asked for preferences for five different components:

Component	Preference
Comparison Timeframe (i.e. Monthly, Portfolio, Tenor)	Monthly (67% Support)
Re-evaluation Timeframe (i.e. Intra-Auction, Post-Auction)	Intra-Auction (92% Support)
Deductible (i.e. No Deductible, \$500k Deductible, \$25k Monthly Deductible)	No Deductible (86% Support)
Transition Plan	Transition Plan (55% Support)
Integration with existing requirements (i.e. Maximum Comparison vs. Additive Approach)	Maximum Comparison (85% Support)



Mark to Auction Packages - Poll Results

Package	Support	Do Not Support	Abstain	% Support
A - Monthly comparison, default after 2nd consecutive MTA breach	83	44	3	65%
A1 - Same as "A" except no transition	51	59	20	46%
B - Same as "A" except Portfolio-level application, post-auction evaluation, and no transition	21	86	23	20%
D - Same as "A" except Portfolio-level application and a deductible is applied	7	106	17	6%
D1 - Same as "A" except Portfolio-level application	56	59	15	49%
E - Same as "A" except tenor-level application	31	70	29	31%
F - Same as "A" except a deductible is applied	13	100	17	12%
G - Same as "A" except for addition of positive MTA to current requirement, and post-auction evaluation	34	86	10	28%

Package Matrix is available here: <https://www.pjm.com/-/media/committees-groups/subcommittees/cs/20180917/20180917-item-03-mark-to-auction-options-matrix.ashx>

Comparison Timeframe

- 55% prefer the Monthly application
- Level of Support for each individually:
 - Monthly – 67% Support
 - Portfolio – 48% Support
 - Tenor – 21% Support

Re-evaluation Timeframe

- 95% prefer Intra-Auction evaluation
- Level of Support for each individually:
 - Intra-Auction Evaluation – 92% Support
 - Post Auction Evaluation – 11% Support

Deductible

- 87% prefer No Deductible
- Level of Support for each individually:
 - No Deductible – 86% Support
 - \$500k Deductible (portfolio application only) – 5% Support
 - \$25k Monthly Deductible (monthly/tenor application only) – 9% Support

Transition Plan

- 63% prefer the Transition Plan
- Level of Support for each individually:
 - Transition Plan – 55% Support
 - No Transition Plan – 51% Support

Integration with Existing Requirements

- 67% prefer Maximum
- Level of Support for each individually:
 - Maximum – 85% Support
 - Additive – 34% Support

- Stakeholder Timeline

– Credit Subcommittee	Poll	September 18-25, 2018
	Poll Results	September 28, 2018
– Market Implementation Committee	First Read	October 10, 2018
	Endorsement	November 7, 2018
– Markets and Reliability Committee	First Read	October 25, 2018
	Endorsement	December 6, 2018
– Members Committee	Endorsement	December 6, 2018
– FERC Filing		December 2018

- Target Effective Date

Early 2019