

Address ~~public policy and environmental mandate~~governmental impacts on RPMPJM capacity and energy markets

Problem Statement

See attached

Issue Source

American Municipal Power, Inc. (AMP), Delaware Municipal Electric Corporation (DEMEC), Direct Energy, Old Dominion Electric Cooperative (ODEC), PJM Public Power Coalition, Public Power Association of New Jersey

Stakeholder Group Assignment

This work is assigned to the Capacity Market Construct Restructuring State Policy~~Governmental Actions~~ Impacts Senior Task Force (~~CMCRSTF~~SPGA~~ISTF~~) reporting to the MRC.

Key Work Activities

The group is expected to:

1. Identify governmental actions ~~that states may take~~ that could ~~adversely negatively~~ impact the objective of RPM~~the capacity and energy-~~ markets to send efficient market signals for resource investment and exit.
2. Identify the objectives of ~~a~~ well-functioning capacity and energy market constructs that addresses states governments' public policy needs and objectives
3. Given the results from Activities 2 and 3, brainstorm and develop modifications to RPM and the energy market to address identified threats and how these modifications could meet the identified objectives. If deemed appropriate, select the preferred approach and develop detailed business rules.

Expected Deliverables

Deliverables are expected to include changes to PJM Operating Agreement, Tariff, Reliability Assurance Agreement and manuals.

Expected Overall Duration of Work

The duration of activities in the group are expected to be completed by the end of the third quarter of 2017.

Decision-Making Method

Group will seek Tier 1, consensus (unanimity) on a single proposal for the issues identified in the group.