

CCPPSTF IMM Recommendation

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Recommendation

- **All subsidized resources subject to an extended MOPR (MOPR-Ex)**
- **All units reviewed each year**
- **Current MOPR exemptions apply for MOPR-Ex**
 - **Competitive Entry**
 - **Self Supply**
- **Definition of relevant subsidies**

MOPR-Ex Exemptions

- **Competitive entry exemption**
 - All risk/costs borne by generation owner
 - All revenues derived from PJM markets
- **Self supply exemption**
 - Within demand/supply bandwidth

Subsidies

- **Subsidies include any payments, concessions, rebates, or incentives other than Market Revenue where Market Revenue is defined as revenue that is received under a tariff administered by PJM or other RTO or ISO and regulated by the Commission.**
- **Subsidies that do not trigger the MOPR-Ex are consistent with exclusions included in the competitive entry exemptions in Attachment DD, Section 5.14h(7).**

Subsidy Exclusions

- **MOPR-Ex subsidies shall not include (i) payments (including payments in lieu of taxes), concessions, rebates, subsidies, or incentives designed to incent, or participation in a program, contract or other arrangement that utilizes criteria designed to incent or promote, general industrial development in an area; (ii) payments, concessions, rebates, subsidies or incentives designed to incent, or participation in a program, contract or other arrangements from a county or other local governmental authority using eligibility or selection criteria designed to incent, siting facilities in that county or locality rather than another county or locality; or (iii) federal government production tax credits, investment tax credits, and similar tax advantages or incentives that are available to generators without regard to the geographic location of the generation. (Consistent with Att DD, 5.14h(7))**

MOPR-Ex Screen – Resource with No Subsidies

- **New and existing generation resources that do not receive subsidies will confirm their compliance with MOPR-Ex via annual submittals to the Market Monitor.**

MOPR-Ex Screen – Resource with Subsidies

- **New or existing generation resources that receive subsidies and do not obtain or are not eligible for an exemption, are subject to**
 - **the default MOPR-Ex Floor Offer Price level, or**
 - **a Unit-Specific exception**

MOPR-Ex Floor Offer Price Level

- **The default MOPR-Ex Floor Offer Price level is the CP competitive offer level: Net CONE x B**
- **The default level is equal to the CP competitive offer level, which uses simplifying assumptions**
- **A Market Seller may submit a lower offer based on a Unit Specific exception that uses unit specific assumptions that differ from the simplifying assumptions used in the derivation of Net CONE x B**

Unit Specific Offer Exception

- **A Capacity Market Seller can make a request to the Market Monitor for a Unit-Specific Exception to the default MOPR-Ex Floor Offer Price**
- **The request must be based on unit specific assumptions that are different from those used in the default MOPR-Ex Floor Offer Price calculation**
- **The capacity marker seller will be required to justify the difference in assumptions based on supporting data and analysis.**

Example

- **If a capacity market seller can support a capacity bonus performance rate that is eighty percent of the capacity nonperformance charge rate, the resource can submit a competitive offer of $[0.8 * (\text{Net CONE} \times B)]$**

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