



Carbon Pricing Senior Task Force Monthly Progress Report

9/14/2020

Carbon Pricing

The [Carbon Pricing Senior Task Force \(CPSTF\)](#) was established to discuss potential process or rule changes necessary to integrate a regional or sub-regional carbon pricing mechanisms into its wholesale electricity markets. Stage 1 of the key work activities includes education on various topics such as jurisdictional issues, leakage, and other RTO/ISO strategies related to carbon pricing. Stage 1 also includes a review of the assumptions and results of the PJM study on the impacts of a carbon price in the PJM wholesale energy market. Stage 1 is expected to take between six to twelve months. Stage 2 will focus on developing market rules to implement carbon pricing and manage leakage, where appropriate. The Carbon Pricing Senior Task Force reports to the Markets and Reliability Committee.

Issue Status

The CPSTF is currently in the education and analysis phase of Stage 1.

Target Completion

Stage 1, Education and Analysis, is expected to take between six to twelve months. Stage 2, Proposal Development, is expected to take an additional six months.

Progress Update

The CPSTF has held ten meetings to date with the last meeting on August 21, 2020. During the last meeting, PJM presented study results from the carbon pricing region scenario of New Jersey, Maryland, Delaware, Pennsylvania, Virginia, and Illinois. A spreadsheet containing results from all scenarios as well as additional data requested by stakeholders was also posted and reviewed at the August meeting.

The CPSTF issued a poll on July 30, 2020 to solicit stakeholder feedback to help inform next steps for the task force. The poll results can be found with the August 21, 2020 meeting materials on the [Carbon Pricing Senior Task Force](#) page. Based on the poll results, the task force will continue with education and analysis topics for the next several meetings.