



2025/2026 Base Residual Auction: Market Seller Offer Cap

Market Implementation Committee
February 8, 2023
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Director, Stakeholder Affairs

Date	Action
2/14/23	Last day for Capacity Market Sellers to submit sell offer cap data
3/16/23	IMM provides participant with determination of offer cap
3/26/23	Last day for Capacity Market Sellers to notify PJM/IMM of agreement with IMM determination of offer cap
4/10/23	PJM notifies participant/IMM of determination of offer cap
6/14/23	Auction bidding window opens
6/20/23	Auction bidding window closes
6/27/23	Target auction results posting date

- If the IMM, Market Seller and PJM agree ahead of the bidding window an alternative offer cap can be used in the auction

- Any potential for altering the MSOC provisions for the 2025/2026 BRA will impact the auction schedule
- Two scenarios:
 - Maintain the BRA bid and clearing timing
 - Delay the auction
- These scenarios have distinctly different timing implications

- Will require FERC approval to alter pre-auction timeline
- Will require exceptionally quick consideration of MSOC revisions, MRC/MC voting, filing and FERC approval
- Potential timeline:
 - Stakeholders identify proposed revisions – 2/8 MIC, 2/14 RASTF
 - MRC/MC votes – 2/23
 - FERC Filing – 3/1
 - FERC approval – 5/1
- MSOC pre-auction activities would likely need to be done in two stages:
 - Under current rules and schedule (to accommodate the possibility that FERC would not approve changes)
 - Under proposed revised rules contingent on FERC approval

- FERC filing to delay the auction
 - Unprecedented
 - Continue with current auction schedule pending FERC approval (not a Section 205 filing, therefore no specific FERC timeline)
- Undetermined delay period for developing and endorsing revisions, FERC filing and FERC approval
 - Undetermined whether a stakeholder process would produce consensus on MSOC revisions

- What exactly should be changed
 - What are “must haves”
 - What are “non-starters”

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