

**Proposed Revisions To Operating Agreement, Schedule 1 and Tariff, Attachment K-
Appendix
Removal of 10% Adder From Offers Greater Than \$2,000/MWh
PJM Markets and Reliability Committee Meeting
January 28, 2016**

6.4.2 Level.

(a) The offer price cap shall be one of the amounts specified below, as specified in advance by the Market Seller for the affected unit:

- (ii) For offers of \$2,000/MWh or less, the incremental operating cost of the generation resource as determined in accordance with Schedule 2 of the Operating Agreement and the PJM Manuals (“incremental cost”), plus up to 10% of such costs, the sum of which shall not exceed \$2,000/MWh; and, for offers greater than \$2,000/MWh, the incremental cost of the generation resource.
