

ARR/FTR Market Task Force DC OPC Alternate Proposal

Markets & Reliability Committee
October 20, 2021

DC OPC Goals

- LEI Report: *Explore alternative allocation approaches for distributing surplus congestion.*
- Develop a proposal that balances the equity concerns discussed in the LEI Report.
- Develop a proposal that can receive support from all sectors, allow PJM to file under Section 205, and meet FERC's "just and reasonable" standard.
- Appreciate the input and feedback from parties across the stakeholder community; ODEC will serve as our second.

DC OPC Proposal

- Identical to PJM / Joint Stakeholders' proposal *except* for design components 7 (Auction Surplus) and 8 (Congestion Surplus)
- Component 7: 100% to ARR holders pro-rata positive ARR target credits end of PP
- Component 8: 100% to ARR holders pro-rata positive ARR target credits after FTRs are fully funded end of PP
- Design components 7 and 8 are *identical* to PJM's July 30 proposal

Contacts

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