

**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:

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- (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.

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