



# Replacement Capacity Survey Results

Capacity Senior Task Force  
January 17, 2014



## Participation

- 41 unique individual respondents
- 206 voting members, affiliates, and state/gov't entities

**POLL: Should the CSTF recommend a solution to the MRC that aims to eliminate or measurably reduce speculative offers in the BRA?**

	Count	%
Yes, this issue needs to be addressed prior to the 2014 BRA.	122	59%
Yes, but the Task Force should take more time to vet a proposal even if it means not having a solution in place for the 2014 BRA.	70	34%
This issue does not need to be addressed at this time.	14	7%
<b>Total</b>	206	

**POLL: Do you believe that a solution addressing speculative offers in the BRA should introduce a measure to remove profit from certain cleared buy bids in an incremental auction (IA Settlement Adjustment)?**

	Count	%
Yes, I can support the IA Settlement Adjustment described in Package 2.	106	51%
Yes, I can support the IA Settlement Adjustment described in Package 5.	2	
Yes, I can support the IA Settlement Adjustment described in Package 6.	1	
Yes, I can support the IA Settlement Adjustment described in Package 8.	23	11%
I can not support any IA Settlement Adjustment.	74	36%
<b>Total</b>	<b>206</b>	

**POLL: Do you believe that a solution to addressing speculative offers in the BRA should include stronger measures than what exist today to ensure that commitments made in the BRA intend to provide physical capacity in the Delivery Year?**

	Count	%
Yes	163	79%
No	43	21%
Total	206	

Could you support stricter development milestones that, if met, reduce a resource's post-auction credit obligation?

	Count	%
Yes	147	71%
No	59	29%
Total	206	

Could you support stricter development milestones that, if met, reduce a resource's post-auction credit obligation AND their Capacity Resource Deficiency Charge?

	Count	%
Yes	98	48%
No	108	52%
Total	206	

Could you support additional tariff language indicating that a resource offering into the BRA is making a physical commitment to deliver that specific resource which was offered?

	Count	%
Yes	142	69%
No	64	31%
Total	206	



**POLL: Could you support a new requirement requiring each resource cleared in the BRA to submit an officer certification prior to an IA indicating they either plan to physically deliver or replace their BRA commitment. And, if replacing, enter a bid at the maximum price at which that auction can clear?**

	Count	%
Yes	84	41%
No	122	59%
Total	206	

POLL: If you had to support one proposal at this time, which proposal could you support? (see Matrix attached to poll email for full detail).

	Count	%
Package 2	92	45%
Package 3	16	8%
Package 4	50	24%
Package 5	0	
Package 6	0	
Package 7	4	2%
Package 8	0	
Package 9	0	
Package 10	29	14%
Cannot support any proposals at this time	14	7%
<b>Total</b>	<b>205</b>	

POLL: Would you be willing to support another proposal if a certain component was changed?

	Count	%
Package 2	28	14%
Package 3	15	7%
Package 4	4	2%
Package 5	2	1%
Package 6	0	
Package 7	23	11%
Package 8	48	23%
Package 9	35	17%
Package 10	1	
No	49	24%
<b>Total</b>	205	



## Question 9 – Comments, could support if...

- In support of Package 2
  - Increase CRDC, eliminate Settlement Adjustment, allow buyers to participate in all IAs, may support if not retroactive, could support if Fac. Study to participate/40+ resources post credit/no milestones, stronger upfront physical commitment concepts
- In support of Package 3
  - Remove Settlement Adj. or condition on IA bidding rules, address EE milestones
- In support of Package 7
  - Remove Settlement Adj., Revisit CRDC
- In support of Package 8
  - Don't apply retroactively, add physical delivery commitment concepts from IMM, add milestones (also to Package 2)
- In support of Package 9
  - All provisions prospective only, need more definition (Force Majeure, etc.), FERC requires sale of PJM excess



## Top 3 Proposal Ranking

**POLL: Please rank the 3 proposals you could support, or that you could live with if they were changed slightly. Rank in order, with #1 being the one you most prefer, and #3, the least.**

	Rank 1	Rank 2	Rank 3
Package 2	92	23	28
Package 3	16	18	15
Package 4	54	0	1
Package 5	0	7	26
Package 6	0	0	3
Package 7	4	22	1
Package 8	8	38	23
Package 9	0	54	25
Package 10	29	0	34

	Total Points	Overall Rank (based on points)
Package 2	350	1
Package 3	99	6
Package 4	163	2
Package 5	40	8
Package 6	3	9
Package 7	57	7
Package 8	123	4
Package 9	133	3
Package 10	121	5

Rank 1 = 3 points, Rank 2 = 2 points, Rank 3 = 1 point

\*Note: Early respondents were forced to rank three proposals to complete the survey, even if they did not want to. This was later fixed and the majority of respondents were able to answer this question optionally.