



## Organization of PJM States, Inc. (OPSI)

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February 13, 2020  
*Via Electronic Delivery Only*

The PJM Board of Managers  
c/o Ake Almgren, PH.D., Chairman  
PJM Interconnection LLC  
2750 Monroe Boulevard  
Audubon, Pennsylvania 19408

Re: Scheduling the next Base Residual Auction

Dear Mr. Asthana, Dr. Almgren and the PJM Board of Managers,

Pursuant to the Federal Energy Regulatory Commission's ("FERC's") *Order Establishing Just and Reasonable Rate*, PJM is required to submit "an updated timetable for when it proposes to conduct the 2019 [Base Residual Auction], as well as the 2020 [Base Residual Auction], as necessary."<sup>1</sup>

FERC's Order directly challenges existing state policies and alters the way resources affected by state policies may participate in PJM's capacity auctions. As a result, in order to ensure resource adequacy and service reliability within the PJM region, states may need to develop, adopt, and implement new legislation and/or administrative rules to reform their approach to resource planning, capacity procurement, state resource compensation or other related processes.

Considering the implications of FERC's Order on state policies, the Organization of PJM States, Inc. ("OPSI") requests that PJM propose an auction schedule that will provide enough time for states to pursue any needed regulatory or legislative changes. Accordingly, OPSI recommends a schedule that provides at least twelve months between the date that FERC issues its Order on PJM's compliance filing and the execution of the next Base Residual Auction, with a cap so that such auction is, nevertheless, conducted no later than May 31, 2021. <sup>2</sup>

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<sup>1</sup> *Calpine Corporation, et al. v. PJM Interconnection, L.L.C.*, 169 FERC ¶ 61,239, at P219 (2019).

<sup>2</sup> This letter was adopted at the February 10, 2020 meeting of the OPSI Board. States in support; Delaware PSC, PSC of District of Columbia, Illinois CC, Indiana URC, Kentucky PSC, Maryland PSC, Michigan PSC, New Jersey BPU, North Carolina UC, Tennessee PUC, Virginia SCC, PSC of West Virginia; Abstain, PUC Ohio, Pennsylvania PUC

Sincerely,

A handwritten signature in black ink, appearing to read "T. Mathews". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Dr. Talina R. Mathews, President  
Organization of PJM States Inc.