



# Carbon Pricing Senior Task Force Monthly Progress Report

May 26, 2020

## Carbon Pricing

The [Carbon Pricing Senior Task Force](#) (CPSTF) was established to discuss potential process or rule changes necessary to integrate a regional or sub-regional carbon pricing mechanisms into its wholesale electricity markets. Stage 1 of the key work activities includes education on various topics such as jurisdictional issues, leakage, and other RTO/ISO strategies related to carbon pricing. Stage 1 also includes a review of the assumptions and results of the PJM study on the impacts of a carbon price in the PJM wholesale energy market. Stage 1 is expected to take between six to twelve months. Stage 2 will focus on developing market rules to implement carbon pricing and manage leakage, where appropriate. The Carbon Pricing Senior Task Force reports to the Markets and Reliability Committee.

## **Issue Status**

The CPSTF is currently in the education and analysis phase of Stage 1.

## **Target Completion**

Stage 1, Education and Analysis, is expected to take between six to twelve months. Stage 2, Proposal Development, is expected to take an additional six months.

## **Progress Update**

The CPSTF has held seven meetings to date with the last meeting on May 19, 2020. The focus of the last meeting was reviewing additional scenario results from the PJM study on carbon pricing and potential leakage mitigation mechanisms. The additional scenarios discussed included the carbon pricing region consisting of New Jersey, Maryland, Delaware, and Pennsylvania, higher carbon price scenarios for the carbon pricing region consisting of New Jersey, Maryland, Delaware, and Pennsylvania and Virginia, and an RTO-wide carbon pricing region. Several stakeholders also shared their interests and thoughts on carbon pricing program elements to help inform next steps.

## **Action Requested**

The next CPSTF meeting is scheduled for June 25, 2020.