

# RPM Supply Curve Transparency

#### Markets and Reliability Committee May 29, 2014

PJM©2014



Background

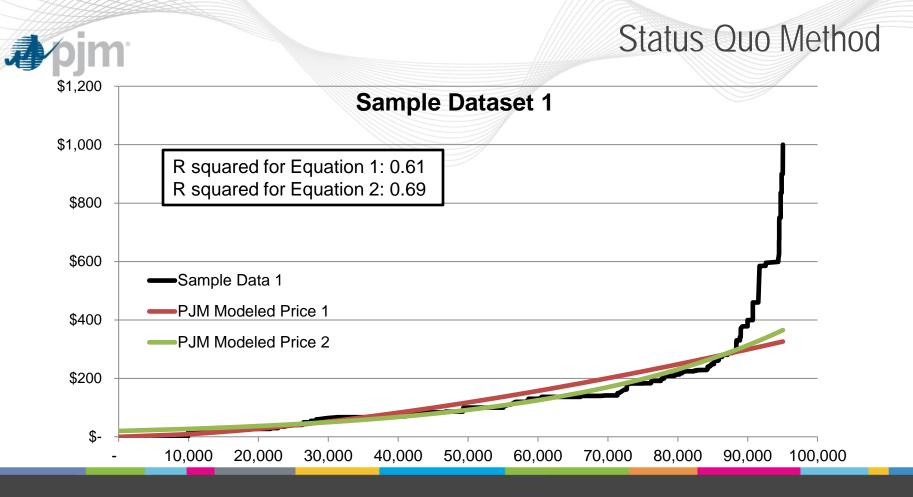
Following each RPM auction, supply curves are posted. These curves are smoothed to mask revealing confidential data.

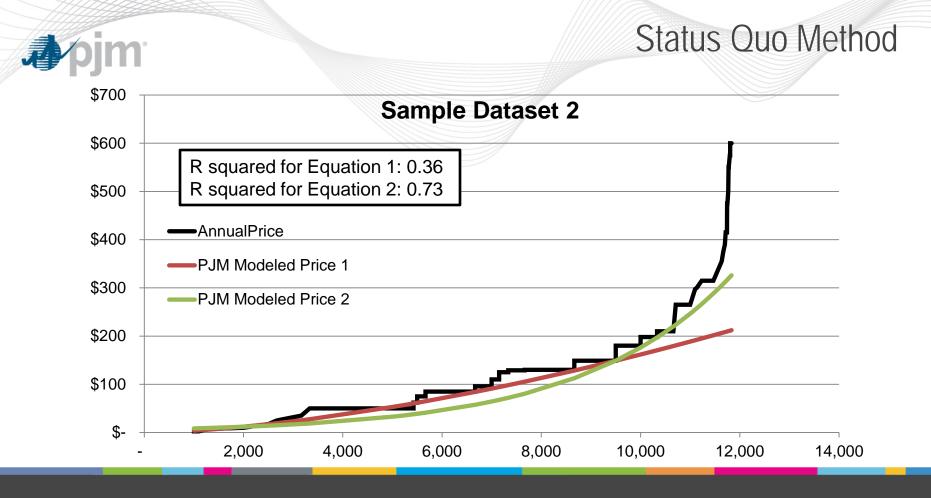
In May, 2013 the MRC approved a problem statement seeking to investigate a new smoothing method that would better represent the shape of the supply curve. The MRC assigned this issue to the MIC.

### Schedule and Process

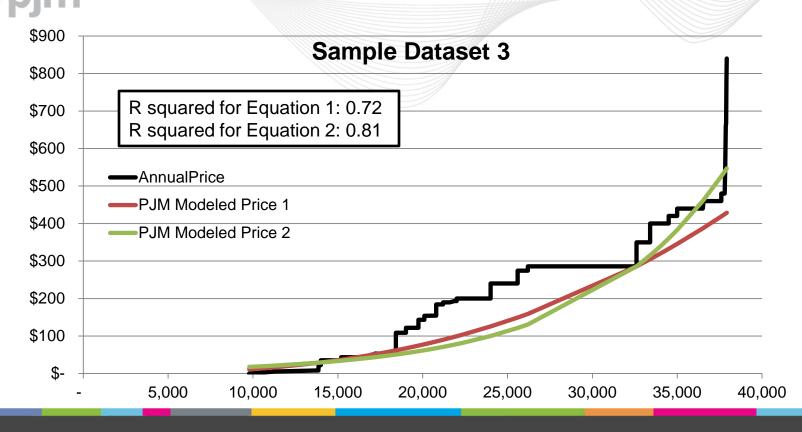


- In May, 2013 the MRC approved a problem statement seeking to investigate a new smoothing method that would better represent the shape of the supply curve. The MRC assigned this issue to the MIC. Work began in September 2013
- This issue was discussed at MIC working session meetings beginning in Fall of 2014.
- This issue is at the May MRC for first-read and will be voted at the June MIC.



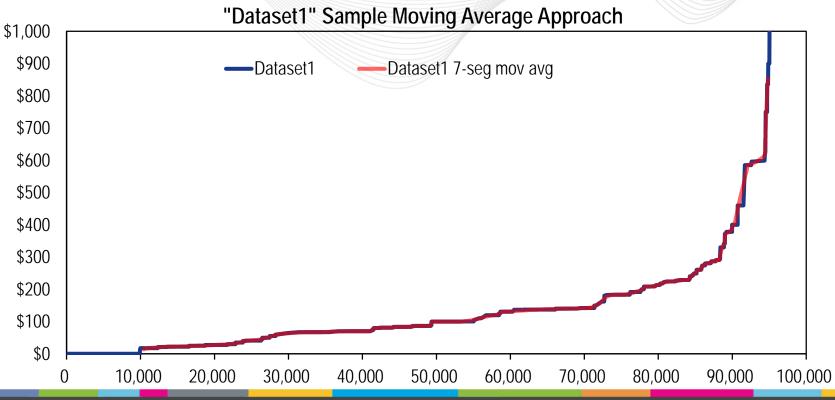


#### Status Quo Method



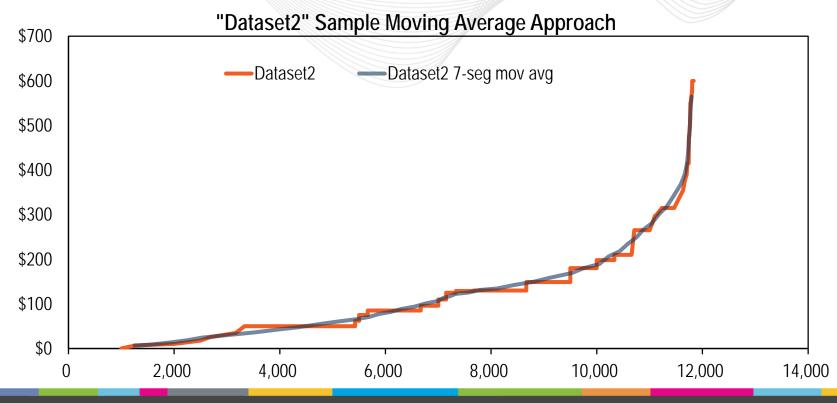


# Moving Average Approach



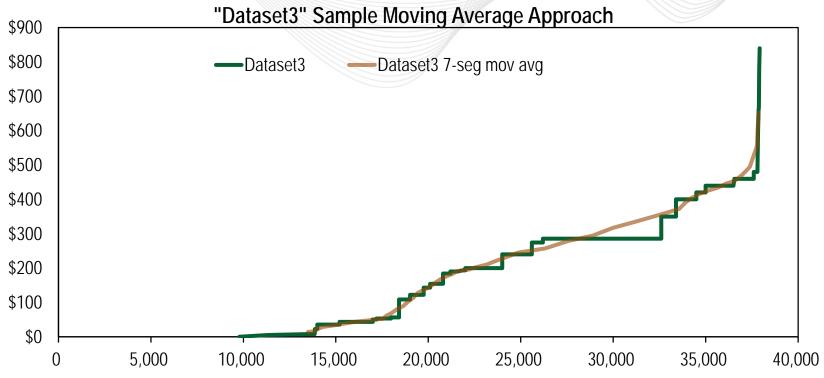


# Moving Average Approach





## Moving Average Approach





The working group has created two packages

- Both packages use the same seven segment moving average approach
- Both packages use the same detailed methodology





Package A includes detailed criteria to disallow publishing a curve for an LDA if certain tests for market concentration are failed.

Package B will only publish supply curves for the RTO and MAAC. These areas are believed to be diverse enough that publication will not reveal sensitive data.