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## **P3 Opposes PJM Proposal to Amend Tariff During Supply Auction** Statement from The PJM Power Providers Group on protest of PJM's request for FERC approval to change rules mid-auction

MALVERN, Pa. – The PJM Power Providers (P3) Group filed a protest on Friday at FERC of PJM's filings from Dec. 23, 2022 that sought approval to revise its Locational Deliverability Area (LDA) reliability requirements for a capacity-procurement auction. The filings were developed as a result of PJM disliking the outcome of an auction and making an unprecedented decision to seek changes to the auction's parameters to achieve a desired outcome – all of which is contradictory to properly designed and well-functioning markets and forms the basis of P3's objection. P3's protest can be downloaded [here](#).

Of particular note from P3's filing:

*"PJM's proposals in these proceedings invite the Commission to look past PJM's violation of its own Tariff, ignore nearly a century's worth of precedent on the filed-rate doctrine, jettison the Commission's commitment to market integrity, and adopt a proposed Tariff change for which PJM has carried none of its statutory responsibilities and which will not even address the issue that gave rise to these proceedings. In short, PJM has hit a grand slam of bad ideas."*

P3 President Glen Thomas released the following statement on the issue:

*"We have no issue with – and, in fact, have been an outspoken advocate for – PJM taking action to reform its market processes and structure when appropriate – but not in the final minutes of an auction after all participants have made decisions based on the rules that existed at its outset. Prospective rule changes that are necessary to achieve just and reasonable rates are encouraged; retroactive ones are prohibited by legal precedent and entirely antithetical to a sound market design."*

As P3 noted in comments it filed earlier this week in response to FERC's request in its "Modernizing Wholesale Electricity Market Design" docket (AD21-10-000), "the chilling effect of changing tariff provisions after offers have been submitted and results have been calculated because PJM in its own discretion does not like the results" is hard to overstate. The lack of clarity and certainty caused by actions like this do nothing but further erode the legitimacy of and confidence in PJM's markets and ultimately may affect grid reliability.

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P3 is a non-profit organization that supports the development of properly-designed and well-functioning markets in PJM's operating region of the electricity grid, which encompasses 13 states and the District of Columbia. Combined, P3 members own more than 67 gigawatts of virtually all forms of electricity generation, provide demand-response services, serve end-use consumers through retail affiliates, and produce enough power to supply more than 50 million homes. For more information, visit [www.p3powergroup.com](http://www.p3powergroup.com).