

- The alternative proposal is identical to the PJM proposal except
 - The E&AS offset is not adjusted
 - The final penalty factor used is \$1,000/MWh for all products on all days except those where a Hot or Cold Weather Alert is issued. On those days, \$2,000/MWh will be used for all products.
- The alternative proposal will be implemented in a phased approach.
 - For the first two years following FERC approval \$850/MWh will be used for all products in all hours.
 - In year three forward either \$1,000/MWh or \$2,000/MWh will be used.