



# ADDENDUM

## to the SREC Auction Manual

### March 2017 Auction

#### I.1 Auction Schedule

The schedule for this Auction is below. All times in this Auction Schedule are Eastern Prevailing Time (“EPT”) unless specifically noted.

Event	Date
Last generation day for SRECs	Tuesday, February 28, 2017
Documents posted to Auction web site	Monday, February 13, 2017
Range of number of SRECs announced	Monday, February 13, 2017
Qualification Deadline by 12 PM (online qualification form, bid assurance collateral, Master SREC Agreements are due)	Wednesday, March 1, 2017
Cure Deficiency Deadline by 6 PM	Friday, March 10, 2017
Notification of Qualification Date	Monday, March 13, 2017
Starting prices and final number of SRECs announced	Monday, March 13, 2017
Auction starts	Wednesday, March 15, 2017

## **I.2 Ranges of SRECs Available**

PSE&G, JCP&L, ACE, and RECO will be the sellers in the Auction. There will be a single vintage available in this March 2017 Auction, 2017 SRECs. The EDCs estimate that there will be between 33,000 and 50,000 2017 SRECs available at auction. The 2017 SRECs were created in GATS as generation between June 1, 2016 and February 28, 2017.

In addition, at the conclusion of the Auction, bidders will have the opportunity to submit a bid for a single block of Pre-2017 SRECs (expected to consist mainly or entirely of 2016 SRECs). The block will have fewer than 500 SRECs. The bidding procedure for this additional single block is explained in more detail below.

The Auction Manager will provide to bidders the exact number of 2017 SRECs that will be available at auction and the exact composition of the additional single block with their notification of qualification.

## **I.3 Bid Assurance Collateral**

To participate in the Auction, bidders must provide bid assurance collateral by 12 PM (noon, Eastern Prevailing Time) on **Wednesday, March 1, 2017**. The amount of bid assurance collateral is \$1/SREC for the maximum that the bidder intends to bid in the first round of the Auction. The maximum amount of bid assurance collateral is \$5,000. Bidders must provide their cash bid assurance collateral by wire transfer in accordance with the instructions provided with their login credentials for the online qualification form.

A bidder that submits \$5,000 as bid assurance collateral will be able to bid on all blocks available in the first round of the Auction. A bidder that submits less than \$5,000 as bid assurance collateral will be able, in the first round of the Auction, to bid on a number of blocks for a product corresponding to the amount of bid assurance collateral that the bidder submitted divided by the block size for that product (rounded up).

## **I.4 Bidding Procedures: Additional Single Block of Pre-2017 SRECS**

At the conclusion of the Auction, bidders will have the opportunity to submit a bid for an additional single block of Pre-2017 SRECs. The block is expected to include fewer than 500 2016 SRECs.

### *Bid Process*

Bidders submit as a bid a single price per SREC to purchase the entire additional single block according to the following process:

1. The Auction Manager announces the start and end times of the bid window through system mail in the Auction Software.<sup>1</sup>
2. Bidders submit their bids via system mail during the bid window. No information about the bids will be announced during the bid window.
3. At the close of the bid window, all bidders that submitted bids for the additional single block will be advised of the results.

***Bid Format***

Bidders send a message to the Auction Manager via system mail in the Auction Software in the following format:

`[company_name] bids $XXX.XX/SREC to purchase the additional block`

The exact number of Pre-2017 SRECs to be included in this block will be provided with the notification of qualification.

***Bid Evaluation***

It is expected that the additional single block will be awarded to the bidder with the highest bid. However, the Auction Manager and the EDCs reserve the right to reject all bids.

**I.5 Tentative Date for the Next Auction**

The following is a tentative date for the next Auction as well as the vintage that is expected to be made available:

<b>Tentative Auction Date</b>	<b>Vintage(s) Available</b>	<b>Seller(s)</b>
Thursday, June 8, 2017	2017	PSE&G

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<sup>1</sup> For purposes of participation in the bid process for the additional single block, all bidders will be able to see auction results until the conclusion of the Auction.