



Sale of Solar Renewable Energy Certificates (SRECs)

ADDENDUM

to the SREC Auction Manual

October 2013 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	Monday, September 30, 2013
Documents posted to Auction web site	Wednesday, September 18, 2013
Range of number of SRECs announced	Wednesday, September 18, 2013
Qualification Deadline by 12 PM (online qualification form, bid assurance collateral, Master SREC Agreements are due)	Friday, October 4, 2013
Cure Deficiency Deadline by 6 PM	Thursday, October 10, 2013
Starting prices and final number of SRECs announced	Friday, October 11, 2013
Notification of Qualification Date	Friday, October 11, 2013
Bidder Training (Trial Auction)	Wednesday, October 16, 2013
Auction starts	Thursday, October 17, 2013

I.2 Ranges of SRECs Available

PSE&G, JCP&L, ACE, and RECO will be the sellers in the auction. There will be two vintages available in this October 2013 Auction, 2013 SRECs and 2014 SRECs. The EDCs estimate that there will be between 3,100 and 3,800 2013 SRECs and between 57,000 and 82,000 2014 SRECs available at auction. The 2013 SRECs were created in GATS as generation between June 1, 2012 and May 31, 2013; the 2014 SRECs were created in GATS as generation between June 1, 2013 and September 30, 2013.

The Auction Manager will provide to bidders the exact number of 2013 SRECs and 2014 SRECs available at auction with their notification of qualification.

I.3 Bid Assurance Collateral

To participate in the Auction, bidders must provide bid assurance collateral by 12 PM (Eastern Prevailing Time) on **Friday, October 4, 2013**. 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 SRECs of Vintages Prior to Energy Year 2013 – **Additional Block!**

Block of Pre-EY2013 SRECs

Immediately following the conclusion of the October 17, 2013 auction for SRECs from Energy Year (“EY”) 2013 and EY 2014, bidders will have the opportunity to bid for SRECs from a mix of vintages before EY 2013. **These pre-EY2013 SRECs will be offered as a single block.** The block is expected to include:

Vintage	Range of SRECs from Vintage in Single Block
2011	10-15
2012	140-160
Total	150-175

The final composition of the block will be announced with the notification of qualification to the SREC Auction.

Bid Process

After the conclusion of the SREC Auction, bidders will be able to submit a single bid for the block of pre-EY2013 SRECs according to the following process:

1. The Auction Manager announces the start and end times of the bidding window through system mail in the Auction Software¹.
2. Bidders submit their bids via system mail during the bidding window. No information about the bids will be announced during the bidding window.
3. At the close of the bidding window, all bidders that submitted bids for the block of pre-EY2013 SRECs 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:

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[company_name] bids $XXX.XX/SREC to purchase the block of
pre-EY2013 SRECs.
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The exact composition of the block of pre-EY2013 SRECs will be provided with the notification of qualification; all SRECs in that block will be valid for compliance in EY 2013.

Bid Evaluation

It is expected that the block of pre-EY2013 SRECs will be awarded to the highest bidder. 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:

Tentative Auction Date	Vintage(s) Available	Seller(s)
December 10, 2013	2014	PSE&G

¹ For purposes of participation in the bid process for the pre-EY2013 SRECs, all bidders will be able to see auction results until the conclusion of the Auction.