Markets and Reliability Committee

Webex Only

January 27, 2021

9:00 a.m. – 1:15 p.m.

***\*Operator assisted phone lines will be opened 30 minutes prior to the start of the meeting. Due to the high volume of remote participation, stakeholders are asked to connect early to allow additional time for operator queue processing.***

Administration (9:00-9:05)

Welcome, announcements and Anti-trust, Code of Conduct, and Public Meetings/Media Participation – Stu Bresler and Dave Anders

Consent Agenda (9:05-9:10)

1. **Approve** minutes of the December 17, 2020 meeting of the Markets and Reliability Committee (MRC).
2. **Endorse** proposed revisions to Manual 6: Financial Transmission Rights addressing the enforcement of FTR Bid Limits at the corporate entity level.
3. **Endorse** proposed revisions to Manual 12: Balancing Operations resulting from the periodic review.
4. **Endorse** proposed revisions to Manual 13: Emergency Operations resulting from the periodic review.
5. **Endorse** proposed revisions to Manual 18: PJM Capacity Market conforming to the FERC-ordered rule changes in the Minimum Offer Price Rule and Forward Energy & Ancillary Services Offset dockets (Docket Nos. EL16-49-003, EL18-178-003, ER18- 1314-006 and EL19-58).

[Issue Tracking: Capacity Market Minimum Offer Price Rule (MOPR) Order](https://www.pjm.com/committees-and-groups/issue-tracking/issue-tracking-details.aspx?Issue=%7B338A3D1C-5CEC-429A-9F78-3B4060E3D18A%7D)

1. **Endorse** proposed revisions to Manual 38: Operations Planning resulting from the periodic review.

Endorsements/Approvals (9:10-11:30)

1. Manual 14C Revisions (9:10-9:30)

Mark Sims will review proposed revisions to Manual 14C: Generation and Transmission Interconnection Facility Construction as part of the biennial cover-to-cover review. **The committee will be asked to endorse the revisions.**

1. Real Time Values Market Rules (9:30-9:50)

Laura Walter will review a solution package addressing Real Time Values Market Rules and corresponding revisions to Manual 11: Energy & Ancillary Services Market Operations, Tariff Attachment K and Operating Agreement (OA) Schedule 1. **The committee will be asked to endorse the solution package and corresponding revisions.**

[Issue Tracking: Real Time Market Values](https://www.pjm.com/committees-and-groups/issue-tracking/issue-tracking-details.aspx?Issue=%7b29759A0E-9052-4648-80F8-C5E1E1E2DD25%7d)

1. PRD Credits Disposition (9:50-10:10)

Pete Langbein will review a proposed solution package addressing the disposition of PRD credits and corresponding revisions to Manual 11: Energy & Ancillary Services Market Operations, Manual 18: PJM Capacity Market, OA, Tariff, and Reliability Assurance Agreement (RAA). **The committee will be asked to endorse the solution package and corresponding revisions.**

[Issue Tracking: Price Responsive Demand (PRD) Credits Disposition](https://www.pjm.com/committees-and-groups/issue-tracking/issue-tracking-details.aspx?Issue=%7bB52D965B-A5B6-4BDA-A8E7-FD42CDA9D82D%7d)

1. Stability Limits in Markets and Operations (10:10-10:50)
2. Lisa Morelli will provide an overview of the MIC’s work activities and related procedural history for the Stability Limits in Markets and Operations issue.
3. Joe Ciabattoni will review a proposed Capacity Constraint solution package and corresponding Operating Agreement (OA) and Tariff revisions.
4. Paul Sotkiewicz, on behalf of JPower, will review a proposed Opportunity Cost solution package.

**The committee will be asked to endorse a solution package and corresponding revisions.**

[Issue Tracking: Stability Limits in Markets and Operations](https://pjm.com/committees-and-groups/issue-tracking/issue-tracking-details.aspx?Issue=%7bE2CF01C5-2504-49D7-8B1A-66B867BBA081%7d)

1. Black Start Unit Testing, CRF, Involuntary Termination, MTSL and Substitution Rules (10:50-11:30)

Becky Davis will review proposed solution packages addressing Black Start Unit Involuntary Termination, Substitution Rules, Capital Recovery Factor (CRF) and Minimum Tank Suction Level (MTSL) and corresponding revisions to the Tariff, Manual 12: Balancing Operations, Manual 14D: Generator Operational Requirements, and Manual 15: Cost Development Guidelines. The committee will be asked to endorse a proposed solution.

[Black Start Unit Involuntary Termination & Substitution Rules](https://www.pjm.com/committees-and-groups/issue-tracking/issue-tracking-details.aspx?Issue=%7B0066BE4F-782C-485F-B233-158F2D4384BB%7D)

First Readings (11:30-1:00)

1. Black Start Unit Testing, CRF, Involuntary Termination, MTSL and Substitution Rules including Existing Resources (11:30-11:50)

Greg Poulos, on behalf of Delaware Division of the Public Advocate, will review a proposed solution package addressing Black Start Unit Involuntary Termination, Substitution Rules, Capital Recovery Factor (CRF) and Minimum Tank Suction Level (MTSL) that includes existing resources.

1. Storage as a Transmission Asset (SATA) (11:50-12:30)
	1. Michele Greening will provide an overview of the SATA work activities and timeline.
	2. Jeffrey Goldberg will review the proposed solution package addressing storage as a transmission asset.
	3. Pauline Foley will review Tariff and OA revisions supporting the solution package.
	4. Sharon Segner, LS Power, intends to propose a friendly amendment to this agenda item. Related materials have been posted with this agenda item in addition to under agenda item 8.

The committee will be asked to endorse the proposed solution and revisions at its next meeting.

[Issue Tracking: Storage As a Transmission Asset](https://www.pjm.com/committees-and-groups/issue-tracking/issue-tracking-details.aspx?Issue=%7bB435C39B-D4BB-4C3C-ADA9-8EFBC0E52246%7d)

1. Competitive Exemption OA Revisions for SATA Resources (12:30-12:50)

Sharon Segner, LS Power, will review proposed OA revisions regarding the competitive procurement exemption – immediate need process related to SATA resources. The committee will be asked to endorse the revisions at a future meeting.

1. PJM Manuals (12:50-1:00)
	1. Maureen Curley will review proposed revisions to Manual 40: Training and Certification Requirements resulting from the periodic review. The committee will be asked to endorse the revisions at its next meeting.

Informational Reports (1:00-1:15)

1. Recent FERC Order Regarding the Capacity Market (1:00-1:15)

Chen Lu will provide an update on the recent FERC Order regarding the Capacity Market.

Informational Posting Only

Future Agenda Items (1:15)

Future Meeting Dates

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| --- | --- | --- |
| February 24, 2021 | 9:00 a.m.  | WebEx |
| March 24, 2021 | 9:00 a.m.  | WebEx |
| April 21, 2021 | 9:00 a.m.  | WebEx |
| May 26, 2021 | 9:00 a.m.  | WebEx |
| June 23, 2021 | 9:00 a.m.  | WebEx |
| July 28, 2021 | 9:00 a.m.  | TBD |
| August 25, 2021 | 9:00 a.m.  | TBD |
| September 29, 2021  | 9:00 a.m.  | TBD |
| October 20, 2021  | 9:00 a.m.  | TBD |
| November 17, 2021  | 9:00 a.m.  | TBD |
| December 15, 2021 | 9:00 a.m.  | TBD |

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