

**Markets & Reliability Committees**  
**PJM Conference and Training Center, Audubon, PA / WebEx**  
**November 16, 2022**  
**9:00 a.m. – 1:05 p.m. EPT**

## Administration

Stu Bresler and David Anders welcomed stakeholders and provided the Anti-trust, Code of Conduct, and Meeting Participation announcements. Stu Bresler noted that the proposers of the motions in agenda item 2 have decided not to make those motions at this meeting.

## Consent Agenda

Items A through C were **approved/endorsed** by acclamation with no objections or abstentions:

- A. Minutes of the October 24, 2022 meeting of the Markets and Reliability Committee
- B. Proposed revisions to Manual 3: Transmission Operations resulting from its periodic review.
- C. Proposed revisions to Manual 3A: Energy Management System (EMS) Model Updates and Quality Assurance (QA) resulting from its periodic review.

## Endorsements

### 1. Transmission Constraint Penalty Factor

Susan Kenney provided an update regarding the Transmission Constraint Penalty Factor (TCPF) activities at the Energy Price Formation Senior Task Force (EPFSTF) and Vijay Shah reviewed a proposed TCPF solution endorsed by the EPFSTF. Following discussion, the proposal was **endorsed** by acclamation with one objection and no abstentions.

[Issue Tracking: Operating Reserve Demand Curve \(ORDC\) & Transmission Constraint Penalty Factors](#)

### 2. Energy and Reserve Market Circuit Breaker

This item was removed from this agenda by the proposers

[Issue Tracking: Operating Reserve Demand Curve \(ORDC\) & Transmission Constraint Penalty Factors](#)

### 3. Variable Operations & Maintenance Cost Development

- A. Roger Cao reviewed the proposed Main Motion solution and corresponding OA Schedule 2 and Manual 15: Cost Development Guidelines revisions addressing the development of variable operations and maintenance costs. Adrien Ford, ODEC, offered a friendly amendment to Manual 15 section 2.6 to move the date for submission of default adder or operating costs from March 31 to June 15. There were no objections, and therefore the proposed amendment was incorporated into the main motion.

B. Jason Barker, Constellation, reviewed the proposed Alternative Motion solution.

Following discussion, the main motion was **endorsed/approved** in a sector-weighted vote with 4.484 in favor.

[Issue Tracking: Variable Operating and Maintenance Cost](#)

#### 4. Maximum Emergency Changes for Resource Limitation Reporting

Chris Pilog reviewed a proposed solution and Manual 13: Emergency Operations revisions addressing the Max Emergency Changes for Resource Limitation Reporting. Following discussion, the proposal was **endorsed** by acclamation with no objections and 12 abstentions.

[Issue Tracking: Max Emergency Changes for Resource Limitation Reporting](#)

#### 5. Critical Natural Gas Infrastructure – Demand Response Participation

Pete Langbein reviewed a proposed solution and corresponding revisions to Manual 11: Energy & Ancillary Services Market Operations, Manual 18: PJM Capacity Market, the Tariff, OA, and Reliability Assurance Agreement (RAA) to prohibit Critical Natural Gas Infrastructure load as a demand response resource pursuant to recommendations included in the FERC/NERC report on the severe cold weather event in Texas and South Central US in February 2021. Following discussion, the proposal was **endorsed** by acclamation with no objections or abstentions.

[Issue Tracking: Critical Gas Infrastructure – Demand Response Participation](#)

#### 6. FTR Bilateral Review and Reporting Requirements

James Waweru reviewed a proposed solution addressing the FTR Bilateral Review and Reporting issue. Following discussion, the proposal and associated Tariff and OA revisions were **endorsed** by acclamation with no objections or abstentions.

[Issue Tracking: FTR Bilateral Review and Reporting Requirements](#)

#### 7. Replacement Resource Transactions

Michael Borgatti, Gabel Associates on behalf of Eagle Point Power Generation LLC, presented a proposed Issue Charge and revisions to Manual 18: PJM Capacity Market seeking to address replacement resource transactions. Erik Heinle proposed a friendly amendment to the Manual 18 revisions as follows (addition is italicized):

“[...] for **the 2023/24, 2024/25, 2025/26** Delivery Years where there is only one Incremental Auction.”

There was no objection to the proposed amendment and therefore it was incorporated into the proposed Manual 18 revisions. The committee was asked to approve the Issue Charge and endorse the proposed Manual 18 revisions as part of the Quick Fix process and was asked to approve the Issue Charge and endorse the Manual revisions upon first read. There were no objections to using the Quick

Fix process or to voting on first read. Following discussion, the proposal was **endorsed** by acclamation with two objections and six abstentions.

## First Readings (11:45-1:05)

### 8. Rules Related to Market Suspension

Stefan Starkov reviewed a proposed solution addressing the treatment of market suspensions. The committee will be asked to endorse the proposed solution and corresponding OA revisions at its next meeting.

[Issue Tracking: Rules Related to Market Suspension](#)

### 9. Market Participant Default Flexibility

Colleen Hicks reviewed the proposed solution addressing the alignment of PJM's authority in event of a default. The committee will be asked to endorse the solution package and corresponding Tariff and OA revisions at its next meeting.

[Issue Tracking: Market Participant Default Flexibility](#)

### 10. Clarifying Tariff and OA Revisions

Janell Fabiano reviewed proposed clarifying Tariff and OA revisions as endorsed by the Governing Documents Enhancements and Clarifications Subcommittee (GDECS). The committee will be asked to endorse the proposed Tariff and OA revisions at its next meeting.

### 11. Manuals

- A. Darrell Frogg reviewed proposed revisions to Manual 10: Pre-Scheduling Operations resulting from its periodic review. The committee will be asked to endorse the proposed revisions at its next meeting.
- B. Darrell Frogg reviewed proposed revisions to Manual 14D: Generator Operational Requirements resulting from its periodic review. The committee will be asked to endorse the proposed revisions at its next meeting.
- C. Rebecca Stadelmeyer reviewed proposed revisions to Manual 27: Open Access Transmission Tariff Accounting resulting from its periodic review. The committee will be asked to endorse the proposed revisions at its next meeting.

## Informational Posting Only

### 12. Automatic Sectionalizing Schemes

The PJM Manual 03 Attachment E: Automatic Sectionalizing Schemes Pending Approval and Recent Changes document was posted on the PJM website at: <https://www.pjm.com/markets-and-operations/etools/oasis/system-information.aspx>.

## Future Agenda Items (1:05)

No new future agenda items were identified.

Future Meeting Dates and Materials			Materials Due to Secretary	Materials Published
Date	Time	Location		
<i>December 21, 2022</i>	9:00 a.m.	PJM Conference & Training Center and WebEx	December 9, 2022	December 14, 2022

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