Committee	Issue	Description	Strategic Focus Area	Issue Status	Date	Associated Docs
MIC	Black Start Service: NERC CIP Options and Capital	This issue concerns several NERC CIP issues pertinent to	Competitive Markets	Closed	11/1/2011	No
<u>c</u>	Cost Recovery	black start owners:	Joinpetitive markets	0.0000	11, 1, 1011	
	,	Schedule 6A includes those costs incurred as a result of a				
		NERC compliance standard similar to the CIP standards.				
		Schedule 6A allows black start owner to carry risk				
		insurance for reasonable costs to cover a risk policy for				
		those potential penalties associated with a NERC				
		compliance issue related to maintaining black start status.				
		Schedule 6A allows black start owner to pass on any NERC				
		penalties associated with black start compliance failures to				
		the PJM membership.				
		Schedule 6A language for the provision for black start				
		providers to file at the FERC for recovery of capital				
		investment related to Black Start service within the context				
		of the formula rate provided.				
		Schedule 6A language for the requirement for PJM to				
		handling billing associated with the above arrangements				
		with no significant issues.				
		• Schedule 6A language for the inclusion of CONE to replace				
		CDR with some additional clarifications on the details of				
		CONE to be included in the tariff language.				
MRC	Capacity Interconnection Rights	This issue concerns clarification of interconnection queue	Reliability/Operations	Closed	6/3/2009	No
		customer access to capacity interconnection rights.				
		Dominion Settlement (EL08-36-000) – PJM's Regional				
		Planning Process Working Group (RPPWG) was directed to				
		evaluate issues relative to the PJM Tariff provisions				
		regarding:"[L]ossof Capacity Interconnection Rights in the				
		event an Interconnection Customer does not meet				
		operational standards for a consecutive three-year period,				
		including but not limited to the effect on Capacity				
		Interconnection Rights of an Interconnection Customer's				
		failure to meet applicable milestones specified in its ISA				
		and/or section 230.3.2 of the PJM Tariff."				

MIC	Capacity Markets: 2008 Issues	Consists Markets in 2000. These includes	Competitive Markets	Closed	11/20/2008	No
		Capacity Markets in 2008. These include:				
		REPLACEMENT TRANSACTION DEADLINE - a proposal to				
		change the replacement transaction deadline.				
		• INTERMITTENT GENERATION – a proposal on valuing				
		intermittent generation in the capacity market.				
		TRANSFERRING FRR SERVICE AREAS – a proposal for				
		transferring FRR Service Areas from one FRR Entity to				
		another and allow for the combination of FRR Entities under				
		a single FRR Capacity Plan.				
		• PLC ADDBACK METHODOLOGY – a proposal to modify the				
		PLC addback methodology and how the addback would be				
		allocated to the zone and what the impacts would be to the				
		VRR curves.				
		• EFORD RISK – a discussion of EFORd risk between the Base				
		Residual Auction and the Delivery Year.				
		• ERPM TRANSACTION ENHANCEMENTS – enhancements				
		to the eRPM system to accommodate new transaction				
		types and about additional details on the proposed				
		Locational UCAP product.				
		RPM TARIFF CHANGES – Clarifying changes to the RPM				
		Agreement Language to endorse a proposed change to the				
		billing month for Peak Hour Period Availability Charges and				
		for the Capital Expenditure change.				
		PENALTIES RELATED TO TRANSMISSION PLANNING –				
		performance penalties incurred by RPM resources related				
		to transmission planning issues.				
		• INCREMENTAL AUCTIONS – potential alternatives				
		including locational triggers that might warrant conducting				
<u>MC</u>	Capacity Markets: Additional CONE Regions		Competitive Markets	Closed	12/1/2009	No
		This issue concerns creating additional CONE Regions per a				
		FERC directive as part of a December 1, 2009 compliance				
		filing. PJM is in the process of studying the creation of two				
		new CONE areas: Dominion and Western MAAC.				

<u>PC</u>	Capacity Markets: Additional LDA Creation	This issue concerns FERC's order to PJM to review LDA	Competitive Markets	Closed	11/11/2009	No
		determination methodology. At the 07/13/09 PC meeting,				
		PJM recommended continued use of the currently defined				
		23 LDAs for load deliverability testing in RTEP and modeling				
		in RPM; ongoing research will continue into alternative				
		methods for LDA definition. PJM also recommended				
		development of Super-LDAs (may include existing LDA,				
		portions of existing LDA's, and/or portions of other LDA's) to				
		address persistent transmission constraints. PJM would				
		propose creation of a new LDA when annual market				
		efficiency analysis identifies persistent congestion on a				
		500kV or above facility or interface for multiple years				
		beyond the next BRA. D-fax analysis would be used to				
		determine specific busses included in the proposed LDA.				
		Additional LDAs will be determined through RTEP process				
		flow into RPM via the Reliability Assurance Agreement				
		(RAA). A compliance filing is expected on December 1, 2009.				
MC	Capacity Markets: Automated Adjustment to Net	This issue concerns proposed changes to the automated	Competitive Markets	Closed	9/1/2009	No
	CONE	adjustment to Net CONE. In addition to Member proposals,				
		PJM plans to release a list of principles that should be				
		addressed by a proposed automated adjustment method.				
MC_	Capacity Markets: Credit Issues	This issue concerns PJM's proposal to modify the credit	Competitive Markets	Closed	12/1/2009	No
		requirement for capacity offered into RPM Base Residual				
		Auctions (BRAs) and Incremental Auctions (IAs).				
MC_	Capacity Markets: Definition of "Rest of RTO"	This issue concerns a proposal and tariff language for the	Competitive Markets	Closed	12/1/2009	No
		definition of rest of RTO for Market Power Mitigation. The				
		Market Monitor (Monitoring Analytics) and PJM will				
		prepare modifications to the tariff language.				

MIC	Capacity Markets: Demand Response Participation	This issue concerns various DR participation concerns raised	Competitive Markets	Closed	8/25/2009	No
		by stakeholders following a recent auction including	'			
		proposals to:				
		• For the elimination of offer caps on DR resources				
		• To modify the notification period for Planned DR from 45				
		days to 15 business days				
		Allow DR resources to register in either the Full Program				
		Option or the Capacity Only option of the Emergency Load				
		Response program.				
		More clearly define Existing DR to say that the CSP has a				
		contract with the customer site to reduce load				
		Add tariff or manual language to clarify how a new CSP				
		can claim an existing DR customer currently registered to				
		another CSP.				
		More clearly define "permanent load departure" term				
		that governs whether an existing DR resource can ask to be				
		relieved of capacity commitment.				
		Remove or modify the "weighted zonal capacity price"				
		provision for DR that does not specify its location in a sub-				
		zonal LDA (PS, DPL)				
		Require all planned DR, Generation, or EE to meet RPM				
		Credit Requirement (even if in FRR plan) Other options for				
		addressing some of the underlying issues with the way				
		demand response resources participate in the Capacity				
		Market will also be evaluated.				
<u>MC</u>	Capacity Markets: Energy Efficiency Participation	This issue concerns revisions to allow Energy Efficiency	Competitive Markets	Closed	1/22/2010	No
		Resources to participate in Earlier Delivery Years as				
		proposed by the Energy Efficiency Task Force. Specifically,				
		eligibility and participation of EE Resources prior to the				
		2012/13 Delivery Year (Note: next available Incremental				
		Auctions may be conducted in January, 2010 for 10/11 DY				
		and April, 2010 for 11/12 DY).				
<u>MC</u>	Capacity Markets: FRR Load Forecast Changes	This issue concerns allowing changes in load forecast to	Competitive Markets	Closed	12/1/2009	No
		affect FRR Obligations. Proposed changes would modify the				
		rules to the load forecasts of FRR entities to increase or				
		decrease in the same manner as RPM LSEs.				

MC	Capacity Markets: Incremental Auction Redesign	This issue concerns design changes to incremental auctions	Competitive Markets	Closed	12/1/2009	No
		as specified under the current tariff including:			1	
		PJM's Market Monitor concerns with the Avoidable Cost			1	
		Rate (ACR) values. The IMM states that the ACR values in				
		the tariff are applicable to the 2012/13 Delivery Year;				
		however, they are not appropriate for use in earlier Delivery				
		Year Incremental Auctions. PJM noted that tariff changes				
		would be required to use different default ACR values for				
		Incremental Auctions prior to the 2012/2013 Delivery Year.				
		Clarification of the procurement process in Incremental				
		Auctions using an Incremental Auction demand curve.				
		• Allocation of the 2.5% deferred supply to the incremental				
		auctions.				
		Providing replacement capacity to Load Serving Entities			1	
		due to reductions in the reliability requirement in certain			1	
		circumstances.				
		Modifications to the auction timeline to spread the				
		auctions more evenly throughout the year.				
<u>1C</u>	Capacity Markets: New Entry Pricing	This issue concerns proposed changes to modify the New	Competitive Markets	Closed	12/1/2009	No
		Entry Pricing rules. It is claimed that the current rules for				
		New Entry Pricing have yet to be exercised by market				
		participants. Therefore, it is proposed that the tariff be				
		modified to ensure that the unit clears in the subsequent				
		auction and that the unit is not overpaid/underpaid in the				
		subsequent auctions.				
<u>11C</u>	Credit: 2008 & 2009 Issues	This issue concerns updates to PJM's credit policy to reduce	Competitive Markets	Closed	12/31/2009	No
		PJM's and Members' exposure to Member credit related				
		issues. Various components included in this overall credit				
		"umbrella" issue are compiled from 2008 and 2009				
		meetings of the Credit Risk Management Steering				
		Committee (CRMSC). These include:				
		Peak market activity credit requirements (Loss of Load			1	
		contracts; early payment frequency; removal of FTR activity				
		from invoices)				
		Monthly payments by muni's				
		Providers of Letters of Credit Concentration			1	
		Credit requirements - FTR's			1	
		Unsecured credit				
		Offsetting / Netting				
		Other miscellaneous credit policy revisions				
<u>IC</u>	Credit: Peak Market Activity	This issue concerns a stakeholder-requested proposal to	Competitive Markets	Closed	3/25/2010	No
		reset the Peak Market Activity twice a year.				

MC MRC	Deferred Security Revisions  Demand Response: One CSP Rule Exception	Security for interconnection customers which was added to the PJM Tariff in April, 2009. The intent is to allow interconnection customers the opportunity to secure financing during a reasonable period of time after it signed its Interconnection Service Agreement ("ISA").  PJM will allow 2 CPS for the same end use customer only	Competitive Markets  Competitive Markets	Closed	5/16/2011	No No
		under the situation where 1 CSP has an Emergency – Capacity Only registration and the other CSP has the Economic registration for energy and/or ancillary services. This narrow exception allows a clear alignment of each CSP to specific requirements and wholesale market.				
MRC	Distributed Solar Metering Requirements	This issue concerns a proposal to meter distributed solar panels in the Public Service Electric & Gas service territory.	Reliability/Operations	Closed	9/23/2009	No
	Duquesne Zone Fees	(11/20/08 MC Minutes) This issue addresses NERC's request that PJM not bill NERC or ReliabilityFirst fees to load serving entities in the Duquesne zone at least during 2009. NERC requested this change in order to finalize their 2009 regional allocations which needed to be approved by the NERC Board during fall 2008 prior to a final Duquesne filing with FERC regarding whether Duquesne intended to be a PJM member during 2009. Ms. Daugherty confirmed that this proposed Tariff revision could be reversed effective January 1 of any subsequent year. Following discussion, the Members present endorsed by acclamation with one objection and two abstentions Tariff revisions to exclude the Duquesne zone from Schedule 10-NERC and Schedule 10-RFC charges effective January 1, 2009.		Closed	9/24/2009	No
Cost Subcommitte e	Early Payments Used to Reduce Peak Market Activity	This issue concerns a stakeholder proposal to allow companies which do not receive unsecured credit to make early invoice payments which would reduce their Peak Market Activity in a similar manner to what companies receiving unsecured credit are now allowed to do.	Competitive Markets	Canceled	2/1/2011	No

MC	Energy Resource Curtailments	This issue concerns:	Competitive Markets	Closed	3/2/2011	No
		• Due to the increase in Energy Resources, PJM is concerned				
		about the need to declare emergency procedures and issue				
		verbal dispatch instructions to reduce output from Energy				
		Resources to resolve transmission constraints.				
		Resources that do not have Capacity Interconnection				
		Rights (CIR) up to their Maximum Facility Output (MFO)				
		may not submit an economic minimum that exceeds the				
		level of their CIR.				
		• This change would only apply to real-time market (not day	_			
		ahead).				
MC	FTR Miscellaneous Changes	This issue concern the language changes associated with	Competitive Markets	Closed	4/1/2010	No
IVIC	The Miscellaneous Changes	FTR trading Credit requirements and available FTR bidding	Competitive ivial kets	Ciosed	7, 1, 2010	INO
		nodes. FTR trading credit requirements will now				
		automatically be transferred to/from both parties involved				
		in a FTR trade via the eFTR system. The FTR available list of				
		receipt and delivery points changed so that it will now be				
		based on the posted list from the FTR web page. This allows PJM to make disconnected, future, equivalent, and special				
		case situation nodes unavailable for FTR bidding.				
CDS	Generator Cost Development: CO2 Emission	This issue concerns CO2 emission allowance modifications	Competitive Markets	Closed	1/22/2009	No
	Allowance	to the Cost Development Guidelines (Manual 15). When				
		CO2 costs are mandated, Manual 15 changes have been				
		made to allow cost recovery similar to incorporating NOx				
		and SO2.				
<u>CDS</u>	Generator Cost Development: Cost Offer Data	This issue concerns the Market Monitor's proposal for Cost	Competitive Markets	Closed	10/19/2009	No
	Submission Requirements	Offer Data Submission Requirements for Opportunity Cost				
		Calculation.				
<u>CDS</u>	Generator Cost Development: Fuel Policy	This issue concerns changes to the CDTF Cost Development	Competitive Markets	Closed	8/17/2009	No
	Minimum Term	Guidelines (Manual 15) manual to define the basis for a				
		participant's fuel cost policy changes.				
CDS	Generator Cost Development: Gas Cost Recovery	This issue concerns the mismatch between the Gas and	Competitive Markets	Closed	3/2/2011	No
		Electric market day and a proposal to allow participants to			1	
		fully recover costs incurred as a result of the interactions				
		between market day differences.		1		

<u>MC</u>	Generator Cost Development: Maintenance Cost Configuration Addition Adder	This issue concerns a proposal that allows recovery of a Configuration Addition Maintenance Adder cost in addition to the current maintenance costs. This adder is applicable after a major physical change to the unit to meet new environmental compliance requirements. Because maintenance cost calculations are based on a 10- or 20-year history, without the configuration addition adder, these units' historical averages used to determine maintenance costs will under-recover the expected costs until the full 10- or 20-year historical period is incorporated.	Competitive Markets	Closed	5/7/2010	No
<u>MC</u>	Generator Cost Development: Maintenance Period Historical Change	This issue concerns proposed changes to the 20 year historical time period over which historical maintenance costs are averaged.	Competitive Markets	Closed	5/7/2010	No
CDS	Generator Cost Development: Treatment for Units under Long-Term Contracts	This issue concerns the development of proposed modifications to the Cost Development Guidelines (Manual 15) for units under long-term contracts. Member concerns exist around the terms of the contract, output of the units, and contract rules.	Competitive Markets	Canceled	5/23/2008	No
MRC	Generator: Reactive Power Deficiencies	This issue originated with the PC and has been making progress with the PC for a few months. In summary, the PC is considering implementing a PJM planning process that would allow increases in generating capability to resolve reactive deficiencies by paying into a reactive pool that would be used to fund dynamic reactive devices. This will likely result in PJM Manual changes that will need to be voted on by the MRC.	Reliability/Operations	Closed	3/23/2011	No
Governance Working Group	Governance: Compliance Filing Process	This issue concerns a post-implementation review of the compliance filing stakeholder process six months after its June 2007 implementation. The objective is to determine upon receipt of a compliance directive, if material or not, whether it is appropriate to have it vetted through the PJM stakeholder process, and further, what that process should be.	Stakeholder Management	Closed	4/1/2008	No
<u>GAST</u>	Governance: Voting Reports	This issue concerns the initial generation of 13 voting reports developed by the GWG to give the PJM Board additional insight into the votes taken at each MC meeting. These reports should be simple, clear charts without reference to other documents. They should focus on why voters voted the way they did on a particular vote. In addition, hopefully over time they will also give insight to patterns of voting based on PJM members' economic interests and individual sector and line of business interests.	Stakeholder Management	Closed	11/14/2008	No

MRC		Independent Market Monitor to perform a holistic review of generator compensation. The review is to include:  • Generator costs  • All payments made to generators and  • Separately report on whether compensation being paid to generators is just and reasonable on a cumulative basis to help ensure that when a new rate component is added that the old rate components are still necessary and fairly calculated.		Closed	12/31/2009	No
MIC		This issue concerns resolution of determination of pricing mechanisms for transactions spanning PJM's borders. PJM generally utilizes 7 interface prices to price external interchange transactions (IMO, NYISO, MISO, Northwest, SOUTHIMP, SOUTHEXP, OVEC). Interface prices are composed of external bus prices in a neighboring region. Following the Southeast/Southwest interface consolidation, PJM entered into agreements to price transactions to/from certain external control areas at a more granular level when dynamic, real time verification can be obtained. PJM has been requested to expand the assignment of these more granular interface prices to transactions to/from these control areas by entities that do not own the physical assets.	Competitive Markets	Closed	2/1/2009	No
<u>MC</u>	Intermittent Resource Integration: Limited Energy Storage Resources	is issue concerns potential changes to PJM business rules related to limited energy storage resources (e.g. flywheels and batteries).	Reliability/Operations	Closed	3/10/2011	No
Intermittent Resources Task Force	Intermittent Resource Integration: Wind Forecasting	This issue concerns procedures to redispatch wind generation.	Reliability/Operations	Closed	9/16/2011	No
	Intermittent Resources Integration: Interconnection Study Methodologies	This issue concerns various interconnection study methodologies for intermittent resources.		Closed	5/10/2011	No
<u>PC</u>	JCM - Coordination of queue studies between MISO and PJM	MISO/PJM JCM group identified the need to develop additional clarification, and further define the process to be used for the coordination of various queue studies which may have impacts on cross border facilities (e.g.: MISO queue request with potential impact on PJM facilities, and PJM queue request with potential impact on MISO facilities).	Reliability/Operations	Closed	8/1/2013	No
<u>MC</u>	Late Payment Penalty Proposal	This issue concerns a proposal to charge market participants a penalty for late invoice payments.	Competitive Markets	Closed	2/17/2011	No

MRC	Linden VFT and Neptune Business Practices	is issue concerns the OASIS business practice updates	Reliability/Operations	Closed	10/21/2009	No
	Update	specifically related to the Linden Variable Frequency				
		Transformer (VFT) Merchant Transmission Facility and the				
		Neptune Merchant Transmission DC line. This issue				
		concerns Linden VFT Transmission Service: PJM OATT				
		Schedule 16 1. Terms and Conditions for facility service 2.				
		PJM out service necessary PJM to file with the FERC on				
		behalf of Linden VFT TO – 3/15/2009.				
ariff	Long-Term FTR Auction Enhancements	This issue concerns proposed enhancements to the current		Closed	12/7/2009	No
dvisory		PJM market structure for Long Term FTR Auctions. It				
ommittee		includes Tariff, Operating Agreement, and manual revisions				
		to implement the Long Term FTR rules approved by FERC				
		(ER08-1016).				
/IC	Market Price Reposting Process	The issue concerns proposals on a process for market price	Competitive Markets	Closed	6/22/2010	No
		repostings.				
<u>/IRC</u>	Market Settlements: Settlement C	PJM currently performs a single settlement on a two-month	Competitive Markets	Canceled	9/23/2009	No
		lag for load reconciliations between EDCs and their zonal				
		LSEs. An EDC proposal was developed via the MSWG in				
		which a second load reconciliation settlement for a given				
		quarter would be performed by PJM on a 7-month lag for				
		those EDCs that were interested in utilizing the service.				
<u>//C</u>	Members Committee Meeting Quorum	This issue concerns Section 8.3.3 of the Operating	Competitive Markets	Closed	6/30/2010	No
	Requirement	Agreement which provides the requirements for declaring a				
		quorum present at a Members Committee meeting. This				
		issue addresses providing clarification of these quorum				
		requirements to state that once a quorum is declared for a				
		meeting, it will be considered to be present until the				
		published end time of the meeting.				
<u>//C</u>	Meter Error Correction Allocation Changes	This issue concerns allowing an EDC to voluntarily have PJM	Competitive Markets	Closed	1/22/2010	No
		directly allocate Meter Error Correction Charges to that				
		EDC's load serving entities (LSEs). Meter Error Correction				
		Charges (+/-) are due to meter true-ups reported at month-				
		end by EDCs and Generators to account for any				
		accumulated tie line and generation meter error during the				
		month. Most EDCs currently have back-office billing				
		processes to further allocate these +/- charges to other				
		LSEs, especially as residual load auctions result in many				
		EDCs that no longer serve load.				
<u>)C</u>	NERC Critical Infrastructure Protection CIP	This issue concerns PJM efforts to address Critical	Reliability/Operations	Closed	5/19/2009	No
		Infrastructure Protection (CIP) Compliance and involvement				
		in CIP Standard Drafting Team. The effort also includes a				
		review of the existing PJM RTO Guidelines for				
		determination of TO/GO critical asset.			1	I

MRC	Nuclear Plant Interface Standard	This issue concerns Nuclear Generation Owner User Group	Reliability/Operations	Closed	4/1/2010	No
		members' plans to comply with Nuclear Plant Interface	,, ,			
		Standard (NUC-001) including:				
		• Timeframe to publish Manual 39: Nuclear Plant Interface				
		Coordination				
		• Intent of Attachment B: Plant Specific Requirements				
		Next steps to share plant specific NPIR with PJM and				
		Transmission Owners				
		Review the NUC-001 Transmission Entity List.				
MRC	Operator Certification Requirements	This issue concerns proposed changes to the PJM Operator	Reliability/Operations	Closed	12/31/2009	No
		Certification program based on recent Job Task Analysis				
		evaluations and feedback from SOS-T/G members.				
RAAS	Reserve Requirement: Modeling World Area	This issue concerns modeling of the world base capacity,	Reliability/Operations	Closed	12/30/2009	No
INAS	Reserve Requirement. Wodeling World Area	perhaps modeling all world regions as one area for	Reliability/Operations	Ciosca	12/30/2003	140
		forecasting world reserves for the Installed Reserve Margin				
		(IRM) study.				
MC	RPM Items - 2010	This issue concerns 4 RPM Items:	Competitive Markets	Closed	1/31/2011	No
		Clarification of Must Offer Requirement & Mitigation of				
		Planned Generation Resources				
		EFORd used for evaluating initial FRR Capacity Plan				
		(Manual Change Only per email below)				
		Use of available capacity (i.e. uncommitted capacity) to				
		help cure shortfall for peak hour period availability				
		Refine definition of Energy Efficiency Resource to specify				
		installation at End-Use Customer retail site				
MIC	Spread Bid Product	This issue concerns design and development of a "spread	Competitive Markets	Canceled	9/10/2009	No
		bid" product, i.e. a transaction in the Day-Ahead Market				
		consisting of an offer to sell at one point and a bid to buy at				
		another point.				
MRC	Three Pivotal Supplier Test: Regulation Market	This issue concerns the justness and reasonableness of the	Competitive Markets	Closed	1/15/2009	No
		three pivotal supplier test for market power mitigation in				
		the Regulation market.				
MRC	Transaction Scheduling Issues	This issue concerns changes to recent transaction	Competitive Markets	Closed	6/23/2009	No
		scheduling rules to address issues with external interchange				
		transaction scheduling. Current transaction issues include:				
		1. 15-minute schedules on not-willing-to-pay congestion				
		(NWTP) transmission service 2. 15-minute external				
		transaction schedules during the last 15 minutes of a clock				
		hour 3. Hoarding of spot-in transmission service.				
MC	Undiversified Credit Exemption for FTRs Sinking in	This issue concerns a proposal to allow an exemption to the	Competitive Markets	Closed	2/28/2011	No
	an LSE Load Zone	undiversified credit requirement for FTRs that sink in an	TIMPONITO MANAGES	2.0000	_,,	
		LSEs load zone. The FERC had stated at the time that PJM				