

Board of Managers Meeting Minutes

November 19, 2024

A meeting of the PJM Interconnection, L.L.C. (PJM) Board of Managers (Board) was convened at the Rittenhouse Hotel in Philadelphia, Pennsylvania, at approximately 11:15 a.m. on November 19, 2024.

The following Board members were present constituting a quorum:

- Mark Takahashi, Chair
- Terry Blackwell
- Paula Conboy
- Jeanine Johnson
- Margo Loeb
- David Mills
- Dean Oskvig
- Charles Robinson
- Vickie VanZandt

The following Board member was excused:

- Manu Asthana, President and Chief Executive Officer (ex officio)

Present for the meeting, or a portion of the meeting, were the following PJM personnel:

- Donnie Bielak, Director, Interconnection Planning
- Pat Bruno, Principal Market Design Specialist
- Stu Bresler, Executive Vice President – Market Services
- Mike Bryson, Sr. Vice President – Operations
- Jason Connell, Executive Director, Transmission & Resource Adequacy Planning
- Carl Coscia, Vice President, Chief Risk Officer (via Teams)
- Lisa Drauschak, Sr. Vice President, Chief Financial Officer and Treasurer
- Andrew Gledhill, Manager – Resource Adequacy Planning
- Craig Glazer, Vice President, Federal Government Policy
- Walter Graf, Chief Economist – Market Services
- Asim Haque, Sr. Vice President – Governmental & Member Services
- Colleen Hicks, Managing Counsel

-
- Adam Keech, Vice President – Market Design & Economics
 - Aftab Khan, Executive Vice President, Operations, Planning & Security
 - Steve McElwee, Vice President, Chief Security Officer
 - Paul McGlynn, Vice President – Planning
 - Tom O'Brien, Sr. Vice President, Chief Information Officer
 - Chris O'Hara, Sr. Vice President, General Counsel
 - Ricardo Rodriguez, Executive Director – Internal Audit
 - Lisa Salmon, Executive Assistant to the President & PJM Board
 - Nora Swimm, Sr. Vice President – Corporate Client Services

* * * *

The meeting recessed at 1:45 p.m.

Board of Managers Meeting Minutes

November 19, 2024

A meeting of the PJM Interconnection, L.L.C. (PJM) Board of Managers (Board) was convened at the Rittenhouse Hotel in Philadelphia, Pennsylvania, at approximately 2:15 p.m. on November 19, 2024.

The following Board members were present constituting a quorum:

- Mark Takahashi, Chair
- Terry Blackwell
- Paula Conboy
- Jeanine Johnson
- Margo Loeb
- David Mills
- Dean Oskvig
- Charles Robinson
- Vickie VanZandt

The following Board member was excused:

- Manu Asthana, President and Chief Executive Officer (ex officio)

Present for the meeting, or a portion of the meeting, were the following PJM personnel:

- Stu Bresler, Executive Vice President – Market Services
- Mike Bryson, Sr. Vice President – Operations
- Carl Coscia, Vice President, Chief Risk Officer (via Teams)
- Michael Coyle, Chief Diversity, Equity & Inclusion Officer
- Lisa Drauschak, Sr. Vice President, Chief Financial Officer and Treasurer
- Craig Glazer, Vice President, Federal Government Policy
- Asim Haque, Sr. Vice President – Governmental & Member Services
- Colleen Hicks, Managing Counsel
- Adam Keech – Vice President, Market Design & Economics
- Aftab Khan, Executive Vice President, Operations, Planning & Security
- Steve McElwee, Vice President, Chief Security Officer
- Paul McGlynn, Vice President – Planning

- Tom O'Brien, Sr. Vice President, Chief Information Officer
- Chris O'Hara, Sr. Vice President, General Counsel
- Fabian Robinson, Manager – Data Solutions
- Ricardo Rodriguez, Executive Director – Internal Audit
- Lisa Salmon, Executive Assistant to the President & PJM Board
- Mark Sims, Sr. Manager – Interconnection Analysis
- Nora Swimm, Sr. Vice President – Corporate Client Services

* * * *

Coyle, F. Robinson and Sims exited the meeting at 2:28 p.m.

Administration

Upon a motion duly made and seconded, the Board approved the minutes (including public versions) of its August 7, 2024, August 26, 2024, September 13, 2024, September 17, 2024, October 4, 2024, and October 15, 2024, meetings. There were no objections.

Charles Robinson abstained from the approval of the August 26, 2024, September 13, 2024, and October 4, 2024, meeting minutes. Conboy abstained from the approval of the August 7, 2024, and August 26, 2024, meeting minutes.

Competitive Markets Committee (CMC) Report

- David Mills reported on the CMC meeting held on November 18, 2024, and the materials covered therein.
 - The CMC reviewed and endorsed updates to:
 - PJM Manual 15: Cost Development Guidelines as part of the biennial review of the manual.

Upon a motion duly made and seconded, the Board unanimously endorsed the approval of revisions of Manual 15: Cost Development Guidelines. (Attachment A).

- Mills reported that the CMC received reports on:
 - The status of the Quadrennial Review process that commenced in July 2024, including a review of the capacity market demand curve, the Energy & Ancillary Service (EAS) Offset methodology and Marginal Reliability Impact (MRI) curves, as well as the potential benefits to PJM from their use. The CMC received an initial recommendation on the reference technology and estimated construction costs for each Locational Delivery Area (LDA).

* * * *

- Mills further reported that the CMC had a joint meeting with PJM and the Independent Market Monitor (IMM) to discuss perspectives on short- and long-term market enhancements to PJM's capacity market.

- The CMC and IMM discussed design components and areas of mutual agreement, including changing the reference technology to a combustion turbine (CT) and creating a uniform non-performance charge rate across PJM, and including the resource adequacy contribution of some Reliability Must-Run (RMR) units in the capacity market.
- The IMM indicated several items to be included as part of the capacity market review, including Capacity Interconnection Rights (CIRs), the interaction of the market with the interconnection queue processes, RMR issues and the review of transmission constraints within an LDA.
- The IMM and CMC reviewed capacity market elements and timing of enhancements and identified some areas of disagreement, including price caps, the implementation of RMR agreements and the application of winter thermal ratings.
- The IMM also indicated a desire to lower the price cap on the demand curve from the higher of 1.75* Net Cone or Gross Cone to 1.5*Net Cone.

Reliability & Security Committee (RSC) Report

Terry Blackwell reported on the RSC meeting held on November 18, 2024, and the materials covered therein.

- Blackwell reported that the RSC received planning reports on:
 - The 2024 Regional Transmission Expansion Plan (RTEP) Window 1, including an overview of major factors driving the identified needs of the RTEP that include load increases in Dominion east, facility overloads, and voltage and non-conversion issues. PJM anticipates the projects will be presented to the Transmission Expansion Advisory Committee in 2025.
 - The processing of transmission projects through PJM's Interconnection queue are on track with transition cycle (TC) 1, including approximately 1000 projects to be analyzed in TC 2.
- Blackwell further reported that the RSC received security reports on:
 - * * * *
 - PJM's 2024 Safety Program, including resources for medical emergency, fire prevention and partnerships with law enforcement;
 - * * * *
 - Security Key Performance Indicator Dashboard.
- Blackwell reported that the RSC received operations reports on:
 - summer 2024 operations review and peak winter 2024–2025 load projections and readiness;
 - operational challenges, including geomagnetic disturbances, peak loads and generator deactivations; and
 - natural gas outlook, including enhanced natural gas supply assessments, and PJM's support for gas pipeline expansion projects (Transco REA and Virginia LNG), and the use of a new multiday resource adequacy commitment tool.
- Blackwell further reported that the RSC received an IT strategic plan, which focuses on cloud transformation and operational excellence.

- Blackwell further reported that the RSC reviewed PJM Operating Agreement enhancements to the generator deactivation rules.

Regulatory Committee (RC) Report

Conboy reported on the RC meeting held on November 19, 2024, and the materials covered therein.

- Conboy reported that the RC received reports on:
 - Federal regulatory matters, including:
 - Federal appointments to the upcoming Trump administration, including Doug Burgum, Chris Wright and Elon Musk, and the status of Willie Phillips at FERC;
 - the Joint Consumer Advocates complaint against PJM filed on November 18, 2024;
 - the FERC collocated load technical conference;
 - the election of 49 new congressman within PJM's footprint, including eight new senators and new Senate energy committee staffs;
 - an update on FERC Order No. 1920A; and
 - PJM's response letter to certain governors who had expressed concern with PJM's Order 1920 compliance activities.
 - State regulatory matters, including:
 - certain state's legislature activity;
 - state policy efforts being tied to reliability and pricing; and
 - the potential to maintain the State Agreement Approach (SAA) for PJM and the ability for states to advance public policy using SAA.

* * * *

Bresler, Mike Bryson, Carl Coscia, Drauschak, Glazer, Haque, Colleen Hicks, Keech, Aftab Khan, McGlynn, Tom O'Brien, Ricardo Rodriguez, Lisa Salmon and Nora Swimm exited the meeting at 3:45 p.m.

Executive Session

The Board met in an Executive Session.

* * * *

O'Hara exited the meeting at 4:15 pm.

Closed Session

The Board met in Closed Session.

* * * *

The Board adjourned at approximately 4:30 p.m.

Resolution for the Meeting of the PJM Board of Managers

November 19, 2024

Approval of Updates to PJM Manual 15

WHEREAS, Amended and Restated Operating Agreement of PJM Interconnection, L.L.C., (“Operating Agreement”), Schedule 2, section 1.2 provides that the PJM Board of Managers (Board) is responsible for defining in detail the method of determining the cost components for cost-based offers in the PJM energy markets;

WHEREAS, PJM Manual 15: Cost Development Guidelines details the method of determining the cost components for cost-based offers;

WHEREAS, PJM Manual 34, section 11.15 requires Board approval of revisions to PJM Manual 15;

WHEREAS, PJM Manual 34, Appendix VI: Manual Review Process and Schedule requires PJM to review Manual 15 every two years from cover to cover and make updates as needed;

WHEREAS, PJM staff reviewed Manual 15 and recommended certain updates to the manual including, but not limited to, standardizing terminology, update fuel cost formula, and correct other typographical errors;

WHEREAS, the PJM Markets and Reliability Committee, as well as the PJM Member’s Committee, reviewed and endorsed the proposed updates to PJM Manual 15;

WHEREAS, PJM management recommends the proposed revisions to the PJM Manual 15 revisions to the full Board for approval;

WHEREAS, the Board, through the Competitive Markets Committee, has been provided with summary presentation materials, and has reviewed the relevant redlines, as posted on the PJM website under the October 30, 2024 Members Committee meeting materials; and

NOW, THEREFORE, BE IT RESOLVED, that the Board, having reviewed the proposed revisions to PJM Manual 15, hereby approves the revisions to PJM Manual 15 to effectuate the aforementioned revisions.