

Market Implementation Committee PJM Conference & Training Center, Audubon, PA February 5, 2020 9:00 a.m. – 4:00 p.m. EPT

Administration

1. Ms. Bhavana Keshavamurthy, PJM, provided announcements; reviewed the Antitrust, Code of Conduct, Public Meetings/Media Participation, the WebEx Participant Identification Requirement and the reviewed the safety protocols.

The Committee approved the draft minutes from the Jan. 11, 2020 Market Implementation Committee meeting with **0 abstentions and 0 objections.**

Ms. Lisa Morelli, PJM, notified the MIC that an additional MIC Special Session - Capacity Market Minimum Offer Price Rule (MOPR) Order has been scheduled for Feb. 28, 2020 and that the meeting is open for registration. Ms. Morelli also notified the MIC that as the PJM Planning Queue now has over 10,000 MW of "hybrid" generators—those with storage paired with another generation technology, such as solar, PJM is bringing a problem statement/issue charge to the Feb. 20, 2020 Markets and Reliability Committee Meeting in order to address gaps identified with such resources.

Ms. Sharon Midgley, Exelon, made a motion to request that Item 12 - Five Minute Dispatch and Pricing be considered a First Reading by the Committee. Mr. Gary Greiner, PSEG, seconded the motion. The Committee voted by acclamation and the motion passed **with 0 objections and 13 abstentions.**

Endorsements/Approvals

2. Synchronized Reserve Variable Operation and Maintenance Cost

Ms. Catherine Tyler, Monitoring Analytics, reviewed a problem statement and issue charge associated with the allowable level of variable operations and maintenance costs in synchronized reserve offers. The committee was asked to approve the issue charge and endorse the proposed revisions to Manual 15: Cost Development Guidelines as part of the Quick Fix process outlined in Section 8.6.1 of Manual 34. Ms. Sharon Midgley, Exelon, made a motion to defer this issue charge till at least 7 days after FERC rules on the PJM's pending filing regarding the reserve markets and the Operating Reserve Demand Curve to ensure that the rule changes are in accordance with FERC's guidance on the matter. Mr. David Scarpignato, Calpine, seconded the motion. The committee voted on the motion.

The motion passed with 144 (77%) in favor, 44 (23%) against and 36 abstentions.

First Readings

3. Pseudo-Tie Eligibility Requirements



Mr. Phil D'Antonio, PJM, provided a first read on updates to Manual 12, Attachment F reviewing additional clarity and updated references for the Pseudo-Tie Eligibility Requirements. Several stakeholders expressed concern with the timing of the manual updates given that FERC has yet to rule on pending complaints addressing the current Pseudo-Tie rules. After extensive stakeholder discussion and feedback, Mr. D'Antonio announced that PJM will be withdrawing the proposed manual changes until FERC rules on the matter.

4. OC/MIC special session: Fuel Requirements for Black Start Resources

Ms. Janell Fabiano, PJM, provided a first read on three proposals from the OC/MIC special session: Fuel Requirements for Black Start Resources. Ms. Fabiano also reviewed the logistics of the joint OC-MIC vote in March for this issue. This issue will be voted at a Joint OC/MIC Special Session to be held at 9.00 a.m. on Mar.11, 2020. Stakeholders are requested to update their MIC or OC rosters, as necessary, to ensure they are able to vote on this issue.

5. Five Minute Dispatch and Pricing

- A. Mr. Thomas DeVita, PJM and Mr. Tim Horger, PJM, provided an overview of PJM's proposed path forward for addressing the misalignment of five minute dispatch and pricing in light of the recent FERC order holding the Fast Start docket in abeyance until July 31 given this issue.
- B. Ms. Catherine Tyler, Monitoring Analytics, provided Monitoring Analytics' perspective and reviewed suggested paths forward.
- C. Mr. Vijay Shah, PJM, provided the committee with an update on the discussions the MIC special sessions have had around the principles of LMP verification and sought feedback to inform future special session discussions.

The committee will be asked to vote on this issue at the March MIC.

Issue Tracking: Five Minute Dispatch and Pricing

Working Items

6. **Opportunity Cost Calculator Update**

Mr. Glen Boyle, PJM, provided an update on the Opportunity Cost Calculator (OCC) proposal that was previously voted at the September MIC. The proposal includes retiring the PJM OCC Calculator on Jun.1, 2020. This issue will be voted at the Mar.26 MRC. <u>Issue Tracking: Opportunity Cost Calculator</u>

- 7. Capacity Market Minimum Offer Price Rule (MOPR) Order
 - A. Mr. Ken Schuyler, PJM, discussed the tracking of voluntary RECs and the election of the competitive exemption.
 - B. Mr. Joe Bowring, Monitoring Analytics, reviewed IMM's COMED Fixed Resource Requirement (FRR) analysis. Mr. Jason Barker, Exelon, provided Exelon's perspective on the IMM's FRR analysis.



8. Update on PJM March 11 FERC filing on Capacity Market Capability of Energy Storage Resources

Mr. Andrew Levitt, PJM, provided an update on the process to prepare PJM's brief to FERC on the Capability of Capacity Storage Resources in Docket EL19-100, due March 11, 2020. An additional MIC Special Session has been scheduled for Feb.24, 2020 to continue discussions on this topic.

Additional Items

9. Update on the October 2, 2019 Performance Assessment Interval

Ms. Danielle Croop, PJM, provided an overview of the performance assessments that resulted from the Oct. 2 event.

10. 2020/21 ARR/FTR Update

Ms. Xu Xu, PJM, reviewed the ARR/FTR modeling processes completed to date and upcoming deadlines for the 2020/2021 planning year.

11. Incremental Auction Revenue Rights for RTEP Upgrades

Ms. Emmy Messina, PJM, provided an update on Incremental Auction Revenue Rights for upgrades in the Regional Transmission Expansion Plan for the 2020/2021 planning year.

12. Annual Meeting Update

Ms. Jennifer Tribulski, PJM, provided an update regarding the PJM Annual Meeting and described registration updates and enhancements.

Informational Section

Note: Discussions on the <u>Stability Limits in Markets and Operations</u> agenda item will resume at the March MIC.

Q42019 Net Energy Injections Quarterly Report

Materials are posted as informational only.

CP Unit Specific Parameter Update

Materials are posted as informational only.

Interregional Coordination Update

Materials are posted as informational only.

Credit Subcommittee (CS)

Meeting materials will be posted to the <u>CS website</u>.



Demand Response Subcommittee (DRS)

Meeting materials will be posted to the DRS web site.

Intermittent Resources Subcommittee (IRS)

Meeting materials will be posted to the IRS web site.

Market Settlements Subcommittee (MSS)

Meeting materials are posted to the MSS web site.

Report on Market Operations

The Report on Market Operations will be reviewed during the MC Webinar.

Future Meeting Dates

March 11, 2020 April 15, 2020 May 13, 2020 June 3, 2020 9:00 a.m. 9:00 a.m. 9:00 a.m. 9:00 a.m. PJM Conference & Training Center/ WebEx PJM Conference & Training Center/ WebEx PJM Conference & Training Center/ WebEx PJM Conference & Training Center/ WebEx

Author: Bhavana Keshavamurthy

In-Person Meeting Attendees

Names

Morelli, Lisa (Chair) Keshavamurthy, Bhavana (Secretary) Anders, David Barker, Jason Benchek, Jim Bowring, Joe Boyle, Glen Bresler. Stu Brodbeck, John Bruno, Patrick Canter, David Chmielewski, Brian Croop, Danielle D'Antonio, Phil DeVita, Thomas Dugan, Chuck Everngam, Scott Fabiano, Janell Fernandez, Ray Fitch, Neal Foley, Imelda Ford, Adrien Fuess, Christian Greening, Michele Greiner, Gary Haque, Asim

Company Name PJM Interconnection, LLC PJM Interconnection. LLC PJM Interconnection, LLC Exelon Business Services Company, LLC American Transmission Systems, Inc. Monitoring Analytics, LLC PJM Interconnection, LLC PJM Interconnection. LLC EDP Renewables North America, LLC PJM Interconnection, LLC Appalachian Power Company PJM Interconnection, LLC PJM Interconnection, LLC PJM Interconnection, LLC PJM Interconnection, LLC East Kentucky Power Cooperative, Inc. Blue Horse Shoe Energy PJM Interconnection, LLC PJM Interconnection, LLC NRG Power Marketing LLC **Environmental Defense Fund** Old Dominion Electric Cooperative **PBF** Power Marketing PJM Interconnection, LLC PSEG Energy Resources and Trade LLC PJM Interconnection, LLC

Sector

Not Applicable Not Applicable Not Applicable Transmission Owner Transmission Owner Not Applicable Not Applicable Not Applicable Other Supplier Not Applicable Transmission Owner Not Applicable Not Applicable Not Applicable Not Applicable Transmission Owner Not Applicable Not Applicable Not Applicable Generation Owner Not Applicable Electric Distributor Generation Owner Transmission Owner Other Supplier Not Applicable



Hauske, Thomas Hoatson. Tom Holter, Natasha Horger, Tim Horning, Lynn Marie Johnson, Carl Keech, Adam Kilgallen, Kevin Levitt, Andrew Lieberman, Steve Lowe,Connie Lu. Chenchao Mabry, David Messina, Emmy Midgley, Sharon Nix, Emma Noonan, Casey Philips, Darlene Pilong, Chris Pilong, Melissa Pincus,Steve Poulos, Greg Powers,Sean Robinson, Becky Sasser, Jonathan Scarpignato, David Shah, Vijay Sweeney, Rory Tribulski, Jennifer Tyler, Catherine Whitehead, Jeffrey Xu,Xu

PJM Interconnection, LLC LS Power PJM Interconnection, LLC PJM Interconnection, LLC Customized Energy Solutions, Ltd.* Customized Energy Solutions, Ltd.* PJM Interconnection, LLC Avangrid Renewables, LLC PJM Interconnection, LLC American Municipal Power, Inc. Virginia Electric & Power Company PJM Interconnection, LLC McNees Wallace & Nurick LLC PJM Interconnection. LLC Exelon Business Services Company, LLC Gable Associates PJM Interconnection, LLC PJM Interconnection, LLC PJM Interconnection, LLC PJM Interconnection. LLC PJM Interconnection, LLC CAPS Linde, LLC Vistra Energy Customized Energy Solutions, Ltd.* Calpine Energy Services, L.P PJM Interconnection, LLC GT Power Group PJM Interconnection, LLC Monitoring Analytics, LLC GT Power Group

Not Applicable Generation Owner Not Applicable **Electric Distributor** Transmission Owner Not Applicable Not Applicable Not Applicable Transmission Owner Not Applicable End User Customer Not Applicable Not Applicable Generation Owner Not Applicable Not Applicable Not Applicable Not Applicable Not Applicable Not Applicable

Webex Meeting Attendees

Names Ainspan, Malcolm Ament. Todd Anderson, Bob Anderson, Jared Anthony, Jason Berg, William Bernstein, Matthew Bhavaraju, Murty Bickerstaff, Dean Bockhorn, Tim Borgatti, Michael Briscar, Joseph Bryson, Mike Budney, Dave Burwen, Jason

Company Name

PJM Interconnection, LLC

Energy Curtailment Specialists, Inc. Cube Hydro Tenaska Power Services SPG Global Korean Energy Limited Exelon Business Services Company, LLC PJM Interconnection, LLC PJM Interconnection, LLC Hartree Partners, LLC AES Ohio Generation, LLC Gabel and Associates SMXB Law PJM Interconnection, LLC PJM Interconnection, LLC Electric Storage Association

Sector

Other Supplier Generation Owner Generation Owner Not Applicable Transmission Owner Not Applicable Not Applicable Other Supplier Generation Owner Not Applicable Not Applicable Not Applicable Not Applicable Not Applicable Not Applicable Not Applicable

Campbell, Bruce Canchi, Devendra Carmean, Greg Catanach, James Chang, Sean Chen,Hong Chocarro, Iker Christopher, Mahila Chu, George Ciabattoni, Joe Cocco, Michael Codd. Chris Coultas, Ann Covne. Suzanne Crystle, Gil Daily, Mike Dadourian, John Davis, Elizabeth Dennis, Jeff DePillo, Ray DiNicola, Laura Dixon, Chad Domian, Christin Drom, Richard Duensing, Allison Fan, Zhenyu Fazio, Danielle Feely, Brian Feller, John Fink, Sari Fishback, Luke Fitzpatrick, Brian Foldare, Kenneth Frogg, Darrell Fuller, Pete Garnett, Bryan Genuario.Gabrielle Gilani, Rehan Glazer, Craig Grant, Andrew Guntle, Vince Guo, Nongchao Hanser, Erik Hastings, David Heinle, Erik Helms, Joe Herel, Suzanne Hilaski, Steve Hohenshilt, Jennifer Holdbrook, Ruth Horton, Dana Hsia, Eric Hudis, Gabriella Hull, Gerit Hurwich, Mark

EnergyConnect, Inc. Monitoring Analytics, LLC OPSI FirstEnergy Solutions Corp. Shell Energy North America (US), LP PJM Interconnection, LLC RWE Renewables Americas. LLC Ohio Public Utility Commission PJM Interconnection, LLC PJM Interconnection, LLC Old Dominion Electric Cooperative Transalta Energy Marketing Invenergy, LLC PJM Interconnection. LLC **UGI Development Company** Northern Virginia Electric Cooperative Monitoring Analytics, LLC PJM Interconnection, LLC Advanced Energy Economy PSEG Energy Resources and Trade LLC FirstEnergy Solutions Corp. Customized Energy Solutions. Ltd **Duquesne Light Company** Eckert Seamans Saracen Energy PJM Interconnection, LLC Engelhart CTP (US) LLC Eligo Energy PPL Electric Utilities Corp. dba PPL Utilities American Wind Energy Management Corporation Affirmed Energy PJM Interconnection, LLC Tangible PJM Interconnection, LLC Autumn Lane Energy Duke Energy PJM Interconnection. LLC ConEdison Energy, Inc. PJM Interconnection, LLC Geronimo Energy UGI Development Company **NYISO** Michigan Public Service Commission Market Interconnection LLC D.C. Office of the People's Counsel Rainbow Energy Marketing Corporation PJM Interconnection, LLC Potomac Electric Power Company Talen Energy Marketing, LLC Northern Virginia Electric Cooperative Appalachian Power Company PJM Interconnection, LLC Jersey Green Energy LLC American Municipal Power, Inc. Elliott Bay Energy Trading, LLC

Other Supplier Not Applicable Not Applicable Transmission Owner Other Supplier Not Applicable Generation Owner Not Applicable Not Applicable Not Applicable Electric Distributor Other Supplier Generation Owner Not Applicable Transmission Owner **Electric Distributor** Not Applicable Not Applicable Not Applicable Transmission Owner Transmission Owner Not Applicable Transmission Owner Not Applicable Other Supplier Not Applicable Other Supplier Other Supplier Transmission Owner Not Applicable Other Supplier Not Applicable Not Applicable Not Applicable Not Applicable Transmission Owner Not Applicable Other Supplier Not Applicable Not Applicable Generation Owner Not Applicable Not Applicable Not Applicable Not Applicable Other Supplier Not Applicable **Electric Distributor** Generation Owner **Electric Distributor** Transmission Owner Not Applicable Other Supplier

Other Supplier

Hyatt, John Hyzinski, Tom Islam, Lubaba Jacobs. Mike Janicki, Diane Jens, Tom Jett. William Jha, Monica Johnson, Nick Keegan, Jack Kenney, Susan Kimmel, David Kozhuharov, Dimitar Langbein. Pete Leasure, Jill Leicar, Jamie Leopold, Chris Levine, Jeffrey Libbos, Robin Mancuso, Melanie Mariam, Yohannes Markiewicz, Cindy Martin, Valerie Marzewski, Skyler Matsuzak.Alex McGlynn, Paul Miller, John Monzon, Stephanie Nowell, Cynthia Olaleye, Michael Ondayko, Brock Oppel, Laurie Pakela, Gregory Patel, Keyurbhai Pelletier, Eveline Peoples, John Philips, Marjorie Reeping, Bob Rohrbach, John Rutigliano,Tom Salaneck, Alexandra Scheidecker, Paul Schum, Alice Shanker, Roy Sock, Brian Sotkiewicz, Paul Stefanowicz, Vince Stern,Alex Stone, Andy Strella, Lauren Sturgeon, John Swalwell, Brad Tangirala, Subha Theodore, Sharon Tibbetts, Maeve

Monitoring Analytics, LLC GT Power Group ConEdison Energy, Inc. Union of Concerned Scientists Boston Energy Trading & Marketing, LLC Blackoak Capital **Duke Energy Business Services LLC** PCI Tenaska Power Services Just Energy PJM Interconnection, LLC PJM Interconnection, LLC Delaware Municipal Electric Corporation, Inc. PJM Interconnection. LLC Keystone-Conemaugh Projects, LLC Allegheny Electric Cooperative, Inc. Appalachian Power Company ENGIE Energy Marketing NA, Inc. FirstEnergy Solutions Corp. FirstEnergy Solutions Corp. Office of the Peoples Counsel for the District of Columbia FirstEnergy Solutions Corp. The Federal Energy Regulatory Commission Monitoring Analytics, LLC **UGI Enegy Services** PJM Interconnection, LLC Commonwealth Edison Company PJM Interconnection, LLC Potomac Electric Power Company PJM Interconnection, LLC Appalachain Power Company Grid Advisors DTE Energy Trading, Inc. PJM Interconnection, LLC Hydro-Quebec Duquesne Light Company **Direct Energy Business, LLC** Ohio Edison Company ACES Power NRDC Monitoring Analytics, LLC PJM Interconnection. LLC Illinois Municipal Electric Agency H.Q. Energy Services (U.S.), Inc. Public Service Electric & Gas Company E-Cubed Policy Associates LLC PJM Interconnection, LLC PSEG Energy Resources and Trade LLC PJM Interconnection, LLC PJM Interconnection, LLC Duke Energy Carolinas, LLC Tangent Energy ABB Electric Power Supply Association Pierce Atwood

Not Applicable Not Applicable Other Supplier Not Applicable Generation Owner Other Supplier Generation Owner Not Applicable Generation Owner Other Supplier Not Applicable Not Applicable Electric Distributor Not Applicable Other Supplier **Electric Distributor** Transmission Owner Other Supplier Transmission Owner Transmission Owner End User Customer Transmission Owner Not Applicable Not Applicable Other Supplier Not Applicable Transmission Owner Not Applicable Electric Distributor Not Applicable Transmission Owner Not Applicable Other Supplier Not Applicable Not Applicable Transmission Owner Other Supplier Transmission Owner Not Applicable Not Applicable Not Applicable Not Applicable Electric Distributor Other Supplier Transmission Owner Not Applicable Not Applicable Transmission Owner Not Applicable Not Applicable Other Supplier Other Supplier Not Applicable Not Applicable Not Applicable



Vayda, Brian Walter, Laura Ward, Michael Warshel, Kim Wehnes, Kathleen Widom, Stu Wilson, Bram Zhou, Ming Borough of Park Ridge, NJ PJM Interconnection, LLC PJM Interconnection, LLC PJM Interconnection, LLC Maryland Department of the Environment PJM Interconnection, LLC EFW, Inc PSEG Energy Resources and Trade LLC Electric Distributor Not Applicable Not Applicable Not Applicable Not Applicable Not Applicable Not Applicable Transmission Owner