

Market Implementation Committee PJM Conference & Training Center, Audubon, PA November 13, 2019 9:00 a.m. – 4:00 p.m. EPT

Administration

1. Ms. Bhavana Keshavamurthy will provide announcements; review the Antitrust, Code of Conduct, Public Meetings/Media Participation, the WebEx Participant Identification Requirement, and <u>Issue Tracking</u>.

The Committee approved the draft minutes from the October 16, 2019 Market Implementation Committee meeting with **0 objections and 0 abstentions**.

Endorsements/Approvals

2. Manual 18 Revisions Related to the RPM Must-Offer Exception Process

Mr. Pat Bruno, PJM, reviewed conforming revisions to Manual 18: PJM Capacity Market related to the recent FERC Order (ER19-2417) on RPM must-offer exceptions and removal of Capacity Resource status.

The committee endorsed the manual revisions with 0 objections and 0 abstentions.

3. Manual 15 Revisions Related to VOM Compliance Filing

Mr. Thomas Hauske, PJM, reviewed conforming revisions to Manual 15: Cost Development Guidelines consistent with the May 10, 2019 VOM Compliance Filing that was recently accepted by FERC. The committee endorsed the manual revisions with 0 objections and 0 abstentions.

First Readings

4. Manual 27 Revisions Related to Annual Calculation of the Border Rate

Mr. Ray Fernandez, PJM, provided a first read on revisions to Manual 27: Open Access Transmission Tariff Accounting addressing the implementation of the annual calculation of the Border Rate and the impact on firm point-to-point transmission service charges.

The committee will be asked to endorse the manual revisions at the December MIC.

5. Fuel Cost Policy

Ms.Bhavana Keshavamurthy, PJM, provided a summary of four packages for the first read from the MIC Special Sessions: Fuel Cost Policy.

- A. Mr. Joel Luna, Monitoring Analytics, presented the IMM proposal.
- B. Ms. Adrien Ford, ODEC, presented the joint stakeholder proposal on behalf of the joint stakeholders. Mr. Steve Lieberman, AMP, stated his support for the joint stakeholder proposal.
- C. Ms. Melissa Pilong, PJM, presented the PJM primary and the PJM alternate proposal. Ms. Pilong stated that based on stakeholder feedback, PJM proposed the PJM Alternate package which includes the same components as the Primary but in addition also includes the utilization of the impact factor in the calculation of the penalty.



The PJM Alternate package does not include the safe harbor provision due to PJM's concern that this may lead to less detailed policies and puts PJM in a discretionary position of determining if a scenario qualified for a safe harbor exclusion. Ms. Catherine Tyler, IMM, stated having a safe harbor exclusion would undermine the fuel cost policy development process.

Ms. Pilong also stated that PJM has a concern with the 90-day implementation timeline for the revocation component in the joint stakeholder package as it would allow an offer constructed under a policy flagged for revocation to continue to be submitted for 90 days. There was extensive stakeholder discussion on the revocation design component. Stakeholders expressed concern that requiring a unit to offer at zero when the policy is revoked by PJM was not reasonable and that having a pre-approved temporary fuel cost policy that the unit could use in case its fuel cost policy was revoked would provide the units with a method to recover some of the cost of offering the unit into the market. PJM stated they would look further into if a temporary fuel cost policy could be implemented.

The committee will be asked to vote on the four proposals at the December MIC. <u>Issue Tracking: Fuel Cost Policy</u>

Working Items

6. Stability Limits in Markets and Operations

- A. Mr. Keyur Patel, PJM, provided education on impact of clearing of virtual bids on units with stability limitations.
- B. Ms. Lisa Morelli, PJM, led a discussion to gather interests from the group. Mr. Mike Zhang, PJM reviewed the PJM interests and the status quo for the initial set of design components in the matrix. Stakeholders are requested to send additional interests and design components to Ms. Morelli or Ms. Keshavamurthy prior to the next meeting.

Issue Tracking: Stability Limits in Markets and Operations

7. Fuel Requirements for Black Start Resources

Ms.Janell Fabiano, PJM, provided a status update on the Fuel Requirements for Black Start Resources issue.

Issue Tracking: Fuel Requirements for Black Start Resources

Additional Updates

8. Member Maintenance and Account Manager update

Ms. Amanda Egan, PJM, provided an update on the Membership Management Community, as well as provide information on Account Manager (CAM) roles, responsibilities and requirements and the provisioning of tool access.

Informational Section

Review of Operational Events

Materials were posted as informational only. This report was discussed during the Operating Committee (OC) meeting on November 12, 2019.



Q32019 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 <u>IRS web site</u>.

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

December 11, 2019

9:00 a.m.

PJM Conference & Training Center/ WebEx

Author: Bhavana Keshavamurthy

In-Person Meeting Attendees

Names	Company Name	Sector
Morelli, Lisa (Chair)	PJM Interconnection, LLC	Not Applicable
Keshavamurthy, Bhavana (Secretary)	PJM Interconnection, LLC	Not Applicable
Anders, David	PJM Interconnection, LLC	Not Applicable
Antonelli, Diane	PJM Interconnection, LLC	Not Applicable
Benchek, Jim	American Transmission Systems, Inc.	Transmission Owner
Bleiweis, Bruce	DC Energy LLC	Other Supplier
Boyle , Glen	PJM Interconnection, LLC	Not Applicable
Brodbeck, John	EDP Renewables North America, LLC	Other Supplier
Bruno, Patrick	PJM Interconnection, LLC	Not Applicable
Canter,David	Appalachian Power Company	Transmission Owner
Chang, Sean	Shell Energy North America (US), LP	Other Supplier
Ciabattoni, Joe	PJM Interconnection, LLC	Not Applicable
D'Alessandris, Lou	FirstEnergy Solutions Corp.	Transmission Owner
D'Antonio, Phil	PJM Interconnection, LLC	Not Applicable



Draft Minutes

Dumitriu, Nicolae Fabiano, Janell Fernandez, Ray Foldare, Kenneth Ford, Adrien Giacomoni, Anthony Greening, Michele Hauske, Thomas Herel, Suzanne Hoang, Liem Horger, Tim Horning, Lynn Marie Hudis. Gabriella Johnson, Carl Keech, Adam Kogut, George Lieberman, Steve Lu. Chenchao Luna, Joel Meadors, Mandy Midgley, Sharon O'Connell, Robert Patel, Keyurbhai Pilong, Chris Pilong, Melissa Rohrbach. John Sasser, Jonathan Scarpignato, David Smith, Christen Toomey, Megan Tribulski, Jennifer Tyler, Catherine Williams, Stanley Zhang, Mike

Webex Meeting Attendees

Names

Anderson, Jared Budney, Dave Campbell, Bruce Carmean, Greg Cawley, Troy Christopher, Mahila Cocco, Michael Colbert.Cathleen Coultas, Ann Coyne, Suzanne Dadourian, John Davis. Elizabeth Davis, Jim DeLosa, Joe DePillo, Ray Diiorio, Michelle Dillon, Matt DiNicola, Laura

PJM Interconnection, LLC PJM Interconnection, LLC PJM Interconnection, LLC Tangible Old Dominion Electric Cooperative PJM Interconnection, LLC Customized Energy Solutions, Ltd.* Jersey Green Energy LLC Customized Energy Solutions, Ltd.* PJM Interconnection, LLC New York Power Authority American Municipal Power, Inc. PJM Interconnection, LLC Monitoring Analytics, LLC Transmission Owner Exelon Business Services Company, LLC PPGI Fund A/B Development, LLC PJM Interconnection, LLC PJM Interconnection, LLC PJM Interconnection, LLC ACES Power Customized Energy Solutions, Ltd.* Calpine Energy Services, L.P **RTO** Insider Talen Energy Marketing, LLC PJM Interconnection, LLC Monitoring Analytics, LLC PJM Interconnection, LLC PJM Interconnection, LLC

Company Name

SPG Global PJM Interconnection, LLC EnergyConnect, Inc. OPSI PJM Interconnection, LLC Ohio Public Utility Commission Old Dominion Electric Cooperative NRG Power Marketing LLC Invenergy, LLC PJM Interconnection, LLC Monitoring Analytics, LLC PJM Interconnection. LLC Dominion Energy NJ Board of Public Utilities PSEG Energy Resources and Trade LLC PSEG Energy Resources and Trade LLC **UGI Development Company** FirstEnergy Solutions Corp.

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Sector

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



Draft Minutes

Dolan, Jim Domian, Christin Dugan, Chuck Durinsky, Mike Ericson, Christine Everngam, Scott Fan, Zhenyu Fazio, Danielle Feller, John Gates, Terry Gebolys, Debbie Gluck, Jim Guntle, Vince Harmon, Mike Hastings, David Heinle. Erik Hoatson, Tom Hohenshilt. Jennifer Holter, Natasha Hsia, Eric Hurwich, Mark Hyzinski, Tom Janicki, Diane Kauffman, Brian Kelly, Stephen Kenney, Susan Kilgallen, Kevin Kozhuharov, Dimitar LaRocque, Matthew Leasure, Jill Lejcar, Jamie Leopold, Chris Libbos, Robin Long, Matthew Lowe,Connie Mabry, David Malladi, Brindavani Mariam. Yohannes Markiewicz, Cindy Martin, Valerie Matsuzak.Alex Messina, Emmy Monzon, Stephanie Mooney, Jeff O'Boyle, Brian Ondayko, Brock Pakela, Gregory Pelletier, Eveline Peoples, John Perera, Asanga Price, Ruth Scheidecker, Paul Schuyler, Ken Shah, Vijay Shanker, Roy

PJM Interconnection, LLC Mitsubishi Electric Power Products Inc. East Kentucky Power Cooperative, Inc. FirstEnergy Solutions Corp. Illinois Commerce Commission Blue Horse Shoe Energy PJM Interconnection, LLC Engelhart CTP (US) LLC PPL Electric Utilities Corp. dba PPL Utilities Appalachian Power Company Public Utilities Commission of Ohio (The) PJM Interconnection, LLC **UGI** Development Company Union Electric Company d/b/a Ameren Missouri Market Interconnection LLC D.C. Office of the People's Counsel LS Power Talen Energy Marketing, LLC PJM Interconnection, LLC PJM Interconnection, LLC Elliott Bay Energy Trading, LLC GT Power Group Boston Energy Trading & Marketing, LLC EnerNOC, Inc. Brookfield Energy Marketing LP PJM Interconnection, LLC Avangrid Renewables, LLC Delaware Municipal Electric Corporation, Inc. PJM Interconnection, LLC Keystone-Conemaugh Projects, LLC Allegheny Electric Cooperative, Inc. Appalachian Power Company FirstEnergy Solutions Corp. Appalachain Power Company Virginia Electric & Power Company McNees Wallace & Nurick LLC PJM Interconnection, LLC Office of the Peoples Counsel for the District of Columbia FirstEnergy Solutions Corp. The Federal Energy Regulatory Commission **UGI Energy Services** PJM Interconnection, LLC PJM Interconnection, LLC FirstEnergy Solutions Corp. Consolidated Edison Solutions, Inc. Appalachain Power Company DTE Energy Trading, Inc. Hydro-Quebec **Duquesne Light Company** PJM Interconnection, LLC Division of the Public Advocate of the State of Delaware PJM Interconnection, LLC PJM Interconnection, LLC PJM Interconnection, LLC H.Q. Energy Services (U.S.), Inc.

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



Sillin, John Silveira, Fabiano Sotkiewicz, Paul Sturgeon, John Swalwell, Brad Tibbetts, Maeve Vayda, Brian Wisersky,Megan The Federal Energy Regulatory Commission Strom Power, LLC E-Cubed Policy Associates LLC Duke Energy Carolinas, LLC Tangent Energy Pierce Atwood Borough of Park Ridge, NJ Madison Gas & Electric Co. Not Applicable Other Supplier Not Applicable Other Supplier Not Applicable Electric Distributor Other Supplier

Provide feedback on the progress of this group: <u>*Facilitator Feedback Form*</u> Visit <u>*Iearn.pim.com*</u>, an easy-to-understand resource about the power industry and PJM's role.