

PJM members and stakeholders form committees and groups in a collaborative stakeholder process. The stakeholder process examines issues and identifies solutions in an ongoing effort to refine the rules that govern the organization and its transmission planning process, operations and wholesale electricity markets.

# **Refining the Rules**

PJM's stakeholder process employs committees, subcommittees, task forces and user groups to conduct business. They are integral to developing and refining the rules, policies and processes found in PJM's governing documents and manuals, which provide the detailed instructions for compliance with the governing documents. These groups provide a forum for members to share their views and resolve issues.

Stakeholder committees and groups also serve an educational purpose, providing members from different sectors access to experts and the opportunity to share their expertise.

## **Senior Standing Committees**

PJM's two senior standing committees are the Members Committee and the Markets and Reliability Committee.

- The <u>Members Committee</u> (MC) is the final stop for all major changes to the governing documents that have completed the stakeholder process. Members are sorted into five sectors: Transmission Owner, Generation Owner, Electric Distributor, End-Use Customer and Other
  - Supplier. Each sector represents a different aspect of the industry. The MC includes the full body of stakeholders. It considers all issues related to planning and operating a safe and reliable electric grid, as well as the creation and operation of a robust, competitive and nondiscriminatory electric power market. The MC works to prevent any undue influence over PJM's operations by any one member or group.
- The <u>Markets and Reliability Committee</u> (MRC) is the body that determines which issues need to be studied by standing committees, subcommittees or task forces. The MRC is responsible for ensuring the continued viability and fairness of the PJM markets, as well as the reliable operation and planning of the PJM grid. The MRC, which reports to the MC, reviews proposed changes to the rules and procedures in the PJM governing documents and the PJM manuals.

### **Standing Committees**

Four standing committees – the Market Implementation Committee, the Operating Committee, the Planning Committee and the Risk Management Committee – report to the MRC. These committees focus on four distinct areas that are essential to PJM's ability to administer open access transmission service and transparent markets.

#### Overview of PJM Committee Structure

- The Members Committee and Markets and Reliability Committee are the senior standing committees. They address key issues related to markets, operations, planning and risk management.
- Subcommittees look at ongoing issues in depth.
- Task forces address specific, timedelineated issues.
- User groups provide an opportunity for stakeholders to discuss a common minority interest.
- Workshops are ad hoc meetings called by PJM to engage with stakeholders on new and emerging topics.





- The <u>Market Implementation Committee</u> (MIC) handles issues related to the competitive wholesale
  electricity markets. It initiates and develops proposals related to these electricity markets in the PJM region.
  Some of the topics that fall under the MIC's purview relate to improvements to the capacity market, energy
  market, ancillary services markets and Auction Revenue Rights/Financial Transmission Rights.
- The Operating Committee (OC) provides high-level oversight of issues related to the operation of the grid. The OC reviews system operations from season to season, identifying emerging demand, supply and operating issues. Some of the topics that fall under the OC's purview include gas and electric coordination, emergency operations and cold-weather resource improvement.
- The <u>Planning Committee</u> (PC) is a forward-looking body responsible for ensuring the continued ability to
  operate reliably and economically in a competitive market environment. The PC is responsible for reviewing
  PJM's system planning strategies and policies and making recommendations for refinement of the Regional
  Transmission Expansion Planning process. Issues examined by the PC include generating capacity reserve
  requirements, demand-side valuation factors, interconnection queue process improvements and load
  forecasting methodology.
- The <u>Risk Management Committee</u> (RMC) discusses and recommends courses of action to address credit
  and risk management issues, examining matters relating to the financial and market-driven risk exposures
  faced by PJM members and the management of those risks. The RMC provides credit and risk
  management expertise to the PJM stakeholder process, and considers and recommends changes to PJM's
  governing documents on credit and associated risk management principles.

#### **Subcommittees**

Subcommittees are chartered and operate within a defined and limited scope to explore, monitor and make recommendations related to an ongoing topic or issue. Specifically, they offer a closer look at an issue related to markets, operations or planning, and report findings and recommendations to the standing committees and the senior standing committees.

#### **Task Forces**

A task force or senior task force focuses on a single, specific task or activity and concludes after that issue has been addressed. The difference between a task force and a subcommittee depends on the duration of an issue. For example, a task force may be formed to address a specific market rule revision, while the ongoing study of the interconnection process (for example) is handled by a subcommittee.

### **User Groups**

User groups can be formed by any five or more members who share a common interest. User groups are meant to preserve the interests of a small group of members that may not have been able to effect a rule change within the standard stakeholder process.

### **Workshops**

Workshops are non-decisional meetings that may be established by PJM to provide a series of meetings to engage in education, foster dialogue, share ideas and gather stakeholder feedback related to emerging topics and objectives as outlined in its initial communication and meeting.

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