



Organization of PJM States, Inc. (OPSI)

President: **Hon. David Ober** *Commissioner, Indiana URC*
Vice President: **Hon. Charlotte A. Mitchell** *Chair, North Carolina UC*
Secretary: **Hon. Kent A. Chandler** *Chairman, Kentucky PSC*
Treasurer: **Hon. Michael T. Richard** *Commissioner, Maryland PSC*

Members:

Delaware Public Service Commission • Public Service Commission of District of Columbia • Illinois Commerce Commission Indiana Utility Regulatory Commission • Kentucky Public Service Commission • Maryland Public Service Commission Michigan Public Service Commission • New Jersey Board of Public Utilities • North Carolina Utilities Commission Public Utilities Commission of Ohio • Pennsylvania Public Utility Commission • Tennessee Regulatory Authority Virginia State Corporation Commission • Public Service Commission of West Virginia.

May 24, 2022

Mr. Manu Asthana, PJM President and CEO
PJM Interconnection, L.L.C.
2750 Monroe Boulevard
Audubon, Pennsylvania 19403

Dear Mr. Asthana:

OPSI¹ is pleased that PJM's members have formed the Clean Attribute Procurement Senior Task Force ("CAPSTF") to, among other things, explore market design solutions that could enable states and other willing buyers to procure clean resource attributes, on a voluntary basis, through a regional and centralized procurement or market.² The CAPSTF's Issue Charge generally aligns with OPSI's Competitive Policy Achievement Working Group ("CPAWG") charter to develop a proposal for a potential voluntary, market-based procurement option that enables states and willing buyers to access competitive energy resources in line with their policy goals.³

We are directing the CPAWG and its consultants to engage in regular meetings with PJM staff to continue development and reporting of key options and tradeoffs to the OPSI CPAWG and the OPSI Board as necessary. We request one or more full design concepts to be presented to the OPSI Board expeditiously. As you are aware, the CPAWG and its consultants have been working with stakeholders over the past six months to help frame how this effort can move forward.

OPSI recommends that the CAPSTF seek input from stakeholders, particularly voluntary buyers, as to the manner in which voluntary buyers would be interested to participate and reflect their own policy and sustainability goals in PJM markets, including:

- What features of new regional products are most desired by voluntary buyers? Capacity or energy attributes?

¹ Approved by the OPSI Board of Directors on May 19, 2022, with the following states in support: Delaware PSC, PSC of District of Columbia, Illinois CC, Kentucky PSC, Maryland PSC, Michigan PSC, New Jersey BPU, North Carolina UC, Tennessee PUC, PSC of West Virginia. Opposed: Pennsylvania PUC. Abstain: Indiana URC, PUC of Ohio, Virginia State Corporation Commission.

² See PJM Interconnection "[Procurement of Clean Resource Attributes](#)," April 27, 2022.

³ We look forward to working with PJM to ensure that any market evolution meet the goals set forth in OPSI's prior letter, "[OPSI Letter Re: Issue Charge for Initial Direction for Evaluation of Procurement of Clean Resource Attributes](#)" sent March 18, 2022.

- What resource types should be eligible? Should each buyer be able to select eligible types?
- Do buyers wish to be able to stipulate commitments from new resources? Will voluntary buyers be willing (or wish to) commit to multi-year delivery terms?
- How can this product be aligned with prevailing ESG accounting standards? What additional data are needed to fully support states' and market participants' reporting requirements?
- For non-LSE, non-PJM-member buyers, how can their participation be best enabled?

PJM's proactive consideration of and assistance in making these questions known to its membership as the CPASTF prepares to convene would be appreciated. In the interest of transparency, any responses to these questions offered by stakeholders should be incorporated into the PJM CAPSTF's formal stakeholder review process, as appropriate.

Relatedly, we request PJM staff proceed with developing detailed emissions accounting procedures and database to support tracking of progress toward meeting state and local government energy supply attribute policies, and market participants' sustainability commitments, with the accounting procedures being informed by input provided in response to these questions.

OPSI continues to appreciate the efforts of PJM Staff and stakeholders in working together through these challenging issues and anticipates that PJM staff will work closely with the CPAWG to represent state interests in during the CAPSTF process. We look forward to continuing this engagement and development of robust and implementable design alternatives.

Sincerely,



David Ober, President
Organization of PJM States, Inc.

cc: Asim Haque, Vice President – State and Member Services
David Anders, Director of Stakeholder Affairs
Walter Graf, Senior Director of Economics
Scott Baker, Facilitator of the Clean Attribute Procurement Senior Task Force