December 4, 2020

Ake Almgren

Chairman, PJM Board of Managers

PJM Interconnection, LLC

2750 Monroe Boulevard

Valley Forge Corporate Center

Audubon, Pennsylvania 19403

Dear PJM Board of Managers:

 Thank you for the PJM Board of Managers (“Board’s”) feedback on our proposed agenda for the December 9, 2020 Liaison Committee (“LC”). We welcome the focus you suggested for the discussions, and look forward to a productive discussion on the 8th. Accordingly, the Members of the LC are pleased to provide the following agenda for the December LC Meeting:

1. **Welcomes & Introductions** (*10 minutes*)
2. **Interconnection, Queue Reform and Transmission Planning** (*52.5 minute discussion*)

With a grid in transition, interconnection requests at an all-time high and proposing configurations well beyond the scope of fuel & technological capabilities in place not only a few years ago, but when originally implementing today’s interconnection framework. PJM’s responsive action to the discussion at September’s LC Meeting, demonstrates PJM’s prioritization of Member needs for interconnection changes, and the LC is happy to provide feedback on the Workshop Series to facilitate solution development through that dedicated process. We agree collaboration on opportunities for enhancements and reform beyond solving today’s interconnection issues, is crucial not just for the transition to a cleaner energy grid, but for its ongoing management. Important to this planning collaboration is the Board’s much appreciated recognition of the need to assess and understand the value that enabling supply resources for short term transmission reliability needs creates. The Members appreciate and look forward to exploring that topic and sharing sector perspectives on planning needs to support offshore wind development.

1. **Carbon Pricing** (*52.5 minute discussion*)

Given the recent activity at FERC on Carbon Pricing, the potential for market changes that address emissions and cost leakage issues created by disparate state policies, and the notable efforts of stakeholders and PJM Staff in the Carbon Pricing Senior Task Force (“CSTF”), we appreciate the Board’s recognition of the timeliness and need to discuss this topic. Stakeholders need further study, and understanding, of potential impacts on PJM market dynamics that any potential carbon pricing regimes/leakage mitigation proposals could have. We appreciate the Board has recognized the value in hearing Sector perspectives on the matter, with thoughts on CPSTF activity, PJM’s response to FERC’s Proposed Policy Statement, and other such matters related achieving State policy goals; we look forward to an engaged discussion with the Board on this important matter.

1. **Closing Remarks** (*5 minutes*)

I am also happy to confirm that your decision to communicate PJM’s meetings plans for the first half of 2021, accomplished both goals you sought to accomplish; PJM’s leadership on important items like this, during this time of such uncertainty, is sincerely appreciated. We look forward to “seeing” you at the LC Meeting to discuss the above topics.

 Sincerely,



 **Katie Guerry**

 **Head of Regulatory Affairs - US & Canada**

 Enel North America, Inc.