



January 30, 2020

Ake Almgren
Chairman, PJM Board of Managers
PJM Interconnection, LLC
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Dear PJM Board of Managers:

The members of the Liaison Committee (“LC”) and I value the thoughtful response the Board provided on our proposed agenda; your feedback on all topics was helpful and sincerely appreciated. Please see the finalized agenda below which incorporates your feedback, including time to discuss planning for the General Session scheduled May 5, 2020 at the Annual Meeting of Members in Chicago, Illinois. As you will note below, the agenda does not include an item on credit reform as contemplated in our initial letter. We appreciate both the Board’s direct recognition of member need to discuss credit reform with the Board in advance of any decisions, and the clarity provided by PJM, including comments of PJM’s Chief Risk Officer, Ms. Bloczynski. Based upon this productive exchange we agree that the April LC meeting will be an excellent opportunity to discuss potential credit reform.

Liaison Committee Agenda

February 10, 2020

1. **Opening Introductions and Remarks (5 min.)**
2. **Sector Overviews and Perspectives (20 Min.)** – To reinforce the continued and ongoing value the LC members and the Board derive from all LC meetings, each sector will deliver comments that provide direct insight into an overview of their own sector’s unique characteristics, priorities, objectives, and positions. A sector position on a matter is best understood when the perspective they are viewing the matter from is also understood. The unprecedented level of policy and regulatory challenges, rapid advancements in technologies, and the fact that this will be the first Board meeting for PJM’s new CEO, Manu Asthana, all present an excellent opportunity to refresh and revive sector perspectives for the Board’s benefit. The LC members look forward to this opportunity with the Board.
3. **Capacity Order (90 min.)** – The LC members believe a robust discussion of the recent FERC Order for a new Minimum Offer Price Rule (“MOPR”) is critical to have at this time. The discussion will be broken out into two sub-topics, each with dedicated times, to facilitate efficiently productive discussions. The two sub-topics are:
 - (a) **Auction Timing Implications (30 min.)** Significant and precedential budgetary, legislative and investment decisions will be immediately triggered or impacted when



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PJM proposes a timeline for conducting the missed auctions. The sectors will discuss the manner and magnitude of impacts on their sector members of various timeline options.

- a. **PJM’s Compliance Filing (60 min.)** The Board has several key decisions to make on the details of PJM’s proposed compliance with FERC’s requirements as set forth in its Order. Each sector has both micro and macro level concerns, and near and long term visions for the capacity market; while PJM must provide very specific solutions based on FERC’s terms. The sectors will provide the Board with direct feedback and suggestions for various elements of PJM’s Compliance filing recognizing that balance.

4. General Session Planning and Closing Remarks (5 min.)

Thank you again for your constructive feedback and we look forward to discussions at the Liaison Committee meeting.

Sincerely,

Katie Guerry
Head of Regulatory Affairs
U.S. and Canada
Enel North America, Inc.