



**FTR/ARR Senior Task Force Report**  
**PJM Interconnection**  
**Members Committee Webinar**  
**September 15, 2014**

The FTR/ARR Senior Task Force (FTRSTF) held its initial meeting on June 11, 2014. The Charter and Timeline were developed and were approved by the markets and Reliability Committee at its June 26, 2014 meeting.

The FTRSTF began the education phase, at its first meeting and has continued through each of its four meetings. At the task force meeting on August 4<sup>th</sup>, Members discussed re-evaluating its charter, and resolved to present a draft updated charter to the Markets and Reliability Committee (MRC) on August 21, 2014. The MRC discussed the proposed update to the charter, and requested the FTRSTF to complete negotiation and bring forth finalized charter to the next MRC meeting for approval.

The proposed updated charter would revise the scope of the group to address a review of the theoretical construct of the FTR and ARR products at origination, and consideration of Members desires for the product in the future. This activity would set the stage for determination of potential enhancements that would increase the effectiveness of the products and guide the group in efforts to reduce underfunding. Included in the scope would be consideration of the Independent Market Monitors recommendations related to underfunding.

The FTRSTF met on August 27<sup>th</sup>, and completed work on the problem statement, issue charge and charter updates. In addition, Dr. Scott Harvey provided an educational regarding the initial market design related to the ARR/FTR products and their function in the energy markets.

The FTRSTF is expected to complete its work in 2Q15.

Next meeting:

September 17, 2014

Author: D.A. Anders