

Alternative ELC Process (DRAFT)

Purpose	<p>This process is to be used on major issues in extraordinary circumstances (broad impact to markets or significant reliability issue), and is expected to be used very infrequently.</p> <p><i>Reference: Exhibit 8, M34</i></p>
Trigger(s)	<ol style="list-style-type: none">1. Board initiated for either new issues or existing work efforts that have not or unlikely to achieve consensus, or2. New issue, with >2/3 sector weighted vote on PS/IC in favor of sending a letter to the board requesting the Alt ELC process be initiated, or3. In-process stakeholder issue, at proposal development stage or later with >2/3 sector weighted vote on PS/IC in favor of sending a letter to the board requesting the Alt ELC process be initiated <p><i>Reference: Exhibit 8, M34</i></p>
Documents	<p>For new extraordinary issues, create a PS & IC as informational and to set scope and deliverables; but no vote required if board initiated.</p>
Format	<p>Matrix, pre-loaded with PJM package + all issue (row) alternatives considered noting the preferred option choices.</p>
Education	<p>PJM presents their package and explains alternatives considered for each row and why their selected option is better. PJM presents simulation results, reviews studies performed, and reviews market impacts as appropriate.</p> <p>Stakeholders have the opportunity to offer feedback, alternative ideas, and request additional studies to be completed as time and manpower permit.</p> <p>PJM drives the Alt ELC process using the option/solution matrix. In addition, PJM may provide a whitepaper/briefing paper as needed.</p> <p>Stakeholders have no requirement for whitepaper, but may add alternate options to the PJM matrix that could create alternative solution packages. The matrix will facilitate the Board determining the final approved solution package if stakeholder consensus is not achieved.</p>
Meeting Stages	<p>Stage 1 – Similar to the normal CBIR process. PJM will provide stakeholder education and include their initial solution package and consider including option alternatives to stakeholders.</p> <p>Stage 2 - Stakeholders may discuss any considered and/or new alternatives with a row by row review.</p> <p>Stage 3 – Based on the row by row discussions, PJM will finalize its package and stakeholders will create alternative packages if necessary.</p> <p>Stage 4 – “Final Meeting”: PJM will review their package proposal row by row to show how their solution addresses the PS/IC for the benefit of all meeting attendees. At the conclusion of the PJM presentation, Members and noted non-Member stakeholders, whether individually or in self-selected coalitions, will provide feedback to the Board on the impacts, positive or negative, on the details contained within the solution Matrix. As the issues and interest vary, deference has been afforded to the MC Chair, Vice Chair, and MC Secretary as the decision makers who will determine the allowable speaking times. The final meeting is not a traditional stakeholder meeting with continuing dialogue between Members. The purpose of the meeting is to provide feedback to the Board to facilitate their decision making regarding finalizing a solution.</p> <p>Package presentation(s) to the Board</p>

MC Meeting At the conclusion of the “Final Meeting”, an MC meeting will be convened to vote on the packages. Sector weighted voting on all packages will occur in common vote, like to one pass (like MIC now). As with all MC sector weighted votes, a MC level voting report in report to Board – all informational. If a package achieves 2/3, or the package with the greatest support if more than one reach 2/3 support, the issue will be filed as a Section 205 at FERC as appropriate.

- Final Meeting
- Will be scheduled ideally on the morning of an existing MRC/MC meeting date.
 - The meeting will be conducted similarly to a Liaison Committee in that the purpose of the meeting is to facilitate discussion between the Members and the Board. The Alt ELC may last up to 4 hour private conversation (including time limited comments from the IMM, invited non-Members and states)
 - Speaker comments will focus on support or concerns with the package details as shown on the matrix
 - Attendance - no media
 - Presentation timing – (no slides) As determined on an Alt ELC by Alt ELC basis, the MC Chair, Vice Chair, and MC Secretary to use their best judgement to fairly allocate the speaking times for participants. These decision makers will consider the following parameters in their decision making:
 - Sector time balance
 - Sector impact of proposed changes
 - Impact of changes on individual Members
 - Fixed time limits for any individual Member
 - Members with self-selected coalitions may be given more time than individual Members
 - States will be offered a time limited opportunity to speak following PJM
 - IMM will be offered a time limited opportunity to speak during the meeting.
- Appropriate time will be allotted for Q&A between the Board and Members
- Briefing papers limited to 3-pages supporting a proposal are optional, but must be submitted by X, and distributed to the Board only.

Board Participation	Required for the MC/Alt ELC Final Meeting. A minimum of <u>two</u> Board members in person consistent with MC protocol. All other Board members will be offered the opportunity to attend in person or by phone. <u>Option for discussion at a regular Liaison Committee meeting if full Board attendance is desired.</u>	
Meeting Frequency	<u>For stages 1, 2 and 3</u> - Sufficient meeting time to cover work to meet the decision deadline; multi-day meetings may be used to meeting decision deadlines. The Alt ELC meeting can require cancellation/reschedule of any other stakeholder meetings including standing committees.	
Board Response	Communication to stakeholders BEFORE filing – includes detailed response on why they selected the solution they did; focus on the contentious lines in the matrix - include justification/reasoning to facilitate Member understanding.	Comment [DA1]: The ELC process in M34 sets up the facilitations as follows: "The MC Chair, Vice Chair, and Secretary will assign the facilitator role (typically assumed in regular Liaison Committee meetings by the MC Vice Chair) to a member, a PJM Staff professional, or an external professional. Facilitation of the meeting shall be done in a non-partisan and effective manner."
Facilitator	<input type="checkbox"/> In consultation with current and prior MC chair plus the sector whips <u>and the MC Secretary</u> , MC Chair determines facilitator (PJM/Member/Outside specialist all options). <u>Consideration of outside facilitator would need to account for budget limitations.</u> <input type="checkbox"/> Facilitator may be the same or different for the different stages. <input type="checkbox"/> A Member (recommended – current or past MC Chair) may facilitate the "Final Meeting".	
Monitoring Analytics	Are required to meet with PJM to build consensus package, if possible, after the initial PJM presentation of the considered options matrix in Stage 1. They may present an alternate solution at the Final meeting, focused on key row by row concerns, but subject to the same time restrictions as other stakeholders as determined by the MC Chair.	
Participants	Early meetings, Stages 1 -3, Open to all stakeholders. Media permitted, but without individual attribution, <u>PJM</u> , states & IMM are permitted to attend. Final meeting – Members, IMM, States, and invited non-Members may attend. Strict time limited presentations. In person only (no phone or video).	
Outcome	Once all steps of this process have been completed, the Board retains it's authority to consistent with their charter.	