

Market Implementation Committee PJM Conference & Training Center, Audubon, PA August 7, 2019 9:00 a.m. – 4:00 p.m. EPT

Administration

 Ms. Bhavana Keshavamurthy and Ms. Lisa Morelli provided announcements; reviewed the Antitrust, Code of Conduct, Public Meetings/Media Participation and the WebEx Participant Identification Requirement.

The Committee approved the draft minutes from the July 10, 2019 Market Implementation Committee (MIC) meeting with **0 objections and 0 abstentions**.

A. Mr. Pat Bruno, PJM, provided an update on the recent FERC order directing PJM to postpone the 2022/2023 Base Residual Auction (BRA).

Endorsements/Approvals

2. Manual 11 revisions

Mr. Michael Olaleye, PJM, provided an overview of clarifications being added to Manual 11: Energy & Ancillary Services associated with regulation historical performance scores and reserve requirements. The committee endorsed the manual revisions with 0 objections and 0 abstentions.

3. Manual 18B revisions

Ms. Terri Esterly, PJM, reviewed proposed revisions to Manual 18B: Energy Efficiency Measurement & Verification resulting from the periodic review which includes administrative updates and conforming revisions to FERC orders. Ms. Esterly sought endorsement of these manual revisions at first read. **The committee endorsed the manual revisions with 0 objections and 0 abstentions.**

4. Manual 27 and 28 revisions for Electric Storage Participation – FERC Order 841

Mr. Andrew Levitt, PJM, provided a review of Manual 27: Open Access Transmission Tariff Accounting and Manual 28: Operating Agreement Accounting revisions associated with settlements changes related to FERC Order 841 compliance filing.

The committee endorsed the manual revisions with 0 objections and 1 abstention. Issue Tracking: Electric Storage Participation FERC Order 841

 Modeling Units with Stability Limitations – Problem Statement & Issue Charge Mr. Robert O'Connell, Panda Power Funds, provided an overview of the problem statement and issue charge related to modeling units with stability limitations. The committee approved the issue charge with 0 objections and 0 abstentions.

6. Load Management Testing Requirements Issue Charge Modification

Mr.Pete Langbein, PJM, reviewed the modifications to the Load Management Testing Requirements Issue Charge to include Price Responsive Demand (PRD) Testing. Mr. Langbein sought approval of the modified issue charge at first read.



The committee approved the modified issue charge with 1 objection and 0 abstentions. <u>Issue Tracking: Load Management Testing Requirements</u>

7. Opportunity Cost Calculator

Mr. Glen Boyle, PJM, provided a summary of the work done by the MIC Special Sessions: Opportunity Cost Calculator. Mr. O'Connell, Panda Power Funds, moved and Ms. Adrien Ford, ODEC, seconded a motion to add the PJM package to the list of packages to be voted as it included changes to the manual language. Mr. Robert O'Connell, Panda Power Funds, provided a summary of the three Panda/Dominion proposals.

During the consideration of the vote, PJM staff stated the concerns they had with the elements of Panda/Dominion Packages 1-3 which would change the types of costs that could be included in the opportunity cost calculation. Ms. Susan Bruce, PJM Industrial Customer Coalition, echoed the same concerns. Mr. O'Connell proposed the Panda/Dominion 3' package to address these concerns. The committee reconvened after a 10 minute break during which stakeholders tried to determine the components of the Panda/Dominion 3' proposal. Ms. Morelli, PJM, proposed moving the vote to the September MIC to allow time for the package sponsors to finalize the components of the Panda/Dominion 3' proposal.

The voting on this agenda item was deferred to the September MIC. Issue Tracking: Opportunity Cost Calculator

First Readings

8. Gas Contingency Cost Recovery

Mr. Thomas DeVita, PJM, provided an overview of draft Tariff revisions associated with gas contingencies cost recovery. Mr. David Scarpignato, Calpine, stated that additional manual language updates may need to be considered in addition to the Tariff revisions to ensure PJM operators do not issue operating instructions for which generation owners will not be able to recover the cost. These revisions will be considered at the Operating Committee following Members Committee endorsement of the associated Tariff revisions.

9. Load Management Testing Requirements

Mr. Pete Langbein, PJM, provided an overview of the five Load Management Test proposals developed at the Demand Response Subcommittee. Mr. Jack O'Neill, PJM, provided a detailed overview of the proposed changes as part of the PJM proposal. Mr. Brian Kaufmann, Enel X, provided and overview of the CSP1 and CSP2 proposals.

Issue Tracking: Load Management Testing Requirements

Working Issues

10. Five Minute Dispatch and Pricing

- A. Ms. Catherine Tyler, Monitoring Analytics, presented education on LPC execution timeline, use of approved RT SCED cases, target interval difference, and its impact on energy and reserve settlements.
- B. Mr. Vijay Shah, PJM, presented education on the Locational Pricing Calculator (LPC) engine.



11. Fast Start Pricing Compliance Filing Details

- A. Mr. Ray Fernandez, PJM, reviewed changes to the lost opportunity cost credit calculations related to the implementation of fast start pricing.
- B. A summary document listing all the filings related to Fast Start Pricing was posted as an informational item.

12. Interregional Incremental Auction Revenue Rights

Note: This agenda item was deferred to the September MIC due to meeting time constraints. Members are encouraged to review the posted materials and provide additional proposals to the <u>FTRGroup@pjm.com</u>.

Issue Tracking: Interregional Incremental Auction Revenue Rights

Additional Updates

13. FERC Order 844 Updates

Mr. Rami Dirani, PJM, provided an update on the additional uplift data postings that will be available due to the approval of FERC Order 844.

14. Marginal Line Loss Surplus Allocation

Mr. Stan Williams, PJM, provided an update on the Marginal Line Loss Surplus Allocation. Mr. Williams stated that additional updates including detailed plans on the issuance of billing adjustments will be shared by PJM at future Stakeholder meetings.

Informational Section

Credit Subcommittee (CS)

Meeting materials will be posted to the <u>CS website</u>.

Demand Response Subcommittee (DRS)

Meeting materials will be posted to the DRS web site.

Intermittent Resources Subcommittee (IRS)

Meeting materials will be posted to the IRS web site.

Net Energy Injections Quarterly Report

Materials are posted as informational only.

Interregional Coordination Update

Materials are posted as informational only.

Market Settlements Subcommittee (MSS)

Meeting materials are posted to the MSS web site.

Report on Market Operations

The Report on Market Operations will be reviewed during the MC Webinar.



PJM Manual 03 Attachment E Automatic Sectionalizing Schemes

Materials are posted as informational only.

Future Meeting Dates

September 11, 2019 October 16, 2019 November 13, 2019 December 11, 2019 9:00 a.m. 9:00 a.m. 9:00 a.m. 9:00 a.m. PJM Conference & Training Center/ WebEx PJM Conference & Training Center/ WebEx PJM Conference & Training Center/ WebEx PJM Conference & Training Center/ WebEx

Author: Bhavana Keshavamurthy

In-Person Meeting Attendees

Names

Morelli, Lisa (Chair) Keshavamurthy, Bhavana (Secretary) Anders, David Baizman, Aaron Benchek. Jim Bleiweis, Bruce Borgatti, Michael Bowring, Joe Boyle, Glen Brodbeck, John Brown, Rich Bruce, Susan Bruno, Patrick Canter, David Carroll, Rebecca Chmielewski, Brian Colbert.Cathleen D'Alessandris, Lou D'Antonio, Phil Davis, Jim Dirani, Rami Esterly, Theresa Fabiano, Janell Fernandez, Ray Filomena, Guy Foldare, Kenneth Ford. Adrien Greening, Michele Greiner, Gary Hauske. Thomas Horger, Tim Horning, Lynn Marie Horstmann, John Hudis, Gabriella Hyzinski, Tom Johnson, Carl Kauffman. Brian Kogut, George Langbein, Pete Levitt, Andrew

Company Name

PJM Interconnection, LLC PJM Interconnection. LLC PJM Interconnection. LLC PJM Interconnection, LLC American Transmission Systems. Inc. DC Energy LLC Gabel and Associates Monitoring Analytics, LLC PJM Interconnection, LLC EDP Renewables North America, LLC PJM Interconnection, LLC McNees Wallace & Nurick LLC PJM Interconnection, LLC Appalachian Power Company PJM Interconnection, LLC PJM Interconnection, LLC NRG Power Marketing LLC FirstEnergy Solutions Corp. PJM Interconnection, LLC **Dominion Energy** PJM Interconnection, LLC PJM Interconnection. LLC PJM Interconnection, LLC PJM Interconnection, LLC Customized Energy Solutions, Ltd. Tangible Old Dominion Electric Cooperative PJM Interconnection, LLC PSEG Energy Resources and Trade LLC PJM Interconnection. LLC PJM Interconnection, LLC Customized Energy Solutions, Ltd.* Dayton Power & Light Company (The) Jersey Green Energy LLC GT Power Group Customized Energy Solutions, Ltd.* EnerNOC, Inc. New York Power Authority PJM Interconnection, LLC PJM Interconnection, LLC

Sector

Not Applicable Not Applicable Not Applicable Not Applicable Transmission Owner Other Supplier Not Applicable Not Applicable Not Applicable Other Supplier Not Applicable Not Applicable Not Applicable Transmission Owner Not Applicable Not Applicable Generation Owner Transmission Owner Not Applicable Transmission Owner Not Applicable Not Applicable Not Applicable Not Applicable Not Applicable Not Applicable Electric Distributor Transmission Owner Other Supplier Not Applicable Not Applicable Not Applicable Transmission Owner Other Supplier Not Applicable Not Applicable Other Supplier Other Supplier Not Applicable Not Applicable



Draft Minutes

Lieberman, Steve Marcino, Angelo McGlvnn, Paul Midgley, Sharon Nix. Emma O'Connell, Robert OHara, Christopher Olaleye, Michael Philips, Darlene Pilong, Melissa Poulos, Greg Rumsey, Amanda Scarpignato, David Smith, Christen Suh, Jung Sweeney, Rory Toomey, Megan Tribulski, Jennifer Tyler, Catherine Whitehead, Jeffrey Williams, Stanley

Webex Meeting Attendees

Adams, Chris Baker, Scott Binder. Gerry Bruno, Joshua Brvson. Mike Budney, Dave Burdis,Tim Campbell, Bruce Carmean, Greg Chandler, Kent Chintapalli, Raj Cocco, Michael Coultas, Ann Coyne, Suzanne Croop, Danielle Crystle, Gil Davis, Elizabeth DePillo, Ray Diiorio, Michelle Dillon, Matt DiNicola, Laura Dirani, Rami Dixon, Chad Dolan, Jim Domian. Christin Drom, Richard Dugan, Chuck Durinsky, Mike Ericson, Christine Fan, Zhenyu Feller, John

American Municipal Power, Inc. PJM Interconnection, LLC PJM Interconnection. LLC Exelon Business Services Company, LLC PJM Interconnection. LLC PPGI Fund A/B Development, LLC PJM Interconnection, LLC PJM Interconnection, LLC PJM Interconnection, LLC PJM Interconnection, LLC CAPS PPL Electric Utilities Corp. dba PPL Utilities Calpine Energy Services, L.P **RTO** Insider Calpine Energy Services, L.P GT Power Group Talen Energy Marketing, LLC PJM Interconnection, LLC Monitoring Analytics, LLC GT Power Group PJM Interconnection, LLC

East Kentucky Power Cooperative, Inc. PJM Interconnection, LLC SESCO Enterprises LLC PJM Interconnection, LLC PJM Interconnection, LLC PJM Interconnection, LLC PJM Interconnection, LLC EnergyConnect, Inc. OPSI Public Utilities Commission of Kentucky **BP Energy Company** Old Dominion Electric Cooperative Invenergy, LLC PJM Interconnection, LLC PJM Interconnection, LLC UGI Development Company PJM Interconnection, LLC PSEG Energy Resources and Trade LLC PSEG Energy Resources and Trade LLC UGI Development Company FirstEnergy Solutions Corp. PJM Interconnection, LLC Customized Energy Solutions. Ltd PJM Interconnection, LLC Mitsubishi Electric Power Products Inc. Eckert Seamans East Kentucky Power Cooperative, Inc. FirstEnergy Solutions Corp. Illinois Commerce Commission PJM Interconnection. LLC PPL Electric Utilities Corp. dba PPL Utilities Electric Distributor Not Applicable Not Applicable Transmission Owner Not Applicable **Generation Owner** Not Applicable Not Applicable Not Applicable Not Applicable Not Applicable Transmission Owner **Generation Owner** Not Applicable Generation Owner Not Applicable **Generation Owner** Not Applicable Not Applicable Not Applicable Not Applicable

Transmission Owner Not Applicable Other Supplier Not Applicable Not Applicable Not Applicable Not Applicable Other Supplier Not Applicable Not Applicable Power Marketer **Electric Distributor Generation Owner** Not Applicable Not Applicable Transmission Owner Not Applicable Transmission Owner Transmission Owner **Generation Owner** Transmission Owner Not Applicable Not Applicable Not Applicable Not Applicable Not Applicable Transmission Owner Transmission Owner Not Applicable Not Applicable Transmission Owner



Draft Minutes

Fitzpatrick, Brian Gebolys, Debbie George.Brian Gilani, Rehan Guntle. Vince Hanser, Erik Harmon, Mike Hastings, David Hauske, Thomas Heisey, Bradley Helms, Joe Herel, Suzanne Hilaski, Steve Hoatson, Tom Hurwich, Mark Hyatt, John Hyzinski, Tom Janicki, Diane Jens, Tom Jett, William Jones, Ryan Kelly, Stephen Kenney, Susan Kilgallen, Kevin Kimmel. David Kozhuharov, Dimitar LaRocque, Matthew Leasure. Jill Leicar, Jamie Liang-Nicol, Cecilia Libbos, Robin Logan, Sharon Long, Matthew Mariam, Yohannes Markiewicz, Cindy Martin, Valerie Matheson, Doug McGlynn, Paul Messina, Emmy Miller, John Monzon, Stephanie Nowell, Cynthia O'Boyle, Brian Ondayko, Brock O'Neill, Jack Pakela, Gregory Park. Jinnv Patel, Keyurbhai Pawar, Aasawari Pelletier. Eveline Peoples, John Perera, Asanga Pilong, Chris Powers,Sean Price. Ruth Rajan , Abhijit

PJM Interconnection, LLC Public Utilities Commission of Ohio (The) FERC ConEdison Energy, Inc. UGI Development Company Michigan Public Service Commission Union Electric Company d/b/a Ameren Missouri Market Interconnection LLC PJM Interconnection, LLC Wolf Hills Energy, LLC Rainbow Energy Marketing Corporation PJM Interconnection, LLC Potomac Electric Power Company LS Power Elliott Bay Energy Trading, LLC Monitoring Analytics, LLC GT Power Group Boston Energy Trading & Marketing, LLC Blackoak Capital Duke Energy Business Services LLC CCS Energy Brookfield Energy Marketing LP PJM Interconnection, LLC Avangrid Renewables, LLC PJM Interconnection. LLC Delaware Municipal Electric Corporation, Inc. PJM Interconnection, LLC Keystone-Conemaugh Projects, LLC Allegheny Electric Cooperative, Inc. Monongahela Power Company d/b/a Allegheny Power FirstEnergy Solutions Corp. The Federal Energy Regulatory Commission Appalachain Power Company Office of the Peoples Counsel for the District of Columbia FirstEnergy Solutions Corp. The Federal Energy Regulatory Commission EnerNOC. Inc. PJM Interconnection. LLC PJM Interconnection, LLC Commonwealth Edison Company PJM Interconnection, LLC Potomac Electric Power Company Consolidated Edison Solutions, Inc. Appalachain Power Company PJM Interconnection, LLC DTE Energy Trading, Inc. PJM Interconnection. LLC PJM Interconnection. LLC First Solar Hydro-Quebec **Duquesne Light Company** PJM Interconnection. LLC PJM Interconnection. LLC Linde, LLC Division of the Public Advocate of the State of Delaware **Dominion Resources**

Not Applicable Not Applicable Not Applicable Other Supplier Generation Owner Not Applicable Other Supplier Not Applicable Not Applicable Generation Owner Other Supplier Not Applicable **Electric Distributor** Not Applicable Other Supplier Not Applicable Not Applicable Generation Owner Other Supplier Generation Owner Other Supplier Other Supplier Not Applicable Generation Owner Not Applicable Electric Distributor Not Applicable Other Supplier Electric Distributor Transmission Owner Transmission Owner Not Applicable Transmission Owner End User Customer Transmission Owner Not Applicable Other Supplier Not Applicable Not Applicable Transmission Owner Not Applicable Electric Distributor Transmission Owner Transmission Owner Not Applicable Other Supplier Not Applicable Not Applicable Not Applicable Not Applicable Transmission Owner Not Applicable Not Applicable End User Customer End User Customer Not Applicable



Draft Minutes

Redwine, Arlo Robinson, Becky Rohrbach. John Romine, Robert Ruck. Andrew Salaneck, Alexandra Sasser, Jonathan Scheidecker, Paul Schmitt, Jeff Schum, Alice Schweizer, David Shah, Vijay Shanker, Roy Silveira, Fabiano Singer, Chad Sotkiewicz, Paul Stone, Andy Sturgeon, John Swalwell, Brad Toomey, Megan Vayda, Brian Walter, Laura Ward, Michael Webster, John Wehnes, Kathleen Wei, Jane Wilson, James Zhao, Jenny

FERC Vistra Energy ACES Power LS Power PSEG Energy Resources and Trade LLC Monitoring Analytics, LLC Customized Energy Solutions, Ltd.* PJM Interconnection, LLC PJM Interconnection, LLC Illinois Municipal Electric Agency PJM Interconnection, LLC PJM Interconnection, LLC H.Q. Energy Services (U.S.), Inc. Strom Power, LLC Fellon McCord E-Cubed Policy Associates LLC PJM Interconnection, LLC Duke Energy Carolinas, LLC Tangent Energy Talen Energy Marketing, LLC Borough of Park Ridge, NJ PJM Interconnection, LLC PJM Interconnection, LLC Icetec.com, Inc. Maryland Department of the Environment Monitoring Analytics, LLC Wilson Energy Economics Appalachain Power Company

Not Applicable Not Applicable Not Applicable Not Applicable Transmission Owner Not Applicable Not Applicable Not Applicable Not Applicable **Electric Distributor** Not Applicable Not Applicable Other Supplier Other Supplier Not Applicable Not Applicable Not Applicable Other Supplier Other Supplier Generation Owner **Electric Distributor** Not Applicable Not Applicable Other Supplier Not Applicable Not Applicable Not Applicable Transmission Owner