

Rules Related to Market Suspension

Issue Source

PJM

Issue Content

In the event of a market suspension, for which market results and clearing prices cannot be determined, there are currently limited business rules regarding how to administer settlements and other PJM processes. This initiative will identify opportunities to develop enhanced business rules applicable during a market suspension.

Key Work Activities and Scope

Phase 1 – Define/Examine Market Suspension in General, and Associated Impacts on Settlements

1. Define “market suspension.”
2. Review instances in which a market suspension may occur.
3. Review consequences to PJM markets associated with a market suspension.
4. Review PJM existing business rules, along with procedures of other RTOs/ISOs in the event of a market suspension.
5. Review options for how settlements can be determined in the event of a market suspension.
6. Identify, examine, and implement any necessary changes to PJM’s business rules to accommodate the impact of a market suspension on settlements.
7. Phase 1 of this initiative is solely focused on addressing the lack of market clearing prices utilized in settlements due to a market suspension, and does not include clearing prices associated with forward looking auctions (i.e. FTR and RPM auction prices).

Phase 2 – Identify Other Necessary Changes to PJM Business Rules In the Event of a Market Suspension

1. Identify, examine, and implement any other necessary changes to PJM’s business rules to accommodate the impact of a market suspension.

Expected Deliverables

1. Define what determines a market suspension
2. Define effective period of a market suspension
3. Define how settlements are calculated or determined in the event of a market suspension
4. Determine opportunities for enhanced business rules, including any necessary changes to applicable requirements and deadlines in the event of a market suspension.

Decision-Making Method

Tier 1, consensus (unanimity) on a single proposal (preferred default option)

Stakeholder Group Assignment

MIC

Expected Duration of Work Timeline

For Phase 1, it is estimated this work will take 3 months. For Phase 2, it is estimated this work will take 6 months. It can start in October 2020, or a date as determined by PJM stakeholders.

Start Date	Priority Level	Timing	Meeting Frequency
10/1/2020	<input type="checkbox"/> High <input checked="" type="checkbox"/> Medium <input type="checkbox"/> Low	<input type="checkbox"/> Immediate <input checked="" type="checkbox"/> Near Term <input type="checkbox"/> Far Term	<input type="checkbox"/> Weekly <input checked="" type="checkbox"/> Monthly <input type="checkbox"/> Quarterly

Charter

(check one box)

<input type="checkbox"/>	This document will serve as the Charter for a new group created by its approval.
<input checked="" type="checkbox"/>	This work will be handled in an existing group with its own Charter (and applicable amendments).