

Markets and Reliability Committee

(Operating Agreement – Article 8.6)

Mission

The Markets and Reliability Committee (MRC) is established by and reports to the Members Committee of the PJM Interconnection, L.L.C. (PJM). The MRC works with PJM, the Markets Implementation Committee, the Operating Committee and Planning Committee on matters related to the reliable and secure operation of the PJM system and planning strategies to assure the continued ability of the member companies to operate reliably and economically in a deregulated electric power business, consistent with PJM's Reliability Principles and Standards. The MRC also works with PJM in reviewing the operation of the PJM Energy and Ancillary Services markets (including but not limited to energy, capacity, congestion, regulation and spinning reserves) to assure the continued viability and fairness of the marketplace. The Committee is responsible for reviewing proposed changes to the rules and procedures of the Operating Agreement and PJM Manuals. The MRC shall provide advice and recommendations to the Members Committee.

Responsibilities

1. The MRC shall comply with all applicable Codes of Conduct or other functional requirements of FERC and shall:
2. Develop and approve the MRC's Annual Plan including prioritization of planned activities and initiation of activities supporting the approved plan.
3. Provide advice and recommendations concerning issues pertaining to the operation and administration of the PJM markets, including but not limited to amendments to PJM's Operating Agreement, the PJM Tariff, or market rules and procedures as necessary or appropriate to foster competition and assure the fair, reliable and efficient operation and administration of the PJM markets.
4. Provide advice and recommendations as are necessary or appropriate to assure a high level of economy of service in the operation of the PJM Interchange Energy Market and other markets, in accordance with established market operation principles, practices and procedures, recognizing individual participant requirements for services, contractual obligations and other pertinent factors.
5. Provide advice and recommendations concerning studies and analyses relating to the overall efficacy of the PJM Interchange Energy Market and in carrying out actions as may be initiated as a result thereof.
6. Provide advice and recommendations concerning revisions to the Operating Agreement, the Reliability Assurance Agreement, the Reliability Assurance Agreement-West, and the PJM Tariff that pertain to its areas of responsibility.
7. Make annual and timely recommendations concerning the generating capacity reserve requirement and related demand-side valuation factors for consideration by the Members Committee, in order to assist the Members Committee in making recommendations to the PJM Board of Managers.

8. Provide direction to the Market Implementation Committee, which committee shall report to the MRC. The Market Implementation Committee shall provide advice and recommendations to the MRC directed to the advancement and promotion of competitive wholesale electricity markets in the PJM Region, and perform such other functions as the MRC may direct from time to time.
9. Provide direction to the Operating Committee and Planning Committee, which committees shall report to the Markets and Reliability Committee. The Operating Committee shall advise the MRC and PJM on matters pertaining to the reliable and secure operation of the PJM Region and other matters as the MRC may request. The Planning Committee shall advise the MRC and PJM on matters pertaining to system reliability, security, economy of service, and planning strategies and policies and other matters as the MRC may request. The MRC shall review technical recommendations and changes initiated by the Operating Committee and Planning Committees and provide comments as needed.
10. Perform such other functions, directly or through delegation to a Standing Committee, subcommittee, working group or task force reporting to the MRC, as the Members Committee may direct.
11. Create subcommittees, working groups or task forces when needed to assist in carrying out the duties and responsibilities of the MRC.