

LIMIT MARKET PARTICIPATION PROBLEM STATEMENT

Problem / Opportunity Statement

Operating Agreement, section 15.1.5 specifies actions PJM is to take in the case of a Member default. One such action is to limit buying or selling by a Market Participant in a PJM market. However, recent events highlighted the need for PJM to have flexibility regarding limiting market participation in the case of a payment, collateral default, or other default when allowing continued market participation is more beneficial to the PJM membership than limiting or prohibiting market participation.