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Christopher C. O'Hara  
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November 19, 2021

Re: Transmission Owners Sector Meeting

Dear Members,

As you may be aware, the PJM Board has agreed to conduct closed session meetings between representatives of the PJM Board and each membership sector in an effort to foster elevated and strategic communications. To this end, at 1:00 p.m. on November 1, 2021, independent PJM Board members Mark Takahashi, Dean Oskvig, and David Mills, as well as President & CEO Manu Asthana, met with executive leadership and other representatives from the Transmission Owners Sector. See Attachment A (the "Participants").

At the outset of the meeting, the undersigned, PJM's General Counsel, reminded attendees of the following principles governing the meeting:

1. The meeting is conducted in accordance with PJM's Antitrust Policy and Codes of Conduct, including specifically the Addendum to the Board Code of Conduct;
2. The purpose of the meeting is for the Board representatives to listen to comments from the sector;
3. Discussions will be confined to the agenda and remain at a strategic and educational level, and are not to address matters pending before the Board; and
4. The meeting is ex parte and PJM will disclose briefly, by public posting on its website, the agenda and topics discussed promptly following the meeting.

Meeting Agenda Topics and Summary of Discussion:

1. Transmission Issues –The Participants discussed recent developments before FERC including RTO participation incentives and the need for continued advocacy regarding the benefits of RTO participation. The Participants further reviewed the importance of the Consolidated Transmission Owners Agreement and noted the proposed amendments thereto. The Participants then discussed the PJM-TO relationship and noted the shared interest in maintaining reliable grid operations, the importance of PJM's leadership in the reforming of the interconnection queue process, and PJM's critical independent role in planning, including the importance of scenario-based planning. The Participants discussed FERC's Advance Notice of Proposed Rulemaking on Building for the Future through Electric Regional Transmission Planning and Cost Allocation and Generator Interconnection and the importance of PJM moving forward on these issues, especially queue improvements. Regarding Order No. 2222 - Participation of Distributed Energy Resource Aggregations in Markets Operated by Regional Transmission Organizations and Independent System Operators - the Participants expressed their concerns regarding the need for safe and reliable operation of the distribution system, and regarding the Participants' perception of PJM's incursion into distribution system and retail customer matters.
2. Market Design Leadership – The Participants provided comments on reforms in the capacity market, the energy market, and carbon pricing. Regarding the capacity market, the Participants commended PJM on the Focused MOPR as providing an improved balance between market protection and state policies. Regarding the energy market, the Participants criticized the delays associated with fast-start pricing reforms,

and the recent delays with the Operating Reserve Demand Curve (ORDC) market changes. The Participants spoke regarding the need to examine designing an ORDC circuit breaker to apply during extended periods of high pricing where the market is not responding to price signals. The Participants also discussed the role of PJM with respect to carbon pricing.

3. Monitoring Analytics – The Participants commented on the budget increases under the Monitoring Analytics contract, as well as on the scope of IMM activities. The Participants noted that the IMM is spending a disproportionate amount of time on market design issues, including protesting changes that receive a high level of stakeholder support. The Participants also expressed concerns regarding IMM participation in state proceedings and planning activities utilizing resources that are paid for under the PJM contract for market monitoring with Monitoring Analytics, further noting the no-bid renewal of the contract. The Participants reiterated their support for an independent and effective market monitor, but encouraged the PJM Board to exercise appropriate oversight to ensure that Monitoring Analytics is performing its contractual obligations.

The meeting concluded approximately 1 1/2 hours after its start.

Sincerely,

/s/ Christopher C. O'Hara

Christopher C. O'Hara  
SVP, General Counsel

## Attachment A

Organization	Attendee
AEP	Lisa Barton, Executive Vice President and Chief Operating Officer
AEP	Antonio Smyth, Senior Vice President Grid Solutions
AES Ohio	John Horstmann, Senior Director of RTO Affairs
AES Ohio	Mike Russ, Manager of Resource Planning
Dominion	Kevin Curtis, Vice President of Electric Transmission
Dominion	Jim Davis, Regulatory and Market Policy Strategic Advisor
Duke	Alex Glenn, SVP and CEO, Duke Energy Florida and Midwest
Duke	Nelson Peeler, SVP, Transmission and Fuels Strategy and Policy
Duquesne	Kevin Walker, President and CEO
Duquesne	David Ffis, Vice President, Energy Policy and General Counsel
EKPC	Denise Foster Cronin, Vice President, Federal & RTO Regulatory Affairs
EKPC	Chuck Dugan, Director, Federal & RTO Regulatory Affairs
Exelon	Chris Crane, President & CEO
Exelon	Kathleen Barrón, SVP, Government and Regulatory Affairs and Public Policy
FirstEnergy	Sam Belcher, SVP & President, FirstEnergy Utilities
FirstEnergy	Bob Mattiuz, Vice President, Compliance & Regulated Services
PPL	David Quier, Vice President of Transmission and Substation
PPL	Amanda Rumsey, Manager PJM and Federal Regulatory Policy
PSEG	Ralph Izzo, President & CEO
PSEG	Jodi Moskowitz, Deputy General Counsel and RTO Strategy Officer
TO Sector Whip	Sharon Midgley, Director of Wholesale Market Development at Exelon