



## Organization of PJM States, Inc. (OPSI)

President: **Hon. David Ober** *Commissioner, Indiana URC*  
Vice President: **Hon. Charlotte A. Mitchell** *Chair, North Carolina UC*  
Secretary: **Hon. Kent A. Chandler** *Chairman, Kentucky PSC*  
Treasurer: **Hon. Michael T. Richard** *Commissioner, Maryland PSC*

### Members:

*Delaware Public Service Commission • Public Service Commission of District of Columbia • Illinois Commerce Commission  
Indiana Utility Regulatory Commission • Kentucky Public Service Commission • Maryland Public Service Commission  
Michigan Public Service Commission • New Jersey Board of Public Utilities • North Carolina Utilities Commission  
Public Utilities Commission of Ohio • Pennsylvania Public Utility Commission • Tennessee Regulatory Authority  
Virginia State Corporation Commission • Public Service Commission of West Virginia.*

---

March 18, 2022

*Via Electronic Delivery Only*

The PJM Board of Managers  
c/o Mark Takahashi, Chairman  
c/o Mr. Manu Asthana, PJM President and CEO  
PJM Interconnection L.L.C.  
2750 Monroe Boulevard  
Audubon, Pennsylvania 19408

Dear Mr. Takahashi and Mr. Asthana,

OPSI wishes to express its support for PJM staff's proposal to submit a new 205 filing regarding the Initial Margin requirements for collateral in the Financial Transmission Rights (FTR) markets, as detailed at the March 9, 2022 Risk Management Committee meeting. As indicated in its Protest on PJM's FERC filing seeking the adoption of a 97% confidence interval, OPSI continues to endorse PJM's initial position, as expressed by its Chief Risk Officer, Nigeria Bloczynski, that the evidence and circumstances support the implementation of a 99% confidence interval.

PJM's plan to institute a 99% confidence interval aligns with prevailing industry standards and seemingly alleviates the concerns FERC expressed in denying PJM's previous proposal to implement a 97% confidence interval. This new plan, and its projected filing by the end of March, will provide much needed certainty to FTR markets and will serve to minimize the risk to both market participants and end use customers.

OPSI is appreciative of PJM's work on this matter and looks forward to its final resolution.<sup>1</sup>

Sincerely,

David Ober, President  
Organization of PJM States, Inc.

---

<sup>1</sup> This letter was unanimously adopted on March 17, 2022 by the OPSI Board of Directors.