



David Mills
Chair, PJM Board Competitive Markets Committee

2750 Monroe Blvd.
Audubon, PA 19403

VIA Electronic Delivery

March 29, 2023

The Honorable Charlotte A. Mitchell
President, Organization of PJM States, Inc.
cmitchell@ncuc.net

Dear President Mitchell,

Thank you for your correspondence dated March 22, 2023, whereby the Organization of PJM States, Inc. (OPSI) expressed its concern about the PJM Board of Managers' (PJM Board) anticipated receipt of feedback about the contract of the Independent Market Monitor (IMM) at the forthcoming Liaison Committee meeting scheduled for April 3. First, I want to again express the PJM Board's support for a robust, independent market monitoring function. The function is essential to the operation of PJM's wholesale markets to ensure competitive and non-discriminatory outcomes that are free of market manipulation.

I also want to express the PJM Board's view of the importance of the OPSI Advisory Committee for the Independent Market Monitor (OPSI IMM AC) in the market monitoring oversight framework. The Board recognizes the unique role of the OPSI IMM AC as recognized by the Federal Energy Regulatory Commission,¹ and the associated provisions in Attachment M of the Open Access Transmission Tariff.² It is because of the Board's view of the importance of the OPSI IMM AC that I expressed my intent to join you at the OPSI Spring Meeting in Charleston, West Virginia, on April 18. My hope is to sit with you, in person, to solicit your feedback. I also greatly appreciated our meeting last week, and I thank President Fiordaliso, Commissioner Richard, Chairman Chandler and Commissioner Deters for creating a welcoming environment to allow for me to discuss the Board's intent and objectives in evaluating the IMM contract.

The PJM Board has requested feedback from its Members, states and stakeholders on the contract for this critical Regional Transmission Organization function. As to the forum for the receipt of feedback on the contract, we chose the Liaison Committee, the OPSI Spring Meeting and the upcoming Markets & Reliability Committee. We selected this mix of forums to ensure we create the opportunity to hear the perspectives of a broad range of stakeholders. Some members have communicated that they are more comfortable providing this feedback at the Liaison Committee. We therefore intend to proceed to provide that opportunity for our Members to speak freely before our Board at the April 3 Liaison Committee, just as we will provide that opportunity to the OPSI Board on April 18. In response to your concerns, we plan to create a public written summary of the feedback we receive in each of these forums (without attribution).

¹ 122 FERC ¶ 61,257 at 17 and footnote 15.

² Attachment M, Section III(G)

The Honorable Charlotte A. Mitchell
March 29, 2023
Page 2

Further, PJM does not have the unilateral ability to change the Liaison Committee processes, and even PJM management is not permitted to attend (with the limited exceptions of the PJM CEO/President who is on the Board and limited support personnel). All five Member sectors are present at the Liaison Committee and have the opportunity to hear and be heard; there are no governance concerns.

I look forward to our continued engagement on this matter and hope to see you in Charleston.

Sincerely,

David Mills
Chairman, PJM Board Competitive Markets Committee

cc: The Honorable Joseph Fiordaliso
The Honorable Michael Richard
The Honorable Kent Chandler
The Honorable Dennis Deters
Gregory Carmean
Mark Takahashi, Chair, PJM Board of Managers
PJM Board of Managers