

Market Implementation Committee
PJM Conference & Training Center, Audubon, PA
August 7, 2019
9:00 a.m. – 4:00 p.m. EPT

Administration

1. Ms. Bhavana Keshavamurthy and Ms. Lisa Morelli provided announcements; reviewed the Antitrust, Code of Conduct, Public Meetings/Media Participation and the WebEx Participant Identification Requirement.
The Committee approved the draft minutes from the July 10, 2019 Market Implementation Committee (MIC) meeting with **0 objections and 0 abstentions**.
 - A. Mr. Pat Bruno, PJM, provided an update on the recent FERC order directing PJM to postpone the 2022/2023 Base Residual Auction (BRA).

Endorsements/Approvals

2. **Manual 11 revisions**
Mr. Michael Olaleye, PJM, provided an overview of clarifications being added to Manual 11: Energy & Ancillary Services associated with regulation historical performance scores and reserve requirements.
The committee endorsed the manual revisions with 0 objections and 0 abstentions.
3. **Manual 18B revisions**
Ms. Terri Esterly, PJM, reviewed proposed revisions to Manual 18B: Energy Efficiency Measurement & Verification resulting from the periodic review which includes administrative updates and conforming revisions to FERC orders. Ms. Esterly sought endorsement of these manual revisions at first read.
The committee endorsed the manual revisions with 0 objections and 0 abstentions.
4. **Manual 27 and 28 revisions for Electric Storage Participation – FERC Order 841**
Mr. Andrew Levitt, PJM, provided a review of Manual 27: Open Access Transmission Tariff Accounting and Manual 28: Operating Agreement Accounting revisions associated with settlements changes related to FERC Order 841 compliance filing.
The committee endorsed the manual revisions with 0 objections and 1 abstention.
[Issue Tracking: Electric Storage Participation FERC Order 841](#)
5. **Modeling Units with Stability Limitations – Problem Statement & Issue Charge**
Mr. Robert O’Connell, Panda Power Funds, provided an overview of the problem statement and issue charge related to modeling units with stability limitations.
The committee approved the issue charge with 0 objections and 0 abstentions.
6. **Load Management Testing Requirements Issue Charge Modification**
Mr. Pete Langbein, PJM, reviewed the modifications to the Load Management Testing Requirements Issue Charge to include Price Responsive Demand (PRD) Testing. Mr. Langbein sought approval of the modified issue charge at first read.

The committee approved the modified issue charge with 1 objection and 0 abstentions.

[Issue Tracking: Load Management Testing Requirements](#)

7. **Opportunity Cost Calculator**

Mr. Glen Boyle, PJM, provided a summary of the work done by the MIC Special Sessions: Opportunity Cost Calculator. Mr. O'Connell, Panda Power Funds, moved and Ms. Adrien Ford, ODEC, seconded a motion to add the PJM package to the list of packages to be voted as it included changes to the manual language. Mr. Robert O'Connell, Panda Power Funds, provided a summary of the three Panda/Dominion proposals.

During the consideration of the vote, PJM staff stated the concerns they had with the elements of Panda/Dominion Packages 1-3 which would change the types of costs that could be included in the opportunity cost calculation. Ms. Susan Bruce, PJM Industrial Customer Coalition, echoed the same concerns. Mr. O'Connell proposed the Panda/Dominion 3' package to address these concerns. The committee reconvened after a 10 minute break during which stakeholders tried to determine the components of the Panda/Dominion 3' proposal. Ms. Morelli, PJM, proposed moving the vote to the September MIC to allow time for the package sponsors to finalize the components of the Panda/Dominion 3' proposal. There were no objections to this proposal.

The voting on this agenda item was deferred to the September MIC.

[Issue Tracking: Opportunity Cost Calculator](#)

First Readings

8. **Gas Contingency Cost Recovery**

Mr. Thomas DeVita, PJM, provided an overview of draft Tariff revisions associated with gas contingencies cost recovery. Mr. David Scarpignato, Calpine, stated that additional manual language updates may need to be considered in addition to the Tariff revisions to ensure PJM operators do not issue operating instructions for which generation owners will not be able to recover the cost. These revisions will be considered at the Operating Committee following Members Committee endorsement of the associated Tariff revisions.

9. **Load Management Testing Requirements**

Mr. Pete Langbein, PJM, provided an overview of the five Load Management Test proposals developed at the Demand Response Subcommittee. Mr. Jack O'Neill, PJM, provided a detailed overview of the proposed changes as part of the PJM proposal. Mr. Brian Kaufmann, Enel X, provided an overview of the CSP1 and CSP2 proposals.

[Issue Tracking: Load Management Testing Requirements](#)

Working Issues

10. **Five Minute Dispatch and Pricing**

- A. Ms. Catherine Tyler, Monitoring Analytics, presented education on LPC execution timeline, use of approved RT SCED cases, target interval difference, and its impact on energy and reserve settlements.
- B. Mr. Vijay Shah, PJM, presented education on the Locational Pricing Calculator (LPC) engine.

11. Fast Start Pricing Compliance Filing Details

- A. Mr. Ray Fernandez, PJM, reviewed changes to the lost opportunity cost credit calculations related to the implementation of fast start pricing.
- B. A summary document listing all the filings related to Fast Start Pricing was posted as an informational item.

12. Interregional Incremental Auction Revenue Rights

Note: This agenda item was deferred to the September MIC due to meeting time constraints.

Members are encouraged to review the posted materials and provide additional proposals to the FTRGroup@pjm.com.

[Issue Tracking: Interregional Incremental Auction Revenue Rights](#)

Additional Updates

13. FERC Order 844 Updates

Mr. Rami Dirani, PJM, provided an update on the additional uplift data postings that will be available due to the approval of FERC Order 844.

14. Marginal Line Loss Surplus Allocation

Mr. Stan Williams, PJM, provided an update on the Marginal Line Loss Surplus Allocation. Mr. Williams stated that additional updates including detailed plans on the issuance of billing adjustments will be shared by PJM at future Stakeholder meetings.

Informational Section

Credit Subcommittee (CS)

Meeting materials will be posted to the [CS website](#).

Demand Response Subcommittee (DRS)

Meeting materials will be posted to the [DRS web site](#).

Intermittent Resources Subcommittee (IRS)

Meeting materials will be posted to the [IRS web site](#).

Net Energy Injections Quarterly Report

Materials are posted as informational only.

Interregional Coordination Update

Materials are posted as informational only.

Market Settlements Subcommittee (MSS)

Meeting materials are posted to the [MSS web site](#).

Report on Market Operations

The Report on Market Operations will be reviewed during the [MC Webinar](#).



Draft Minutes

PJM Manual 03 Attachment E Automatic Sectionalizing Schemes

Materials are posted as informational only.

Future Meeting Dates

September 11, 2019	9:00 a.m.	PJM Conference & Training Center/ WebEx
October 16, 2019	9:00 a.m.	PJM Conference & Training Center/ WebEx
November 13, 2019	9:00 a.m.	PJM Conference & Training Center/ WebEx
December 11, 2019	9:00 a.m.	PJM Conference & Training Center/ WebEx

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