

Market Implementation Committee  
PJM Conference & Training Center, Audubon, PA  
November 13, 2019  
9:00 a.m. – 4:00 p.m. EPT

## Administration

1. Ms. Bhavana Keshavamurthy will provide announcements; review the Antitrust, Code of Conduct, Public Meetings/Media Participation, the WebEx Participant Identification Requirement, and [Issue Tracking](#).

The Committee approved the draft minutes from the October 16, 2019 Market Implementation Committee meeting with **0 objections and 0 abstentions**.

## Endorsements/Approvals

2. **Manual 18 Revisions Related to the RPM Must-Offer Exception Process**  
Mr. Pat Bruno, PJM, reviewed conforming revisions to Manual 18: PJM Capacity Market related to the recent FERC Order (ER19-2417) on RPM must-offer exceptions and removal of Capacity Resource status.  
**The committee endorsed the manual revisions with 0 objections and 0 abstentions.**
3. **Manual 15 Revisions Related to VOM Compliance Filing**  
Mr. Thomas Hauske, PJM, reviewed conforming revisions to Manual 15: Cost Development Guidelines consistent with the May 10, 2019 VOM Compliance Filing that was recently accepted by FERC.  
**The committee endorsed the manual revisions with 0 objections and 0 abstentions.**

## First Readings

4. **Manual 27 Revisions Related to Annual Calculation of the Border Rate**  
Mr. Ray Fernandez, PJM, provided a first read on revisions to Manual 27: Open Access Transmission Tariff Accounting addressing the implementation of the annual calculation of the Border Rate and the impact on firm point-to-point transmission service charges.  
**The committee will be asked to endorse the manual revisions at the December MIC.**
5. **Fuel Cost Policy**  
Ms. Bhavana Keshavamurthy, PJM, provided a summary of four packages for the first read from the MIC Special Sessions: Fuel Cost Policy.
  - A. Mr. Joel Luna, Monitoring Analytics, presented the IMM proposal.
  - B. Ms. Adrien Ford, ODEC, presented the joint stakeholder proposal on behalf of the joint stakeholders. Mr. Steve Lieberman, AMP, stated his support for the joint stakeholder proposal.
  - C. Ms. Melissa Pilon, PJM, presented the PJM primary and the PJM alternate proposal.  
Ms. Pilon stated that based on stakeholder feedback, PJM proposed the PJM Alternate package which includes the same components as the Primary but in addition also includes the utilization of the impact factor in the calculation of the penalty.

The PJM Alternate package does not include the safe harbor provision due to PJM's concern that this may lead to less detailed policies and puts PJM in a discretionary position of determining if a scenario qualified for a safe harbor exclusion. Ms. Catherine Tyler, IMM, stated having a safe harbor exclusion would undermine the fuel cost policy development process.

Ms. Pilong also stated that PJM has a concern with the 90-day implementation timeline for the revocation component in the joint stakeholder package as it would allow an offer constructed under a policy flagged for revocation to continue to be submitted for 90 days. There was extensive stakeholder discussion on the revocation design component. Stakeholders expressed concern that requiring a unit to offer at zero when the policy is revoked by PJM was not reasonable and that having a pre-approved temporary fuel cost policy that the unit could use in case its fuel cost policy was revoked would provide the units with a method to recover some of the cost of offering the unit into the market. PJM stated they would look further into if a temporary fuel cost policy could be implemented.

**The committee will be asked to vote on the four proposals at the December MIC.**

[Issue Tracking: Fuel Cost Policy](#)

## Working Items

### 6. Stability Limits in Markets and Operations

- A. Mr. Keyur Patel, PJM, provided education on impact of clearing of virtual bids on units with stability limitations.
- B. Ms. Lisa Morelli, PJM, led a discussion to gather interests from the group. Mr. Mike Zhang, PJM reviewed the PJM interests and the status quo for the initial set of design components in the matrix. Stakeholders are requested to send additional interests and design components to Ms. Morelli or Ms. Keshavamurthy prior to the next meeting.

[Issue Tracking: Stability Limits in Markets and Operations](#)

### 7. Fuel Requirements for Black Start Resources

Ms. Janell Fabiano, PJM, provided a status update on the Fuel Requirements for Black Start Resources issue.

[Issue Tracking: Fuel Requirements for Black Start Resources](#)

## Additional Updates

### 8. Member Maintenance and Account Manager update

Ms. Amanda Egan, PJM, provided an update on the Membership Management Community, as well as provide information on Account Manager (CAM) roles, responsibilities and requirements and the provisioning of tool access.

## Informational Section

### Review of Operational Events

Materials were posted as informational only. This report was discussed during the Operating Committee (OC) meeting on November 12, 2019.

## **Q32019 Net Energy Injections Quarterly Report**

Materials are posted as informational only.

## **CP Unit Specific Parameter Update**

Materials are posted as informational only.

## **Interregional Coordination Update**

Materials are posted as informational only.

## **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](#).

## **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](#).

### **Future Meeting Dates**

December 11, 2019

9:00 a.m.

PJM Conference & Training Center/ WebEx

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Provide feedback on the progress of this group: [Facilitator Feedback Form](#)  
Visit [learn.pjm.com](http://learn.pjm.com), an easy-to-understand resource about the power industry and PJM's role.