Peak Market Activity Calculations

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Members Committee

- PJM calculates a Peak Market Activity credit requirement for each Participant. Each Participant must maintain sufficient credit to satisfy its Peak Market Activity.

- PMA is calculated using initial PMA or invoiced transaction amounts for three weeks on a rolling basis

- Federal, state or local law may transfer the responsibility to pay certain transaction charges from one party to another that would then shift the corresponding credit exposure to that other party.

- Today, the credit policy does not reflect or consider the change in credit exposure calculation for the responsible party based on this federal, state, or local law change

- Proposal of a Quick Fix* Problem Statement and Issue Charge to recognize the appropriate transfer of exposure based on state law for the calculation of PMA.

- Proposed solution: Change language in Tariff, Attachment Q regarding calculation of PMA to account for any shift in transaction charge and resulting credit responsibilities.

*As defined in PJM Manual 34 – Section 8.6.1

- April 15, 2020: MIC First Read of Issue Charge and Solution

- April 30, 2020: MRC First Read of Proposed Tariff Change

- May 13, 2020: MIC Endorsement of Issue Charge and Solution

- May 28, 2020: MRC Endorsement of Proposed Tariff Change

- June 18, 2020: MC Endorsement of Proposed Tariff Change