



# Market Efficiency Process Enhancement Task Force Final Proposal Report – Phase 2

April 1, 2019

## Issue Summary

PJM has conducted multiple ME cycles (2014/15 and 2016/17) since implementing Order 1000 processes. The mission of the Market Efficiency Process Enhancement Task Force is to discuss challenges and opportunities for improvements that have become evident as a result of these ME cycles.

### [Problem Statement & Issue Charge Charter](#)

Problem Statement/Issue Charge approved at Planning Committee on January 11, 2018

Number of Phase 1 meetings covering this topic: 10

Number of Phase 2 meetings covering this topic: 10

## 1. Task Force Non-binding Results

The MEPETF non-binding poll was open from Wednesday, February 13, 2019, at 9:00 AM EPT until Wednesday, February 20, 2019, at 5:00 PM EPT. The poll was centered on the design components from the two solution packages presented to the MEPETF.

Package A (PJM) provided proposed changes to the reevaluation of market efficiency projects, shifting the long-term window timing, and providing mid-window base case updates (based on a January-April window timing) to reduce the impacts of annual mid-cycle update. In Package A, the benefit-to-cost ratio passing threshold remains as the status quo.

Package B (Exelon) was the same as package A except for the handling of the benefit-to-cost ratio passing threshold. This package proposed calculating capacity and energy benefits separately.

Two additional questions were polled. The task force was polled on the creation of a new process to address historical congestion similar to the Interregional Targeted market Efficiency process. Additionally, due to the impending FERC filings with potential effects on the capacity market, the task force was asked when they wanted to address how capacity and energy benefits are used in the benefit-to-cost calculations.

### **February Polling Results:**

<b>Total Unique Responders</b>	<b>26</b>
<b>Total Companies</b>	<b>164</b>
<b>Voting Members</b>	<b>50</b>
<b>Affiliates</b>	<b>113</b>
<b>Ex Officio</b>	<b>1</b>

Question	Yes	No	Maybe	#	%
1. Can you support the Reevaluation component of Package A (PJM proposal)?	106	0	58	164	65%
2. Can you support the Long-term Window Timing component of Package A (PJM proposal)?	154	0	10	164	94%
3. Can you support the Market Efficiency Mid-Cycle Assumption and Model Update components of Package A (PJM proposal)?	152	3	9	164	93%
4. Can you support Package B (Exelon proposal)?	55	84	25	164	34%
5. Can you support addressing Historical Congestion through a new annual process that uses the same criteria and approach used in the current Interregional TMEP process?	72	59	33	164	44%
6. When do you prefer the MEPETF address the handling of capacity benefits in the Benefit-to-Cost calculation: Now or After PJM receives FERC rulings on the Capacity Market?	Now 86	After 78		164	52%

## Appendix I: Supplemental Documents

[MEPETF Current Problem Statement Matrix](#)

## Appendix II: Stakeholder Participation

Last Name	First Name	Company Name	Sector
Abing	Benjamin	ITC Transco	Not Applicable
Achaab	Edward Ed	AEP Energy Partners, Inc.	Other Supplier
Adams	Darrin	East Kentucky Power Cooperative, Inc.	Transmission Owner
Ali	Shadab	PPL Electric Utilities Corp. dba PPL Utilities	Transmission Owner
Allen	William Bill	Commonwealth Edison Company	Transmission Owner
Arsalan	Qamar	Public Service Electric & Gas Company	Transmission Owner
Bainbridge	Thomas	FirstEnergy Solutions Corp.	Transmission Owner
Barrett	Fran	PJM Interconnection, LLC	Not Applicable
Chmielewski	Brian	PJM Interconnection, LLC	Not Applicable
Corash	Richard	PSEG Energy Resources and Trade LLC	Transmission Owner
Dadourian	John	Monitoring Analytics, LLC	Not Applicable
Dolan	Ryan	American Municipal Power, Inc.	Electric Distributor
Dugan	Chuck	East Kentucky Power Cooperative, Inc.	Transmission Owner
Dumitriu	Nicolae	PJM Interconnection, LLC	Not Applicable
Feller	John	PPL Electric Utilities Corp. dba PPL Utilities	Transmission Owner
Filomena	Guy	Customized Energy Solutions, Ltd.	Not Applicable
Foladare	Kenneth	Tangibl	Not Applicable
Foley	Pauline	PJM Interconnection, LLC	Not Applicable
Ford	Adrien	Old Dominion Electric Cooperative	Electric Distributor
Gahimer	Mike	IN Office of Utility Consumer Counselor	End User Customer
Gilani	Rehan	ConEdison Energy, Inc.	Other Supplier



Glatz	Suzanne	PJM Interconnection, LLC	Not Applicable
Gobrecht	Wade	York Planning Commission	Not Applicable
Hastings	David	Market Interconnection LLC	Not Applicable
Heinle	Frederick	Office of the People's Counsel	End User Customer
Helms	Joseph	Rainbow Energy Marketing Corporation	Other Supplier
Hirsh	Chad	Duquesne Light Company	Transmission Owner
Hoatson	Tom	Riverside Generating, LLC	Other Supplier
Horger	Tim	PJM Interconnection, LLC	Not Applicable
Horning	Lynn	Customized Energy Solutions, Ltd.	Not Applicable
Horstmann	John	Dayton Power & Light Company (The)	Transmission Owner
Hyzinski	Tom	GT Power Group	Not Applicable
Jha	Monica	PCI	Not Applicable
Johnson	Carl	Customized Energy Solutions, Ltd.*	Not Applicable
Laios	Takis	Appalachian Power Company	Transmission Owner
LaVista	Bill William	PSEG Energy Resources and Trade, LLC	Transmission Owner
Lawson	Ryen	Dominion Virginia Power	Not Applicable
Loresch	Jonathan	American Transmission Systems, Inc.	Transmission Owner
Lyakhovich	Leonid	Public Service Electric & Gas Company	Transmission Owner
Mariam	Yohannes	Office of the Peoples Counsel for the District of Columbia	End User Customer
Mauroschadt	Erich	PJM Interconnection, LLC	Not Applicable
Mirhosseini	Niloufar	PJM Interconnection, LLC	Not Applicable
Nekolny	Christopher	Exelon Generation Co., LLC	Generation Owner
Sasser	Jonathan	Customized Energy Solutions, Ltd.*	Not Applicable
Scarpignato	David	Calpine Energy Services, L.P.	Generation Owner
Seiler	Ken	PJM Interconnection, LLC	Not Applicable
Shah	Pulin	PECO Energy Company	Transmission Owner
Shegarfi	Roozbeh	Exelon Energy Company	Transmission Owner
Shoemaker	Jason	PJM Interconnection, LLC	Not Applicable
Sock	Bryan	PSEG Energy Resources and Trade LLC	Transmission Owner
Stern	Alexander	Public Service Electric & Gas Company	Transmission Owner
Sweeney	Rory	GT Power Group	Not Applicable
Taylor	Robert	Exelon Business Services Company, LLC	Transmission Owner
Taylor	Miles	Northern Indiana Public Service Company	Other Supplier
Thomas	Jack	PJM Interconnection, LLC	Not Applicable
Thundiyl	Kevin	Exelon Energy Company	Transmission Owner
Weber	Adam	Union Electric Company d/b/a Ameren Missouri	Other Supplier
Whitehead	Jeffrey	GT Power Group	Not Applicable
Wicks	Tonja	Duquesne Light Company	Transmission Owner
Wisersky	Megan	Madison Gas & Electric Company	Other Supplier
Worcester	Alex	PJM Interconnection, LLC	Not Applicable
Zhang	Li Frank	Dominion Virginia Power	Not Applicable
Zweig	James	American Transmission Company, LLC	Transmission Owner

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