

Market Implementation Committee  
WebEx Only / Conference & Training Center  
July 13, 2022  
9:00 a.m. – 4:00 p.m. EPT

## Administration

Nicholas DiSciullo reviewed the Antitrust, Code of Conduct, Public Meetings/Media Participation and the WebEx Participant Identification Requirements.

The Committee approved the draft minutes from the June 8, 2022 Market Implementation Committee with **0 objections and 0 abstentions**.

1. Zeenath Fernandes provided an update on the retirement of Weak Encryption and its impact to Markets applications.

## Endorsements/Approvals

### 2. Variable Environmental Costs and Credits

- a) Melissa Pilog reviewed a proposal providing detailed guidance and updates to rules related to variable environmental charges and/or credits and their inclusion in cost-based energy offers.
- b) Joel Luna, IMM, provided education on the inclusion of Renewable Energy Certificates (RECs) and Production Tax Credits (PTCs) in cost-based offers.

**The committee endorsed the proposal with 180 (82%) in favor, 39 (18%) opposed, and 5 abstentions. A second vote showed stakeholders preferred the proposal over the status quo with 178 (85%) in favor, 32 (15%) opposed, and 21 abstentions.**

[Issue Tracking: Variable Environmental Costs and Credits](#)

### 3. Market Suspension

- a) Stefan Starkov reviewed the PJM/IMM Package addressing the treatment of long-term market suspensions.
- b) Sean Chang, Shell, provided details on a friendly amendment to the PJM/IMM Package to allow for the short-term suspension to use DA LMPs, if available, for suspensions lasting between 6 and 24 hours. The friendly amendment was accepted by PJM and the IMM, and the post-meeting version of the Matrix has been posted to the meeting materials.

**The committee endorsed the Revised PJM/IMM Package by acclamation with 0 objections and 0 abstentions, including revisions to the original short-term solution endorsed by the MIC and to the longer-term proposal over the original solution endorsed by the MIC.**

[Issue Tracking: Rules Related to Market Suspension](#)

### 4. Manual 6 Revisions

Emmy Messina reviewed revisions to Manual 6: Financial Transmission Rights as part of the periodic review and ARR FTR Market Task Force-based conforming changes (Docket No. ER22-797-000).

The committee endorsed the Manual 6 revisions by acclamation with 0 objections and 0 abstentions.

5. **Manual 18 Revisions: Hybrid Resources**

Andrew Levitt provided an update on the recent hybrids filing (Docket No. ER22-1420) and reviewed conforming revisions to Manual 18: PJM Capacity Market.

**The committee endorsed the Manual 18 revisions by acclamation with 0 objections and 15 abstentions.**

[Issue Tracking: Solar-Battery Hybrid Resources](#)

6. **Manual 28 Revisions: Start-Up Cost Offer Development**

Rebecca Stadelmeyer reviewed revisions to Manual 28: Operating Agreement Accounting to support the Startup Cost Offer Development proposal the committee approved at the April 2022 meeting.

**The committee endorsed the Manual 28 revisions by acclamation with 0 objections and 0 abstentions.**

[Issue Tracking: Start-Up Cost Offer Development](#)

7. **DR/PRD Compliance Construct for Weather Sensitive Load**

Sharon Midgley, Exelon, reviewed a Problem Statement and Issue Charge addressing the exploration of an alternative DR/PRD compliance construct for weather sensitive load.

**The committee approved the Issue Charge by acclamation with 22 objections and 0 abstentions.**

[Issue Tracking: DR/PRD Compliance Construct for Weather Sensitive Load](#)

## First Readings

8. **Day-ahead Zonal Load Bus Distribution Factors**

Amanda Martin provided education and a first read of a Problem Statement and Issue Charge addressing Day-ahead Zonal Load Bus Distribution Factors. The committee will be asked to approve the issue charge as part of the “CBIR Lite” process outlined in Section 8.6.2 of Manual 34 at its next meeting.

9. **Reserve Price Formation Manual Revisions**

a) Damon Fereshetian reviewed the Reserve Price Formation Manual revision schedule and the plan to update Manual 11: Energy & Ancillary Services Market Operations. A first read of conforming revisions to Manuals 11, 28 and 29 will be provided at the August MIC.

b) Ilyana Dropkin provided a first read of conforming revisions to Manual 15: Cost Development Guidelines to address the Reserve Price Formation implementation.

The committee will be asked to endorse the Manual 15 revisions at its next meeting.

[Issue Tracking: Energy Price Formation](#)

## Working Items

10. **Capacity Offer Opportunities for Generation with Co-Located Load**

a) Yuri Smolanitsky provided education on the impact of sudden loss of co-located load.

- b) Lisa Morelli facilitated a discussion to review solution options and initial packages for the Capacity Offer Opportunities for Generation with Co-Located Load matrix. The committee will continue working the Consensus Based Issue Resolution (CBIR) process by reviewing packages at its next meeting. Additional packages can be provided in advance of the next meeting, and well as specific requests for education.

[Issue Tracking: Capacity Offer Opportunities for Generation with Co-Located Load](#)

## 11. Operating Reserve Clarification for Resources Operating as Requested by PJM

Nick DiSciullo facilitated a discussion to review design components for the Operating Reserve Clarification for Resources Operating as Requested by PJM matrix. Lisa Morelli and Joel Luna, IMM, reviewed potential solution options for the Desired MW section of the matrix. Stakeholders are encouraged to provide additional design components and solution options in advance of the next meeting. The committee will continue working the Consensus Based Issue Resolution (CBIR) process on this issue at its next meeting.

[Issue Tracking: Operating Reserve Clarification for Resources Operating as Requested by PJM](#)

## 12. Quadrennial Review

- a) Rebecca Carroll reviewed the Work Plan. The results of the Quadrennial Review Poll will be presented during the July 18 MIC Special Session for the Quadrennial Review.
- b) Joe Bowring, IMM, reviewed the IMM's recommendations and presented an additional VRR curve sensitivity based on a participant request.

**The committee will be asked to vote on the packages in an offline format after the July 18 MIC Special Session for the Quadrennial Review. The vote will remain open until 5 pm Friday, July 22, 2022.**

[Issue Tracking: 2022 Quadrennial Review](#)

## 13. ARR/FTR Market Task Force

Dave Anders discussed the results of a recent poll on potential future activities of the task force as well as a potential path forward.

## 14. Cost Development Subcommittee Update

Nicole Scott provided an informational update on the work to be performed at the Cost Development Subcommittee.

## Informational Section

### Interregional Coordination Update

Materials are posted as informational only.

### Fast Start Pricing Monthly Metrics Update

Materials are posted as informational only.

### PJM Manual 03 Attachment E Automatic Sectionalizing Schemes

Materials are posted as informational only.

### Stability Limits in Markets and Operations

Materials are posted as informational only.

### ARR FTR Market Task Force (AFMTF)

Meeting materials are posted to the [AFMTF website](#).

### Reactive Power Compensation Task Force (RPCTF)

Meeting materials are posted to the [RPCTF website](#).

### Cost Development Subcommittee (CDS)

Meeting materials are posted to the [CDS website](#).

### Demand Response Subcommittee (DRS)

Meeting materials are posted to the [DRS website](#).

### DER & Inverter-based Resources Subcommittee (DIRS)

Meeting materials are posted to the [DIRS website](#).

### Market Settlements Subcommittee (MSS)


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

### OC/MIC Fuel Requirements for Black Start Resources

Meeting materials are posted to the [Operating Committee website](#).

### Report on Market Operations

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

Future Meeting Dates and Materials			Materials Due to Secretary 	Materials Published
Date	Time	Location	5 p.m.	4 p.m.
August 10	9 a.m.	WebEx / Conference & Training Center	July 29	August 3
September 7	9 a.m.	WebEx / Conference & Training Center	August 26	August 31
October 6	9 a.m.	WebEx / Conference & Training Center	September 26	September 29
November 2	9 a.m.	WebEx / Conference & Training Center	October 21	October 26
December 7	9 a.m.	WebEx / Conference & Training Center	November 23	November 30

Author: Nicholas DiSciullo

### In-Person Meeting Attendees

Names	Company Name	Sector
Morelli, Lisa (Chair)	PJM Interconnection, LLC	Not Applicable
DiSciullo, Nicholas (Secretary)	PJM Interconnection, LLC	Not Applicable



# Draft Meeting Minutes

## WebEx Meeting Attendees

**Names**

Baizman, Aaron

**Company Name**

PJM Interconnection, LLC

**Sector**

None



# Draft Meeting Minutes





# Draft Meeting Minutes





# Draft Meeting Minutes

## **Antitrust:**

You may not discuss any topics that violate, or that might appear to violate, the antitrust laws including but not limited to agreements between or among competitors regarding prices, bid and offer practices, availability of service, product design, terms of sale, division of markets, allocation of customers or any other activity that might unreasonably restrain competition. If any of these items are discussed the chair will re-direct the conversation. If the conversation still persists, parties will be asked to leave the meeting or the meeting will be adjourned.

## **Code of Conduct:**

As a mandatory condition of attendance at today's meeting, attendees agree to adhere to the PJM Code of Conduct as detailed in PJM Manual M-34 section 4.5, including, but not limited to, participants' responsibilities and rules regarding the dissemination of meeting discussion and materials.

## **Public Meetings/Media Participation:**

Unless otherwise noted, PJM stakeholder meetings are open to the public and to members of the media. Members of the media are asked to announce their attendance at all PJM stakeholder meetings at the beginning of the meeting or at the point they join a meeting already in progress. Members of the Media are reminded that speakers at PJM meetings cannot be quoted without explicit permission from the speaker. PJM Members are reminded that "detailed transcriptional meeting notes" and white board notes from "brainstorming sessions" shall not be disseminated. Stakeholders are also not allowed to create audio, video or online recordings of PJM meetings. PJM may create audio, video or online recordings of stakeholder meetings for internal and training purposes, and your participation at such meetings indicates your consent to the same.

## **Participant Identification in WebEx:**

When logging into the WebEx desktop client, please enter your real first and last name as well as a valid email address. Be sure to select the "call me" option. PJM support staff continuously monitors WebEx connections during stakeholder meetings. Anonymous users or those using false usernames or emails will be dropped from the teleconference.



During a Meeting	During an Acclamation Vote
<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> <p><b>*1</b></p> <p>To enter the question queue (does not work during a vote)</p> </div> <div style="text-align: center;"> <p><b>*2</b></p> <p>To be removed from the question queue</p> </div> </div> <div style="text-align: center; margin-top: 20px;"> <p><b>*0</b></p> <p>To signal for PJM support staff assistance</p> </div>	<p>Please log in to the voting application at <a href="https://voting.pjm.com">voting.pjm.com</a>, so that you can be registered as the active voter prior to the start of the meeting.</p> <div style="display: flex; justify-content: space-around; margin-top: 20px;"> <div style="text-align: center;"> <p><b>*7</b></p> <p>Yes</p> </div> <div style="text-align: center;"> <p><b>*8</b></p> <p>No</p> </div> </div> <div style="display: flex; justify-content: space-around; margin-top: 20px;"> <div style="text-align: center;"> <p><b>*9</b></p> <p>Abstain</p> </div> <div style="text-align: center;"> <p><b>*0</b></p> <p>To signal for PJM support staff assistance</p> </div> </div>
<p><b>Asking A Question</b></p> <ul style="list-style-type: none"> <li>Dialing *1 enters you into the question queue; the three dial tones are an auditory indication that you have successfully been placed in the queue.</li> <li>Questions are taken during the meeting when natural breaks occur and are asked in the order they are received.</li> </ul>	
<p><b>Linking Teleconference Connection to Webex</b></p> <p>When logging in to the meeting, access Webex first and select the "call me" feature to receive a direct call to your phone. Using this feature will connect your name to your Webex presence.</p>	
<p><b>Join a Meeting</b></p>	<ol style="list-style-type: none"> <li>Join meeting in the WebEx desktop client</li> <li>Enter name (<i>First and Last*</i>) and corporate email</li> <li>Call in to the operator-assisted number</li> </ol>

*\*Note: Anonymous users or those using false usernames or emails will be dropped from the teleconference.*

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 Visit [learn.pjm.com](https://learn.pjm.com), an easy-to-understand resource about the power industry and PJM's role.