

**Markets & Reliability Committee**  
**PJM Conference and Training Center / WebEx**  
**August 24, 2022**  
**9:00 a.m. – 12:55 p.m. EPT**

## Administration

Stu Bresler and David Anders welcomed stakeholders and provided the Anti-trust, Code of Conduct, and Meeting Participation announcements.

## Consent Agenda

Items A and B were **approved/endorsed** by acclamation with no objections and one abstention:

- A. Minutes of the July 27, 2022 meeting of the Markets and Reliability Committee (MRC).
- B. Proposed 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).

## Endorsements

### 1. Variable Environmental Costs and Credits

Melissa Pilog reviewed a proposed solution including corresponding revisions to Manual 15: Cost Development Guidelines and Operating Agreement Schedule 2 to provide detailed guidance and updates to rules related to variable environmental charges and/or credits and their inclusion in cost-based energy offers. Following discussion, the proposal was **endorsed** by acclamation with two objections and one abstention.

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

### 2. 2022 Quadrennial Review

Melissa Pilog reviewed the proposed Quadrennial Review packages. Following discussion, the committee voted on the proposals with results as follows:

- Package A – 2.583 in favor
- Package B – 1.133 in favor
- Package C – 1.079 in favor
- Package D – 2.047 in favor
- Prefer to retain the status quo and not recommend adoption of one of the four proposals – 0.778 in favor

Stu Bresler noted that the Members Committee will be asked to take an advisory vote on these proposals at its August 24, 2022 special meeting. The advisory vote will be provided to the PJM Board for its review and action in accordance with the Tariff.

[Issue Tracking: 2022 Quadrennial Review](#)

## First Readings

### 3. Bankruptcy Protections

Eric Scherling reviewed a solution package and corresponding Tariff revisions addressing bankruptcy protections. The committee will be asked to endorse the proposed solution and corresponding Tariff revisions at its next meeting.

[Issue Tracking: Bankruptcy Protections](#)

### 4. Market Seller Offer Cap

Dave Anders provided an update regarding Market Seller Offer Cap activities at the Resource Adequacy Senior Task Force (RASTF). Pat Bruno reviewed PJM's proposed solution as the Main Motion. Tom Hoatson, LS Power, reviewed a proposed Alternative Motion. The committee will be asked to endorse a proposed solution and corresponding Tariff revisions at its next meeting.

[Issue Tracking: Capacity Market Reform](#)

### 5. Reserve Price Formation Manual Revisions

A. David Kimmel reviewed proposed revisions to Manual 10: Pre-Scheduling Operations, Manual 12: Balancing Operations, and Manual 13: Emergency Operations to address the Reserve Price Formation implementation.

B. Ilyana Dropkin reviewed proposed revisions to Manual 15: Cost Development Guidelines to address the Reserve Price Formation implementation and to address changes resulting from the Manual's periodic review process.

C. Rebecca Stadelmeyer reviewed proposed revisions to Manual 27: Open Access Transmission Tariff Accounting, Manual 28: Operating Agreement Accounting, and Manual 29: Billing, and Damon Fereshetian and Michael Olaleye will provide a first read of conforming revisions to Manual 11: Energy & Ancillary Services Market Operations to address the Reserve Price Formation implementation.

The committee will be asked to endorse the proposed Manual revisions at its next meeting. Same day endorsement may be sought at the MRC and MC meetings for Manual 15 revisions.

[Issue Tracking: Energy Price Formation](#)

### 6. Manuals

A. Andrew Levitt reviewed conforming revisions to Manual 10: Pre-Scheduling Operations, Manual 14D: Generator Operational Requirements, and Manual 18: PJM Capacity Market to support the recent hybrid resources FERC filing (Docket No. ER22-1420). The committee will be asked to endorse the proposed Manual 10, 14D, and 18 revisions at its next meeting.

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

B. Theresa Easterly reviewed proposed revisions to Manual 18: PJM Capacity Market and Manual 18B: Energy Efficiency Measurement & Verification resulting from the periodic review process. The committee will be asked to endorse the proposed Manual 18 and 18B revisions at its next meeting.

- C. Vince Stefanowicz reviewed proposed revisions to Manual 14D: Generator Operational Requirements and Manual 13: Emergency Operation as associated with NERC standards EOP-011 – Emergency Preparedness and Operations, IRO-010 – Reliability Coordinator Data Specification and Collection, and TOP-003 – Operational Reliability Data. The committee will be asked to endorse the proposed Manual 13 and 14D revisions at its next meeting.

## Informational Update

### 7. GreenHat Default Update

Mark Stanisz provided an update on the August 19, 2022 FERC orders approving stipulations and consent agreements that resolve claims arising from the GreenHat FTR default (Docket No. IN18-9-000).

## Future Agenda Items

No new future agenda items were identified.

Future Meeting Dates and Materials			Materials Due to Secretary	Materials Published
Date	Time	Location		
<i>September 21, 2022</i>	9:00 a.m.	PJM Conference & Training Center and WebEx	September 9, 2022	September 14, 2022
<i>October 24, 2022</i>	1:00 p.m.	Hyatt Regency Chesapeake Bay Golf Resort, Spa and Marina in Cambridge, MD	October 12, 2022	October 17, 2022
<i>November 16, 2022</i>	9:00 a.m.	PJM Conference & Training Center and WebEx	November 4, 2022	November 9, 2022
<i>December 21, 2022</i>	9:00 a.m.	PJM Conference & Training Center and WebEx	December 9, 2022	December 14, 2022

Author: D. Anders