

FTR Portfolio Liquidation due to a Default Event

Includes Problem/Opportunity Statement

Issue Source

PJM

Stakeholder Group Assignment

Special Markets and Reliability Committee Sessions

Key Work Activities

The initiative is expected to:

1. Review existing FTR Liquidation provisions of the Tariff and Operating Agreement.
2. Review and discuss options to liquidate current planning year and long-term FTR positions in the portfolio of a member in default.
3. Review and discuss current waiver filed by PJM on July 26, 2018.
4. Discuss potential clarification to the \$10,000 cap on the per member portion of the Default Allocation Assessment to apply to an annual period or an individual default event, regardless of whether the timing of the billing of the Default Allocation Assessment bridges multiple calendar years.
5. Discuss potential associated changes to PJM Governing Documents and Manuals.

Expected Deliverables

As necessary, deliverables include the following:

1. Revisions to PJM Governing Documents and Manuals to implement the recommended enhancements.

Decision-Making Method

1. Conduct a non-binding poll prior to the September 27, 2018 Markets and Reliability Committee (MRC) meeting to narrow options for further consideration and to determine the voting order of proposals at the MRC meeting.
- ~~1.2.~~ Vote on packages, mutually non-exclusive of each other (non-truncated voting), at the September 27, 2018 Markets and Reliability Committee MRC meeting.
- ~~2.3.~~ Packages that receive greater than two-thirds support would be moved to a vote at the September 27, 2018 Members Committee (MC) meeting. The package receiving the highest sector vote of at least two-thirds at the September 27, 2018 MRC meeting will be the main motion for purposes of voting at this MC meeting.

Expected Duration of Work Timeline

The stakeholder effort should take 2 months. The start date will be August 2018. Priority level is High, Timing is Near Term, and Meeting Frequency is Semi-Monthly.



DRAFT Issue Charge

Start Date	Priority Level	Timing	Meeting Frequency
	<input type="checkbox"/> High <input type="checkbox"/> Medium <input type="checkbox"/> Low	<input type="checkbox"/> Immediate <input type="checkbox"/> Near Term <input type="checkbox"/> Far Term	<input type="checkbox"/> Weekly <input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly