

Market Implementation Committee  
WebEx / Conference & Training Center  
October 6, 2022  
9:00 a.m. – 4:00 p.m. EPT

## Administration (9:00 – 9:10)

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

The Committee approved the draft minutes from the September 7, 2022 Market Implementation Committee.

2. Amanda Martin reviewed the MIC Work Plan and MIC Charter. Stakeholders can offer feedback or revisions on the Work Plan or Charter via email.

## Endorsements/Approvals (9:10 – 9:40)

3. Operating Reserve Clarification for Resources Operating as Requested by PJM (9:10 – 9:25)  
Lisa Morelli reviewed a proposal to proceed with removal of the CT Rule in Manual 28: Operating Agreement Accounting.  
**The committee endorsed the proposal by acclamation with 0 objections and 2 abstentions.**  
[Issue Tracking: Operating Reserve Clarification for Resources Operating as Requested by PJM](#)
4. Critical Natural Gas Infrastructure – Demand Response Participation (9:25 – 9:40)  
Jack O’Neill reviewed manual revisions addressing prohibition of Critical Natural Gas Infrastructure load as a demand response resource. This proposal was developed at the Demand Response Subcommittee pursuant to recommendations included in the FERC/NERC report on the severe cold weather event in Texas and South Central US in February 2021.  
**The committee endorsed the proposal by acclamation with 0 objections and 1 abstention.**  
[Issue Tracking: Critical Gas Infrastructure – Demand Response Participation](#)

## First Readings (9:40 – 11:25)

5. Manual 27 Periodic Review (9:40 – 9:55)  
Rebecca Stadelmeyer reviewed revisions to Manual 27: Open Access Transmission Tariff Accounting as part of the periodic review. The committee will be asked to endorse the revisions at its next meeting.
6. Local Considerations in Net Cost of New Entry (CONE) (9:55 – 10:25)  
Gary Helm provided a first read of a Problem Statement and Issue Charge addressing how local considerations may affect the development of Net CONE. The committee will be asked to approve the issue charge at its next meeting.
7. Demand Response Subcommittee (DRS) and DER & Inverter-based Resources Subcommittee (DIRS) Consolidation (10:25 – 10:55)

Scott Baker and Pete Langbein reviewed a request to sunset the DIRS and DRS and consolidate the work of the two groups under a new MIC subcommittee. A first read of the new subcommittee draft charter will be provided. The committee will be asked to approve the new charter and approve the sunset of the DIRS and DRS at its next meeting.

8. Hybrid Resources Phase II (10:55 – 11:25)

Andrew Levitt provided a first read of the package detailing the Hybrid Resources Phase II solutions. The committee will be asked to endorse the package at its next meeting.

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

## Working Items (11:25 – 12:40)

9. Operating Reserve Clarification for Resources Operating as Requested by PJM (11:25 – 12:10)

Joel Luna, IMM, provided education surrounding the impact of negative day-ahead and real-time LMPs in the calculation of the balancing operating reserve credits.

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

10. Day-ahead Zonal Load Bus Distribution Factors (12:10 – 12:40)

Lisa Morelli facilitated a discussion to solicit design components, design component options and packages addressing Day-ahead Zonal Load Bus Distribution Factors. PJM presented their package for Day-ahead zonal load bus distribution factors. No additional proposals were offered. The PJM proposal will be presented as an official first reading at the next meeting.

[Issue Tracking: Day-ahead Zonal Load Bus Distribution Factors](#)

## Lunch (12:40 – 1:40)

## Additional Items (1:40 – 4:00)

11. Variable Operating & Maintenance Cost Development (1:40 – 1:55)

Roger Cao reviewed conforming revisions to Manual 15: Cost Development Guidelines and the Operating Agreement. The revisions reflect the PJM proposal on variable operating and maintenance costs that was developed through the Cost Development Subcommittee and endorsed at the August MIC.

[Issue Tracking: Variable Operating and Maintenance Cost](#)

12. Cost Development Subcommittee Update (1:55 – 2:00)

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

13. Default Cost of New Entry (CONE) and default Avoidable Cost Rate (ACR) Values Periodic Review (2:00 – 3:30)

- a. Skyler Marzewski presented an overview of the default CONE and default ACR values, the proposed approach for conducting the required periodic review of default CONE and default ACR values, and solicited input on the approach.

- b. Sam Newell, Brattle, provided a review of the default Avoidable Cost Rates (ACRs) and their approach to calculate the default ACRs. Stakeholders were encouraged to provide feedback on the proposed approach.

#### 14. Fuel Requirements for Black Start Resources (3:30 – 4:00)

Tom Hauske and Dave Kimmel reviewed revisions to Manual 27: Open Access Transmission Tariff Accounting, Manual 12: Balancing Operations, and Schedule 6A of the OATT for the Fuel Requirements for Black Start Resources. These revisions conform with the PJM/Brookfield/DCOPC proposal, which was endorsed with 76% support in the offline MIC/OC vote. The proposal and these revisions are scheduled for a vote at the October 24 MRC meeting.

[Issue Tracking: Fuel Requirements for Black Start Resources](#)

### Attendance

#### In Person:

Name	Company	Sector
Morelli, Lisa (Chair)	PJM Interconnection	None
Martin, Amanda (Secretary)	PJM Interconnection	None
Barker, Jason	Constellation Energy	Generation Owner
Benchek, James	American Transmission Systems, Inc.	Transmission Owner
Boyle, Glen	PJM Interconnection	None
Cao, Roger	PJM Interconnection	None
Carroll, Becky	PJM Interconnection	None
D'Antonio, Phil	PJM Interconnection	None
Egan, Amanda	PJM Interconnection	None
Fabiano, Janell	PJM Interconnection	None
Filomena, Guy	Customized Energy Solutions	None
Fuess, Christian	PBF Power Marketing, LLC	End-Use Customer
Greening, Michele	PJM Interconnection	None
Hauske, Tom	PJM Interconnection	None
Helm, Gary	PJM Interconnection	None
Keech, Adam	PJM Interconnection	None
Kim, Sung	PJM Interconnection	None
Kimmel, David	PJM Interconnection	None
Kogut, George	New York Power Authority	Other Supplier
Langbein, Pete	PJM Interconnection	None
LeithYessian, Devin	RTO Insider	None
Lu, Chenchao	PJM Interconnection	None
Marzewski, Skyler	PJM Interconnection	None
Militello, Nicole	PJM Interconnection	None
Muhl, Nancy	PJM Interconnection	None
Scarp, David	Calpine Energy Services, LLC	Generation Owner
Stadelmeyer, Rebecca	PJM Interconnection	None
Starkov, Stefan	PJM Interconnection	None
Terranova, Chris	PJM Interconnection	None

#### Teleconference:

Name	Company	Sector
Anders, David	PJM Interconnection, LLC	None
Backus, Rosco	Duke Energy Business Services LLC	Transmission Owner
Baizman, Aaron	PJM Interconnection, LLC	None
Baker, Scott	PJM Interconnection, LLC	None
Barker, Jason	Constellation Energy Generation, LLC	Generation Owner
Bennett, Daniel (Dan)	PJM Interconnection, LLC	None
Bleiweis, Bruce	DC Energy LLC	Other Supplier
Bowring, Joe	Monitoring Analytics, LLC	None
Boyle, Sean	Constellation Energy Generation, LLC	Generation Owner

Breidenbaugh, Aaron	Rodan Energy Solutions (USA) Inc.	Other Supplier
Bresler, Stu	PJM Interconnection, LLC	None
Bruno, Patrick	PJM Interconnection, LLC	None
Bryson, Michael (Mike)	PJM Interconnection, LLC	None
Callen, Zachary (Zac)	Illinois Commerce Commission	None
Cerchio, Gerard	Monitoring Analytics, LLC	None
Chang, Sean	Shell Energy North America (US), L.P.	Other Supplier
Christopher, Mahila	Public Utilities Commission of Ohio (The)	None
Ciabattoni, Joseph	PJM Interconnection, LLC	None
Corash, Richard (Rich)	PSEG Energy Resources & Trade LLC	Other Supplier
Croop, Danielle	PJM Interconnection, LLC	None
Cyocko, Stephany		
Davis, Becky	PJM Interconnection, LLC	None
Dorko, Keri	Monitoring Analytics, LLC	None
Drom, Richard (Rick)	Eckert Seamans	None
Dropkin, Ilyana	PJM Interconnection, LLC	None
Dugan, Chuck	East Kentucky Power Cooperative, Inc.	Transmission Owner
Elkins, Rachel	FirstEnergy Corporation	Transmission Owner
Esquivel, Manuel	Enel X North America, Inc.	Other Supplier
Everngam, Scott	The Federal Energy Regulatory Commission	None
Fink, Regan	Pine Gate Mid-Atlantic, LLC	Other Supplier
Fink, Sari	American Clean Power Association	None
Fishback, Luke	Affirmed Energy LLC	Other Supplier
Fitzpatrick, Brian	PJM Interconnection, LLC	None
Foladare, Kenneth (Ken)	Geenex Solar LLC	Other Supplier
Ford, Adrien	Old Dominion Electric Cooperative	Electric Distributor
Franks, Christine	PJM Interconnection, LLC	None
Gares, Eloisse		
Garnett, Bryan	Duke Energy Ohio, Inc.	Transmission Owner
Gates, Terry	AEP Appalachian Transmission Company, Inc.	Transmission Owner
Gilani, Rehan	ConEdison Energy, Inc.	Other Supplier
Gorman, Brad	FirstEnergy Corporation	Transmission Owner
Greene, Ben	AEP Appalachian Transmission Company, Inc.	Transmission Owner
Greig, Jason	DTE Energy Trading, Inc.	Other Supplier
Greiner, Gary	PSEG Energy Resources & Trade LLC	Other Supplier
Guntle, Vince	American PowerNet Management	End-Use Customer
Handlin, Michael	PJM Interconnection, LLC	None
Hatch, Kevin	PJM Interconnection, LLC	None
Herbert, Sebastian	DC Energy LLC	Other Supplier
Herrera, Maria	PJM Interconnection, LLC	None
Hicks, Colleen	PJM Interconnection, LLC	None
Hoatson, Thomas (Tom)	Riverside Generating, LLC	Generation Owner
Hohenshilt, Jennifer	Talen Energy Marketing, LLC	Generation Owner
Horning, Lynn Marie	American Municipal Power	Generation Owner
Hurwich, Mark	Elliott Bay Energy Trading, LLC	Other Supplier
Hyzinski, Tom	GT Power Group	None
Janicki, Diane	Boston Energy Trading & Marketing, LLC	Other Supplier
Jardot, Gina	Essential Power Rock Springs, LLC	Generation Owner
Jett, William (Bill)	Duke Energy Business Services LLC	Transmission Owner
Johnson, Carl	Customized Energy Solutions, Ltd.*	None
Johnston, David	Indiana Utility Regulatory Commission	None
Junge, Joshua	The Brattle Group	None
Kelly, Stephen	Brookfield Energy Marketing LP	Other Supplier
Kilgallen, Kevin	Avangrid Renewables LLC	Generation Owner
Kingston, Amber	North Carolina Electric Membership Corporation	Electric Distributor
Lai, Erin	PJM Interconnection, LLC	None
Lawton, Nick	Earthjustice	None
Lejcar, Jamie	Allegheny Electric Cooperative, Inc.	Electric Distributor
Levitt, Andrew	PJM Interconnection, LLC	None
Liang-Nicol, Cecilia	Monongahela Power Company d/b/a Allegheny Power	Transmission Owner
Lowenthal-Savy, Danielle	Monitoring Analytics, LLC	None
Luna, Joel	Monitoring Analytics, LLC	None

Mabry, David	McNees Wallace & Nurick LLC	None
Martin, Valerie	The Federal Energy Regulatory Commission	None
Mason, Gary	FirstEnergy Corporation	Transmission Owner
McLavery, Megan	PJM Interconnection, LLC	None
Midgley, Sharon	Exelon Business Services Company, LLC	Transmission Owner
Miller, John	Commonwealth Edison Company	Transmission Owner
Mooney, Jeff	Allegheny Power (MonPwr Gen)	Transmission Owner
Newell, Sam	The Brattle Group	None
Ondayko, Brock	AEP Appalachian Transmission Company, Inc.	Transmission Owner
O'Neill, Jack	PJM Interconnection, LLC	None
Patel, Keyurbhai (Keyur)	PJM Interconnection, LLC	None
Peoples, John	Duquesne Light Company	Transmission Owner
Phillips, Amanda	Wabash Valley Power Association, Inc.	Electric Distributor
Pilong, Melissa	PJM Interconnection, LLC	None
Pole, Sean		
Rahimi, Farrokh	OATI Energy Trading	None
Redwine, Arlo	The Federal Energy Regulatory Commission	None
Robinson, Becky	Vista Energy Marketing, L.P.	Other Supplier
Rohrbach, John	Southern Maryland Electric Cooperative, Inc.	Electric Distributor
Rutledge, Craig	AEP Appalachian Transmission Company, Inc.	Transmission Owner
Salanek, Alexandra	Monitoring Analytics, LLC	None
Sasser, Jonathan	Customized Energy Solutions, Ltd.*	None
Scheidecker, Paul	Monitoring Analytics, LLC	None
Schisler, Ken	Cpower Holdings, LLC	Other Supplier
Schroeder, Connie	Virginia Electric & Power Company	Transmission Owner
Schweizer, David	PJM Interconnection, LLC	None
Scott, Nicole	PJM Interconnection, LLC	None
Shah, Vijay	PJM Interconnection, LLC	None
Shanker, Roy	H.Q. Energy Services (U.S.), Inc.	Other Supplier
Sotkiewicz, Paul	E-Cubed Policy Associates	None
Souder, Michelle	PJM Interconnection, LLC	None
Stone, Andy	PJM Interconnection, LLC	None
Sturgeon, John	Duke Energy Carolinas, LLC	Other Supplier
Svenson, Heather	Public Service Electric & Gas Company	Transmission Owner
Swalwell, Brad	Tangent Energy Solutions, Inc.	Other Supplier
Sweeney, Rory	GT Power Group	None
Terranova, Chris	PJM Interconnection, LLC	None
Thompson, Andrew Thompson	The Brattle Group	None
Tubridy, Meg	Rockland Electric	Transmission Owner
Vayda, Brian	Borough of Park Ridge, NJ	Electric Distributor
Walcavich, Colin	Green River Holdings, LLC	None
Wehnes, Kathleen	Maryland Public Service Commission	None
Whitehead, Jeffrey (Jeff)	GT Power Group	None
Wilson, James	Wilson Energy Economics	None
Yasutake, Sarah		
Yovanovich, Laura	PJM Interconnection, LLC	None

## Informational Section

### Manual 3 Updates

Periodic review updates to Manual 3: Transmission Operations are posted as informational only with meeting materials

### Fast Start Pricing Monthly Metrics Update

Fast Start Pricing Metrics will no longer be provided with MIC materials since it has been one year since implementation. Metrics can be found in the IMM Report on the [MC Webinar](#) page.

### Interregional Coordination Update

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](#).

Regulation Market Design Senior Task Force (RMDSTF)

Meeting materials are posted to the [RMDSTF 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.
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: Amanda Martin

**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:**



# Draft Minutes

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:**

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