

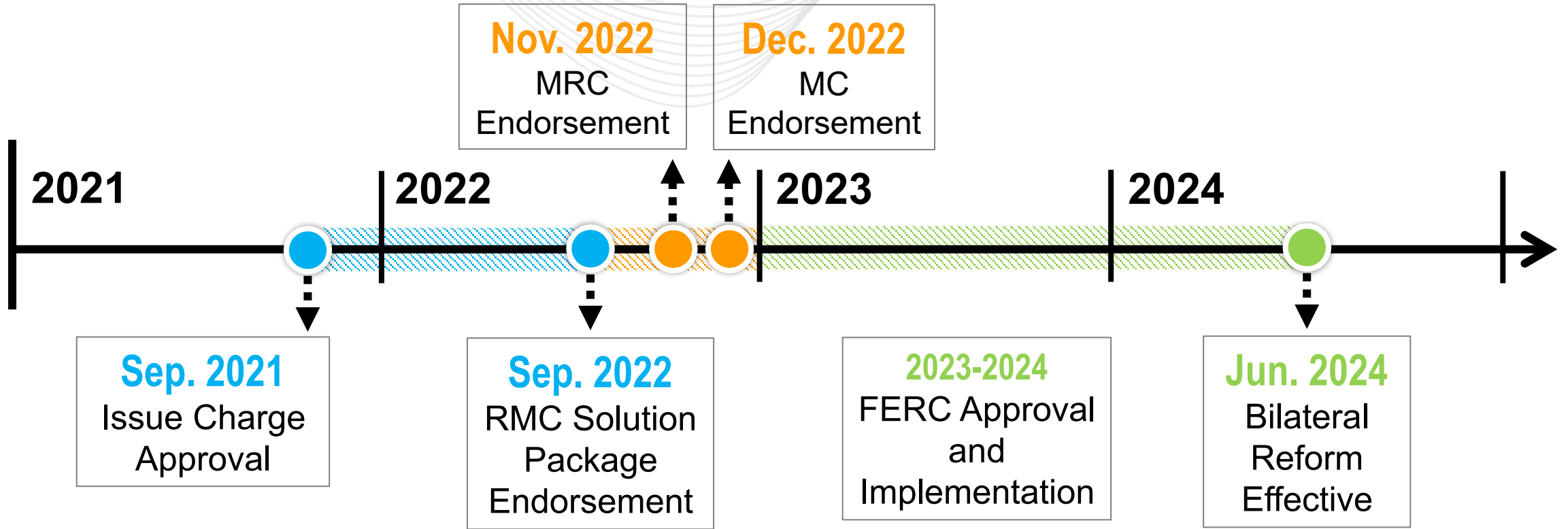
FTR Bilateral Agreement Reform

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MC Webinar
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Action Required	Deadline	Who May Be Affected
FTR Center Bilateral Changes - Prod	6/30/2024	FTR Bilateral Traders



- On April 15, 2024, FERC approved PJM's Docket No. [ER24-374-001](#) regarding conducting better market surveillance of the FTR market by standardizing and improving the quality of the FTR bilateral data.
- On May 13, 2024, in Docket No. [ER24-374-002](#), PJM submitted a compliance filing pursuant to FERC's order accepting PJM's revisions to address reforms to the Bilateral Sale of Financial Transmission Rights, including enhanced reporting of FTR bilateral transactions to promote increased transparency, accuracy and timeliness of reporting.
- The revisions in the compliance filing become effective as of June 30, 2024.



[Associated Stakeholder Process Materials](#)

● RMC ● MRC/MC ● Implementation

- [FTR Bilateral Reform](#) solutions developed through the Risk Management Committee in the 2021-2022 timeframe.
- [Final package](#) brought forth to the MRC in November 2022 was approved by stakeholders.
- Tariff/OA language approved at the December 2022 MC.

FTR Bilateral Changes Will Become Effective 6/30/2024

- Requiring the seller under a FTR bilateral agreement to confirm to PJM that it retains no continuing or lingering interest in the underlying FTR being sold.
- Requiring that certain Primary Economic Terms (PET) of the FTR bilateral agreement and the related underlying FTR be reported to PJM by the buyer.
- Establishing a 48-hour time period, following execution of the FTR bilateral agreement, for the buyer to report such terms to PJM.
- Requiring the buyer under the FTR bilateral agreement to submit the document evidencing the FTR bilateral agreement to PJM.

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<ul style="list-style-type: none">• After 6/30/2024, FTR bilateral traders are required to submit a bilateral agreement confirming FTR trades*.	<ul style="list-style-type: none">• Best time for FTR bilateral agreements is outside any FTR auction window.	<ul style="list-style-type: none">• If any FTR effective next month is included in the bilateral trading, then it is advisable to start the trading process as early as possible.

*For more details see slides posted on Tech Change Forum:

- [FTR Bilateral Reform Changes, May 14, 2024](#)
- [FTR Bilateral Reform Changes, April 16, 2024](#)

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