Market Implementation Committee

WebEx / Conference & Training Center

February 8, 2023

9:00 a.m. – 4:00 p.m. EPT

Administration (9:00 – 9:10)

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

The Committee will be asked to approve the draft minutes from the January 11, 2022 Market Implementation Committee.

The Committee will be asked to approve the draft minutes from the January 13, 2022 Special Session on the Periodic Review of Default CONE and ACR Values.

Endorsements/Approvals (9:10 – 10:15)

1. Manual 27 Revisions: Schedule 9 - PJM Settlement (9:10 – 9:30)

Sean Flamm will review revisions to the allocation methodology for Schedule 9: PJM Settlement charges in Manual 27: Open Access Transmission Tariff Accounting.  These revisions conform with the settlement agreement approved by the FERC in docket ER22-26 in November 2022.

**The committee will be asked to endorse the revisions at this meeting.**

1. Performance Impact of Multi-schedule Model in MCE on ECC Model Implementation (9:30 – 10:15)
   1. Keyur Patel will review the PJM whitepaper, Problem Statement and revised Issue Charge to address the performance impact of a multi-schedule model in the Market Clearing Engine (MCE) of the Enhanced Combined Cycle (ECC) and Energy Storage Resource (ESR) models as part of the Next Generation Energy Markets (nGEM) project.
   2. Catherine Tyler, IMM, will provide comments on the PJM whitepaper and review an alternate Issue Charge addressing this issue.

**The committee will be asked to vote on the Issue Charges at this meeting.**

First Reads (10:15 – 11:20)

1. Manual 11 Periodic Review (10:15 – 10:35)

Joey Tutino will review revisions to Manual 11: Energy & Ancillary Services Market Operations as part of the periodic review.

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

1. Periodic Review of Default CONE and ACR Values (10:35 – 11:20)

Skyler Marzewski will review background information and provide a first read of Tariff revisions corresponding to the Periodic Review of Default CONE and ACR Values discussed in the MIC Special Sessions.

The committee will be asked to provide an advisory vote on the revisions at its next meeting.

[Issue Tracking: Periodic Review of Default CONE and ACR Values](https://pjm.com/committees-and-groups/issue-tracking/issue-tracking-details-non-stakeholder.aspx?Issue=b6b6d6e0-9d72-45f9-a9fd-ab59c275ecd1)

Additional Items (11:20 – 11:55)

1. Performance Assessment Interval (PAI) Billing Timeline (11:20 – 11:35)

Lisa Drauschak will review the proposed timeline for billing the PAI non-performance penalty charges and bonus credits, as filed with FERC on February 2, 2023.

[Issue Tracking: Winter Storm Elliot](https://pjm.com/committees-and-groups/issue-tracking/issue-tracking-details-non-stakeholder.aspx?Issue=741d6357-6641-4749-b5a0-bd05bea612c5)

1. Performance Assessment Interval (PAI) Unit Specific Request Process (11:35 – 11:55)

Melissa Pilong will review the process for members to submit inquiries regarding their unit-specific preliminary performance assessment data.

[Issue Tracking: Winter Storm Elliot](https://pjm.com/committees-and-groups/issue-tracking/issue-tracking-details-non-stakeholder.aspx?Issue=741d6357-6641-4749-b5a0-bd05bea612c5)

Lunch (11:55 – 12:40)

Working Items (12:40 – 2:10)

1. Local Considerations in Net Cost of New Entry (CONE) (12:40 – 1:10)

Foluso Afelumo will lead a discussion to solicit interests and design components as part of the Consensus-Based Issue Resolution Process (CBIR).

[Issue Tracking: Local Considerations in Net Cost of New Entry](https://pjm.com/committees-and-groups/issue-tracking/issue-tracking-details.aspx?Issue=7e4d5cb0-8418-4117-b6e0-1e20f48aa7b0)

1. Capacity Offer Opportunities for Generation with Co-located Load (1:10 – 2:10)
   1. Lisa Morelli will provide a status update on the Capacity Offer Opportunities for Generation with Co-located Load issue.
   2. Tim Horger will present PJM’s package.

[Issue Tracking: Capacity Offer Opportunities for Generation with Co-located Load](https://pjm.com/committees-and-groups/issue-tracking/issue-tracking-details.aspx?Issue=6897c7e7-d8b7-438e-9e3f-b6099f9dd7ec)

Additional Items (2:10 – 4:00)

1. 2023/2024 ARR/FTR Update (2:10 – 2:25)

Xu Xu will provide an update on the Annual ARR/FTR model preparation and upcoming ARR changes for the 2023/2024 planning year.

1. Cost Development Subcommittee Update (2:25 – 2:30)

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

1. Synchronized Reserve Market Performance (2:30 – 2:50)

Dave Kimmel and Michael Olaleye will present on recent Synchronized Reserve Performance statistics and reserve calculations.

1. Performance Assessment Interval (PAI) Unit Specific Request Process (2:15 – 2:35)

Melissa Pilong will review the process for members to submit inquiries regarding their unit-specific preliminary performance assessment data.

[Issue Tracking: Winter Storm Elliot](https://pjm.com/committees-and-groups/issue-tracking/issue-tracking-details-non-stakeholder.aspx?Issue=741d6357-6641-4749-b5a0-bd05bea612c5)

1. Performance Assessment Interval (PAI) Billing Timeline (2:35 – 2:50)

PJM will review the proposed timeline for billing the PAI non-performance penalty charges and bonus credits, as filed with FERC on February 2, 2023.

[Issue Tracking: Winter Storm Elliot](https://pjm.com/committees-and-groups/issue-tracking/issue-tracking-details-non-stakeholder.aspx?Issue=741d6357-6641-4749-b5a0-bd05bea612c5)

1. Market Seller Offer Cap (MSOC) Discussion (2:50 – 4:00)
   1. Dave Anders will discuss options for how to pursue potential MSOC rule changes.
   2. Foluso Afelumo will lead a discussion on the options presented and next steps.

[Issue Tracking: Winter Storm Elliot](https://pjm.com/committees-and-groups/issue-tracking/issue-tracking-details-non-stakeholder.aspx?Issue=741d6357-6641-4749-b5a0-bd05bea612c5)

[Issue Tracking: Capacity Market Reform](https://pjm.com/committees-and-groups/issue-tracking/issue-tracking-details.aspx?Issue=d0505dad-6dca-43b3-9334-bd8aba2a16e9)

Informational Section

Reserve Price Formation Update

Materials are posted as informational only.

Interregional Coordination Update

Materials are posted as informational only.

Unit Specific Parameter Adjustment Process

Materials are posted as informational only.

Fast-Start Unit Request Process

Materials are posted as informational only.

Stability Limits in Markets and Operations

Materials are posted as informational only.

PJM Net Energy Injections Quarterly Review

Materials are posted as informational only.

ARR FTR Market Task Force (AFMTF)   
Meeting materials are posted to the [AFMTF website](https://www.pjm.com/committees-and-groups/task-forces/afmtf).

Regulation Market Design Senior Task Force (RMDSTF)

Meeting materials are posted to the [RMDSTF website](https://www.pjm.com/committees-and-groups/task-forces/rmdstf).

Reactive Power Compensation Task Force (RPCTF)   
Meeting materials are posted to the [RPCTF website.](https://www.pjm.com/committees-and-groups/task-forces/rpctf)

Cost Development Subcommittee (CDS)   
Meeting materials are posted to the [CDS website](https://www.pjm.com/committees-and-groups/subcommittees/cds).

Distributed Resources Subcommittee (DISRS)

Meeting materials are posted to the [DISRS website.](https://pjm.com/committees-and-groups/subcommittees/disrs)

Market Settlements Subcommittee (MSS)

Meeting materials are posted to the [MSS website](http://www.pjm.com/committees-and-groups/subcommittees/mss.aspx).

Report on Market Operations

The Report on Market Operations will be reviewed during the [MC Webinar](http://www.pjm.com/committees-and-groups/committees/mc.aspx).

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| **Future Meeting Dates and Materials** | | | **Materials Due  to Secretary** | **Materials Published** |
| Date | Time | Location | 5 p.m. | 4 p.m. |
| March 8 | 9 a.m. | WebEx / Conference & Training Center | February 24 | March 1 |
| April 12 | 9 a.m. | WebEx / Conference & Training Center | March 31 | April 5 |
| May 10 | 9 a.m. | WebEx / Conference & Training Center | April 28 | May 3 |
| June 7 | 9 a.m. | WebEx / Conference & Training Center | May 26 | May 31 |
| July 12 | 9 a.m. | WebEx / Conference & Training Center | June 29 | July 5 |
| August 9 | 9 a.m. | WebEx / Conference & Training Center | July 28 | August 2 |
| September 6 | 9 a.m. | WebEx / Conference & Training Center | August 25 | August 30 |
| October 4 | 9 a.m. | WebEx / Conference & Training Center | September 22 | September 27 |
| November 1 | 9 a.m. | WebEx / Conference & Training Center | October 20 | October 25 |
| December 6 | 9 a.m. | WebEx / Conference & Training Center | November 22 | November 29 |

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:

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.





Provide feedback on the progress of this group: [*Facilitator Feedback Form*](https://www.pjm.com/committees-and-groups/committees/form-facilitator-feedback.aspx)   
Visit [*learn.pjm.com*](https://learn.pjm.com/), an easy-to-understand resource about the power industry and PJM’s role.