

## 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. Vote on packages, mutually non-exclusive of each other, at the September 27, 2018 Markets and Reliability Committee meeting.
2. Packages that receive greater than two-thirds support would be moved to a vote at the September 27, 2018 Members Committee 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.

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