



PMA Exclusions

Market Implementation Committee

September 3, 2014

Harold Loomis

- The Peak Market Activity (PMA) credit requirement is used to establish a baseline credit requirement for each member, using historical activity as a guide
- FTR billed activity is currently removed from the PMA
 - FTRs are financial instruments with their own credit requirement and screening system
- Virtual Transactions (INC/DEC/Up-to transactions) are also financial instruments with their own bid screening system
- This proposal would exclude from PMA the spot market energy, transmission congestion and transmission loss charges (and negative charges) that result from Virtual Transactions
 - Deviation charges, fees and other line items will not be excluded

- PJM has identified that screened export transactions are also appropriate to exclude from PMA
- The Credit Subcommittee had unanimously endorsed the original proposal to remove Virtual Transactions activity from PMA
- The Credit Subcommittee, at its August 26 meeting, endorsed a friendly amendment to add an Export Transaction exclusion to the original proposal
- PJM is requesting MIC endorsement of the amended proposal