



Market Implementation Committee Report
PJM Interconnection
Operating Committee / Markets and Reliability Committee / Members Committee
PJM Conference & Training Center
Norristown, PA
January 2014

The Market Implementation Committee met on January 8 at the PJM Conference and Training Center in Norristown, PA. The following topics were discussed at the meeting:

- A) Financial and Node Limitation on Up-To Congestion Transactions problem statement
Ms. Noha Sidhom, Inertia Power LP, presented an issue charge regarding limitations on up-to congestion transactions. **The committee endorsed the issue charge with 84 in favor, 36 against and 58 abstentions (70% approval).**
- B) Emergency Annual Demand Response Maintenance Outage Reporting Process issue charge
Mr. Pete Langbein, PJM, requested approval for the Demand Response Subcommittee to work on a clarification of the business rules that conform with the Tariff to implement a process for Curtailment Service Providers reported Annual Demand Response Maintenance outages. **The committee endorsed the issue charge by acclamation with 4 abstentions and 0 objections.**
- C) Proposed Demand Response Product Substitution clarification
Mr. Pete Langbein presented a first read of proposed Manual language changes to clarify Tariff provisions that allow demand response capacity product substitution during a product specific emergency demand response dispatch. **The committee endorsed the manual language with 16 abstentions and 0 objections.**

Other Topics

- D) Gas-Electric Coordination Update
Mr. Gary Helm, PJM, presented an update on gas-electric coordination related to the cold weather in January and FERC Order 787. PJM filed two temporary waivers one January 4 – January 10 and another for a longer period, January 11 – March 31, to allow PJM to communicate non-public operational information with interstate gas pipelines. These waivers are to bridge the gap until a more permanent solution is in place.
- E) Cold Weather Update
Mr. Adam Keech, PJM, presented a cold weather update for January 7, 2014.
- F) Generator Seasonal Verification Tests
This item was delayed until February.
- G) Economic Demand Response Settlements in Energy Market for Normal Operations
Mr. Pete Langbein presented a first read of proposed Manual language changes from the Demand Response Subcommittee to clarify Tariff provisions regarding Economic Demand Response settlements in energy market for load reductions that occur as part of normal operations. The committee will be asked to endorse the Manual language at the February meeting.



- H) Calculation of IARRs for RTEP Upgrades
Mr. Tim Horger, PJM, presented information of calculation of Incremental Auction Revenue Rights (IARR) for Regional Transmission Expansion Planning (RTEP) upgrades.
- I) Price Setting Changes
Mr. Adam Keech, PJM, presented possible price setting changes being discussed at the Energy Market Uplift Senior Task Force and an update on reactive charges
- J) Technical Analysis of the September 2013 Heat wave
Mr. Adam Keech and Mr. Joe Callis, PJM, reviewed the report issued December 23, 2013 analyzing operations and markets during the September 2013 Heat Wave and answered stakeholder questions. The report included 22 recommendations for PJM and PJM members.
- K) BGE SPS Removal
For informational purposes the Removal of Brandon Shores – Riverside Special Protection Scheme in the BGE zone has been posted.
- L) Interregional Coordination
For informational purposes an update on interregional coordination efforts was posted.
- M) Draft PJM/MISO Biennial JOA Review
For informational purposes the draft PJM/MISO Biennial JOA Review has been posted.

The next MIC meeting is scheduled for **Wednesday, February 5, 2014** at the PJM Conference and Training Center.