



Rules Related to Market Suspension Settlements

Problem / Opportunity Statement

In the event of a Market Suspension [FRJ1] for which market results and clearing prices cannot be determined, there are currently limited business rules ~~on~~ regarding how to handle settlements and other PJM processes. For example, business rules indicate that if the day-ahead energy market is unable to be cleared by 11:59 on the day before the affected operating day due to extraordinary circumstances, then no settlements are made in the day-ahead market and all settlements will be based on real-time quantities and prices. However there are no business rules that indicate how settlements would occur if the real-time quantities and prices cannot be determined. Additionally there may be insufficient business rules associated with impacts to other areas of settlements and other PJM processes as the result of a market suspension. These se limited business rules create an increased risk to PJM and stakeholders.

PJM does not anticipate market suspension events to occur and has never had a situation where there were no market results and clearing prices. However, PJM and ~~the~~ stakeholders should ~~to~~ be prepared with clear business rules in the event that the PJM markets cannot clear and produce market results.