






FTR Bilateral Agreement Reform

As of May 14, 2024

Action Required	Deadline	Who May Be Affected
FTR Center Bilateral Changes - Train	4/30/2024	FTR Bilateral Traders
FTR Center Bilateral Changes - Prod	6/30/2024	FTR Bilateral Traders
		

Bilateral Changes (Train 4/30/2024)

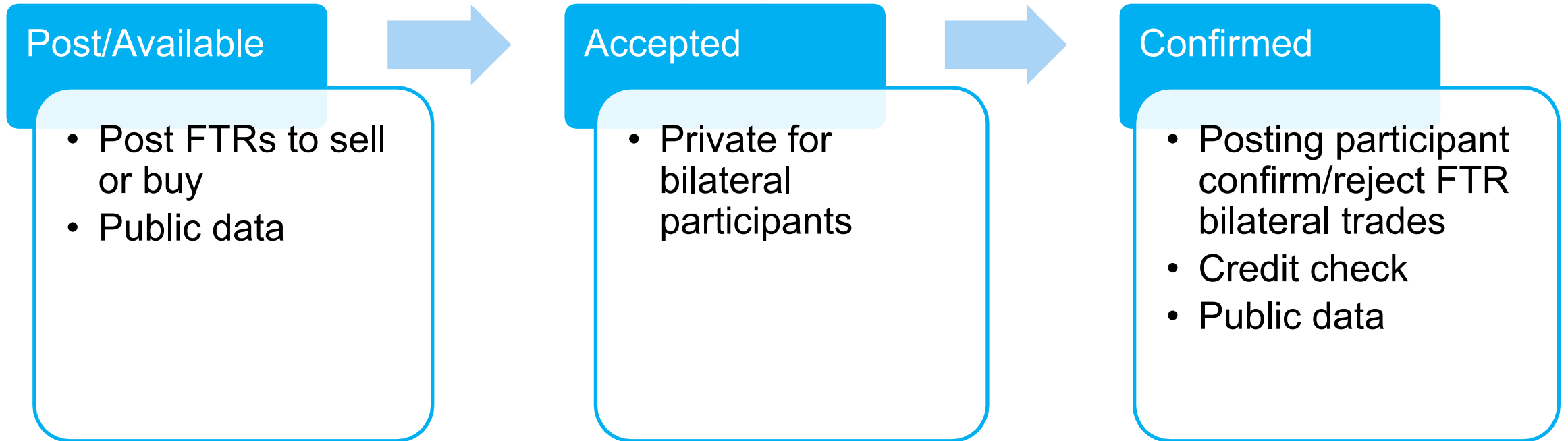
- FTR bilateral traders can test by submitting a bilateral agreement
 - Test between two accounts if data are available in the Train
 - Ask FTR group to coordinate on testing if data are not available in the Train environment

Bilateral Changes (Prod 6/30/2024)

- FTR bilateral traders are required to submit a bilateral agreement for FTR trades confirming after 6/30/2024
- Be prepared for the longer processing of FTR bilateral trading

- Requiring the seller under a FTR bilateral agreement to confirm to PJM that it retains no continuing or lingering interest in the underlying FTR being sold.
- Requiring that certain primary economic terms of the FTR bilateral agreement and the related underlying FTR be reported to PJM by the buyer.
- Establishing a 48-hour time period, following execution of the FTR bilateral agreement, for the buyer to report such terms to PJM.
- Requiring the buyer under the FTR bilateral agreement to submit the document evidencing the FTR bilateral agreement to PJM.

https://elibrary.ferc.gov/eLibrary/filelist?accession_num=20240415-3060



New Bilateral Trading Process

Post

- Sell or buy
- Public
- Require to fill in 'Price*'

*The price (\$/MW) field should be completed with the actual price or prices paid under the FTR bilateral agreement.

Accepted

- Private for bilateral participants

Pre-Confirmed

- Posting participant confirm/reject
- Credit Check

Members enter bilateral trades as the current method and process

New Steps

Submit Agreement

- New page under 'Trading' to list all FTR bilateral trades which need the agreements
- Only Accepting participants to create/modify the bundle of FTR trades and submit the agreements
- Private

PJM Check

- PJM will check the agreements
- Credit check
- Communicate with the bilateral participants if need

Final Confirm

- Bilateral FTR data become public after PJM's approval
- All FTR bilateral trades are still shown in the 'Confirmed' page

- Outside any auction window
- If any FTR effective next month is included in the bilateral trading, please start the trading process as early as possible.

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Contact FTR Group for the technical questions about FTR Center and the bilateral process

TradeRiskandAnalytics@pjm.com

Contact Trade Risk and Analytics group for the business rules and the bilateral agreement related questions.

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FTR Center



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**PROTECT THE
POWER GRID
THINK BEFORE
YOU CLICK!**



Be alert to
malicious
phishing emails.

Report suspicious email activity to PJM.
(610) 666-2244 / it_ops_ctr_shift@pjm.com





Appendix Product Details

FTR Bilateral Transactions Review and Reporting Requirements were discussed in Risk Management Committee

[FTR Bilateral Review and Reporting Summary - Presentation](#)

[Issue Tracking: FTR Bilateral Review and Reporting Requirements](#)

Step 1: Post FTR Bilateral Trades

- Set the Start Day and End Day
- “Price”(\$/MW) should be completed with the actual price or prices paid under the FTR bilateral agreement.
- Submit existing FTRs to the secondary trading bulletin board service through either FTR center web page or XML query (examples shown in the next slide)
- FTRs cannot be reconfigured in the secondary market.
- An FTR can be split into multiple FTRs on the same path with different MW amounts and different start and end dates from the original FTR.

Step 1: Examples

- Submit a bilateral FTR through FTR Center website
- Submit a bilateral FTR through XML query

Start Day End Day Refresh Save

Post Available Accepted Agreement Confirmed Activity Log

5/1/2024>>5/31/2024 Note: The 'Price (\$/MW)' should be completed with the actual price or prices paid under the FTR bilateral agreement. Row Count

<input type="checkbox"/>	ID	Source	Sink	Start	End	Market	Class	Hedge
<input type="checkbox"/>	177320745	METED	ASCO	5/1/2024	5/31/2024	21/24 Long Term Auction (1) YR3	24H	Obligation
<input type="checkbox"/>	177320754	METED	ASCO	5/1/2024	5/31/2024	21/24 Long Term Auction (2) YR3	24H	Obligation
<input type="checkbox"/>	177320761	METED	ASCO	5/1/2024	5/31/2024	21/24 Long Term Auction (1) YR3	24H	Obligation
<input type="checkbox"/>	177320770	METED	BUCKLE	5/1/2024	5/31/2024	21/24 Long Term Auction (3) YR3	OnPeak	Obligation

```

<env:Envelope xmlns:env="http://schemas.xmlsoap.org/soap/envelope/">
<env:Header/> <env:Body> <SubmitRequest xmlns="http://eftr.pjm.com/ftr/xml">
<TradingPost>
  <FTR trade="Sell" market="21/24 Long Term Auction" round="5" >
    <Interval start="2024-05-01" end="2024-05-31"/> <Path source="METED" sink="MISO10RM422 (G2) G2" />
    <Class>DailyOnPeak</Class> <Period>YR3</Period> <Hedge>Obligation</Hedge> <MW>1</MW>
    <Price>000</Price> <BundlePriceType>PERPATH</BundlePriceType>
  </FTR>
</TradingPost>
</SubmitRequest>
</env:Body> </env:Envelope>

```

Step 2: Accept FTR Bilateral Trades

- Go to the Trading button
- Select the Available tab
- Select Start day and End Day
- Click to highlight the bilateral trade to be accepted
- Select the Save button

Step 2: Examples

- Accept a bilateral FTR through FTR Center website
- Accept a bilateral FTR through XML query

Start Day End Day Refresh Save

Post Available Accepted Agreement Confirmed Activity Log

5/1/2024>>5/31/2024 Note: The 'Price (\$/MW)' should be completed with the actual price or prices paid under the FTR bilateral agreement. Row Count: 7

<input type="checkbox"/>	Action	ID	Posted By	Source	Sink	Start	End	Clearing Price (\$/MW-Period)	Class	Hedge	Trade	MW	Price
<input checked="" type="checkbox"/>	Accept	177329743	DM	NETED	ACCO	5/1/2024	5/31/2024	0.40	24H	Obligation	Sell	0.5	500.00
<input checked="" type="checkbox"/>	Accept	177329701	DM	NETED	ACCO	5/1/2024	5/31/2024	0.91	24H	Obligation	Sell	0.8	500.00
<input checked="" type="checkbox"/>	Accept	177329701	DM	NETED	ACCO	5/1/2024	5/31/2024	0.40	24H	Obligation	Sell	0.3	500.00
<input type="checkbox"/>	Accept	177329701	DM	NETED	BUCKLE	5/1/2024	5/31/2024	-3.58	OnPeak	Obligation	Sell	1.0	800.00
<input type="checkbox"/>	Accept	177329930	DM	NETED	BUCKLE	5/1/2024	5/31/2024	-3.58	OnPeak	Obligation	Sell	1.0	800.00

```
<env:Envelope xmlns:env="http://schemas.xmlsoap.org/soap/envelope/">
<env:Header/> <env:Body> <SubmitRequest xmlns="http://eftr.pjm.com/ftr/xml">
<TradingAction action="AcceptTrade"> <ID>177330256</ID> </TradingAction>
</SubmitRequest>
</env:Body> </env:Envelope>
```


Step 3: Confirm FTR Bilateral Trades

- Posting participants will need to confirm FTR bilateral trades
- Go to the Trading button
- Select the Available tab
- Select Start day and End Day
- Click to highlight the bilateral trade to be confirmed
- Select the Save button
- Will check credit requirements

Step 3: Examples

- Confirm a bilateral FTR through FTR Center website
- Confirm a bilateral FTR through XML query

Start Day End Day Refresh Save

Post Available **Accepted** Agreement Confirmed Activity Log

5/1/2024>>5/31/2024 Note: The 'Price (\$/MW)' should be completed with the actual price or prices paid under the FTR bilateral agreement. Row Count: 7

<input type="checkbox"/>	Action	ID	Posted By	Accepted By	Source	Sink	Start	End	Clearing Price (\$/MW-Period)	Class	He
<input checked="" type="checkbox"/>	Confirm	177329745	...	PJMIST	METED	ACCO	5/1/2024	5/31/2024	0.40	24H	Obt
<input checked="" type="checkbox"/>	Confirm	177329751	...	PJMIST	METED	ACCO	5/1/2024	5/31/2024	0.91	24H	Obt
<input checked="" type="checkbox"/>	Confirm	177329761	...	PJMIST	METED	ACCO	5/1/2024	5/31/2024	0.40	24H	Obt
<input type="checkbox"/>	None	177329775	...	PJMIST	METED	DUCKE5	5/1/2024	5/31/2024	-3.58	OnPeak	Obt
<input type="checkbox"/>	None	177329785	...	PJMIST	METED	DUCKE5	5/1/2024	5/31/2024	-3.58	OnPeak	Obt

```
<env:Envelope xmlns:env="http://schemas.xmlsoap.org/soap/envelope/">
<env:Header/> <env:Body> <SubmitRequest xmlns="http://eftr.pjm.com/ftr/xml">
<TradingAction action="ConfirmTrade"> <ID>177329745</ID> </TradingAction>
</SubmitRequest>
</env:Body> </env:Envelope>
```

- Show all FTR trades by selecting Start Day, End Day, Posted By and Accepted By.
- Can download the data into a CSV file.
- Group one or multiple FTR trades into a bundle.
- One FTR trade can not be included into the different bundles.
- FTR trades under the same bundle have to have the same posting and accepting participants.
- Submit one agreement for one bundle.

Step 4 (new): Create Bundle

- Only accepting participants can create bundles.
- Check one or multiple FTR trades, click 'Create Bundle' button
- Another window will pop-up: fill in the bundle name and choose the bundle price type
- The price shown in an agreement:
 - ✓ Per Path Price (is the "Price" shown in the first step of post): the total price will be calculated by the software for the agreement.
 - ✓ Bundle Price: one price to cover all FTR trades in the agreement.
- XML query is available for creating bundles.

Step 4: Examples

- Create bundle through new bilateral agreement tab
- Create bundle through XML query

The screenshot shows the 'New Bilateral Agreement' tab in the FTR Bilateral Trading interface. At the top, there are filters for 'Start Day' (4/1/2024), 'End Day' (5/31/2024), 'Posted By', and 'Accepted By'. Below these are tabs for 'Post', 'Available', 'Accepted', 'Agreement', 'Confirmed', and 'Activity Log'. The 'Agreement' tab is active, and the 'Create Bundle' button is highlighted. A table displays the following data:

ID	Posted By	Accepted By	Source	Sink	Start	End	Clearing Price (\$/MW-Period)	Class	Hedge	Trade	MW	Price
1	DOMLSE	DOMLSE	...	...	4/1/2024	5/31/2024						
2	DOMLSE	DOMLSE	...	...	5/1/2024	5/31/2024						
3	DOMLSE	DOMLSE	...	...	4/1/2024	4/30/2024						

A 'Create Bundle' modal dialog is open, showing the following fields:

- Bundle Name: [Empty]
- Posting Participant Name: DOMLSE
- Price:
 - Per Path Price
 - Bundle Price [Empty]

Buttons for 'Cancel' and 'Save' are visible at the bottom of the dialog.

```
<env:Envelope xmlns:env="http://schemas.xmlsoap.org/soap/envelope/">
<env:Header/> <env:Body> <SubmitRequest xmlns="http://eftr.pjm.com/ftr/xml">
<TradingBundles>
  <TradingBundle>
    <Name>PJM_PJM151_TEST11</Name> <PostedBy>DOMLSE</PostedBy> <AcceptedBy>DOMLSE</AcceptedBy>
    <PriceType>PERBUNDLE</PriceType> <PriceTotal>2000</PriceTotal>
    <BilateralID> <ID>177000055</ID> <ID>177000056</ID> <ID>177000055</ID> </BilateralID>
  </TradingBundle>
</TradingBundles> </SubmitRequest> </env:Body> </env:Envelope>
```

Step 5 (new): Bundle Information – Submit agreements and submit to PJM

- This step is to upload agreements and submit to PJM.
- Can delete bundle if participants want to regroup FTR trades.
- Select 'UPLOAD FILE', another window will pop-up
- Uploading file (submitting the agreement) has to be done through FTR Center (no XML query available).
- Provide the file description, and choose the PDF file only.
- Can re-upload the file before submitting to PJM.
- After submit to PJM, no more change is allowed.

Step 5: Examples

- Upload File

Start Day End Day Posted By Accepted By [Refresh](#)

[Post](#) [Available](#) [Accepted](#) [Agreement](#) [Confirmed](#) [Activity Log](#)

STEP 2: Bundle Information - Submit supporting documents and submit to PJM [Download](#)

Bundle ID	Bundle Name	Posting Participant	Accepting Participant	Bundle Status	Action
11				READY TO FILE	None
10				READY TO FILE	None UPLOAD FILE DELETE BUNDLE

Upload File ✕

Description

PDF File only

No file chosen

- Submit to PJM

Start Day End Day Posted By Accepted By [Refresh](#)

[Post](#) [Available](#) [Accepted](#) [Agreement](#) [Confirmed](#) [Activity Log](#)

STEP 2: Bundle Information - Submit supporting documents and submit to PJM [Download](#)

Bundle ID	Bundle Name	Posting Participant	Accepting Participant	Bundle Price Type	Bundle Price Total	File Name	Bundle Status	Action
70	PJM_TEST1	PJM	PJM	PERBUNDLE	2,000.00	PJM_Parm123_20240430_1010_agreement_example.pdf	READY TO SUBMIT	None SUBMIT TO PJM UPLOAD FILE DELETE BUNDLE

- PJM will review the agreement
 - Verification of reported Primary Economic Term
 - Special provisions
- Check credit requirements
 - Purchaser's ability to perform, including meeting creditworthiness Requirements
 - Collateral calls if necessary
- PJM will respond within 48 hours.

Step 6: Review the FTR bilateral trades after PJM check

- If FTR bilateral trades have been checked by PJM, PJM will run the final confirm process
- The bundles with agreements will be shown as 'Confirmed'
- All bilateral FTRs which have been finally confirmed by PJM will be shown on the 'Confirmed' page
- Each bilateral FTR will include the information of 'Bundle Price Type' and 'Bundle Price'

Step 6. Examples

STEP 2: Bundle Information - Submit supporting documents and submit to PJM

[Download](#)

Bundle ID	Bundle Name	Posting Participant	Accepting Participant	Bundle Price Type	Bundle Price Total	File Name	Bundle Status	Action
70	BUNDLE_2024_06_01_10_15	PJM	PJM	PERBUNDLE	2,000.00	BUNDLE_2024_06_01_10_15_agreement_example.pdf	CONFIRMED	

Start Day

End Day

Posted By

Accepted By

[Refresh](#)

[XML](#)

[CSV](#)

- [Post](#)
- [Available](#)
- [Accepted](#)
- [Agreement](#)
- [Confirmed](#)**
- [Activity Log](#)

6/1/2024>>6/30/2024

Note: The 'Price (\$/MW)' should be completed with the actual price or prices paid under the FTR bilateral agreement.

Row Count: 1

Sink	Start	End	Clearing Price (\$/MW-Period)	Class	Hedge	Trade	MW	Price	Confirmation Time	Bundle Price Type	Bundle Price
MARLOWE 34 KV WAGERISF	6/1/2024	6/30/2024	0.20	OnPeak	Obligation	Sell	100	100.00	6/1/2024 14:35:47	PERBUNDLE	2,000.00