

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Independent Market Monitor for PJM)	
)	
v.)	Docket No. EL17-____-000
)	
PJM Interconnection, L.L.C.)	
)	
)	

**COMPLAINT AND REQUEST FOR FAST TRACK TREATMENT
OF THE INDEPENDENT MARKET MONITOR FOR PJM**

Pursuant to Rule 206 of the Commission’s Rules and Regulations,¹ Monitoring Analytics, LLC, acting in its capacity as the Independent Market Monitor for PJM² (“Market Monitor”), files this Complaint and Request for Fast Track Treatment against PJM Interconnection, L.L.C., in its capacity as the custodian of the PJM Manuals. This complaint requests that the Commission reverse specific modifications to the rules governing PJM’s capacity market (PJM Manual 18 (PJM Capacity Market) (“Manual 18”)) that allow participants to defeat the competitive functioning of the PJM capacity market by engaging in speculative non-physical transactions. These modified rules are unjust and unreasonable, inconsistent with competitive markets, and allow behavior that defeats a well functioning market. Certain participants have already taken steps to exploit these newly created flaws

¹ 18 CFR § 385.206 (2016).

² Capitalized terms used herein and not otherwise defined have the meaning used in the PJM Open Access Transmission Tariff (“OATT”), the PJM Operating Agreement (“OA”) or the PJM Reliability Assurance Agreement (“RAA”).

in the market rules. Immediate action on this complaint is needed to prevent market manipulation. Specifically, this complaint seeks an order directing PJM to reverse all of the indicated revisions to PJM Manual 18 (see Attachment A), thereby reinstating the rules requiring that replaced capacity be physical, that it be replaced only for documented physical reasons and that the replaced capacity not be resold as capacity for the same delivery year.

In addition to reversing the modified rules, this complaint requests that such other actions be taken as are necessary and appropriate to prevent the exploitation of the flawed modified rules.

Accordingly, the Market Monitor requests that this complaint be granted and that this proceeding be conducted on the fastest procedural track available to the Commission, and that all procedural deadlines be established consistent with such procedural track.

Although PJM is identified as the respondent, PJM staff are not responsible for the modified rules that are the subject of this complaint. The modified rules were adopted over the clear objections of PJM staff by a vote of the PJM Markets and Reliability Committee (MRC).

The Market Monitor also recommends that the Commission initiate its own investigation in conjunction with this complaint into manipulation of the market associated with the newly flawed market rules so that any refund date established in this proceeding could apply to the maximum extent permitted under law to market manipulation that exploits the modified rules.

The Market Monitor continues to investigate the issues and may submit referrals related to this complaint under Section IV.I.1 of Attachment M to the OATT.

I. COMPLAINT

At the November 17, 2016, meeting of the MRC, CitiGroup Energy Inc. (“Citigroup”), proposed to delete language from PJM’s Manual 18 (PJM Capacity Market) which governs the process and procedures for PJM’s capacity market (“Manual 18”). The

MRC voted to approve the proposed changes. The vote was by acclamation with two objections and twelve abstentions. The proposed deletions were from section 8.9 of Manual 18.

The deleted language addressed the situation in which a market participant that has sold capacity, in a base capacity auction for example, wished to replace the sold capacity with replacement capacity. The deleted language permitted the reasonable behavior of unit owners with retired or damaged assets or DR participants whose underlying business shut down, to replace their commitments to provide capacity in a delivery year because it was not physically possible to provide the capacity. The deleted language included conditions to ensure that the replaced capacity was physical capacity and that the replacement was documented to be for legitimate physical reasons. The deleted language also included a condition that the capacity which was replaced for documented, physical reasons, could not be revived and sold again as capacity for the same delivery year. This was to ensure good faith and to prevent manipulation.

The deleted language required a capacity owner seeking early replacement of its capacity market obligation to provide transparent and verifiable evidence that the capacity for which they were seeking replacement was a physical asset at the time of the request. The deleted language included a list of specific acceptable reasons for early replacement of the capacity, all of which were based on actual events associated with a real, physical asset.

As a result of the deleted language, the modified rules will allow replacement transactions using cleared buy bids at any time without demonstrating that the capacity was based on a real, physical asset. The modified rules facilitate speculative offers because they permit the replacement of a purely paper transaction without any supporting reasons.

The deleted language stated that any replaced capacity could not be sold again as a capacity resource for the same delivery year. The deleted language specifically referenced generation resources and DR/EE sites. The modified rules will permit the recycling of paper capacity.

The deletion of these provisions from Manual 18 undermines the physical basis of the market, directly facilitates transacting in paper/virtual capacity and permits recycling of paper capacity without limit. The result will be to provide incentives to offer paper capacity in the PJM capacity market and to suppress market prices for actual physical capacity in the PJM market. The PJM capacity market was designed to address the revenue shortfalls of real, physical assets in PJM markets in order to ensure the long term viability of the PJM energy market. The PJM capacity market was not designed to facilitate the trading of paper capacity.

Shortly after the changes were voted by the MRC, transactions were submitted to PJM which would have violated the language deleted from Manual 18. The transactions were approved by PJM. These submitted and approved transactions are not consistent with a well functioning market for physical capacity.

The modified rules allow behavior that would otherwise be considered prohibited market manipulation because behavior permitted under the modified rules defeats PJM's well functioning market for physical capacity.

II. REQUEST FOR FAST TRACK PROCESSING

The Market Monitor respectfully requests Fast Track processing under Rule 206(h),³ and that all procedural deadlines be established consistent with such Fast Track processing, so that the Commission can act on this Complaint and direct PJM to reverse the indicated revisions to PJM Manual 18 thereby reinstating the rules requiring that replaced capacity be physical, that it be replaced only for documented physical reasons and that the replaced capacity not be resold as capacity for the same delivery year, and to take such other actions as are necessary and appropriate to prevent the exploitation of these flawed rules.. In addition to, or in the alternative, the Market Monitor requests that the Commission take any

³ 18 CFR § 285.206(h).

action available to it to prevent the identified deletions from Manual 18 taking effect until the Commission has reviewed the changes.

III. RULE 206 REQUIREMENTS

A. Rule 206(b)(1): Action or Inaction Alleged To Violate Statutory Standards or Regulatory Requirements

This actions concerns the revisions to section 8.9 PJM Manual 18 (PJM Capacity Market), which are included in Attachment A.

B. Rule 206(b)(2): Legal Bases for Complaint

The legal bases for this Complaint are set forth in detail in Section I.

C. Rules 206(b)(3) and 206(b)(4): Issues Presented as They Relate to the Complainant and Quantification of Financial Impact on Complainant

See the discussion in Section I.

D. Rule 206(b)(5): Nonfinancial Impacts on Complainant

See the discussion in Section I.

E. Rule 206(b)(6): Related Proceedings

Complainant is not aware of any other pending proceedings that are directly related to the issues raised in this Complaint.

F. Rule 206(b)(7): Specific Relief Requested

The Market Monitor requests that the Commission issue an order directing PJM to reverse all of the indicated revisions to PJM Manual 18 (see Attachment A), thereby reinstating the rules requiring that replaced capacity be physical, that it be replaced only for documented physical reasons and that the replaced capacity not be resold as capacity for the same delivery year, and to take such other actions as are necessary and appropriate to prevent the exploitation of these flawed rules.

G. Rule 206(b)(8): Documents that Support the Complaint

This pleading and its attachments support the complaint.

H. Rule 206(b)(9): Dispute Resolution

The Market Monitor has not contacted the Enforcement Hotline or Dispute Resolution Service or made use of the tariff-based dispute resolution mechanisms. Such mechanisms are neither intended nor appropriate for resolving disputes of this nature.

I. Rule 206(b)(10): Form of Notice

A form of notice suitable for publication in the Federal Register is included as an Attachment B.

J. Rule 206(c): Service on Respondent

The Market Monitor certifies that copies of this Complaint were served by email and overnight mail on Respondent.

IV. COMMUNICATIONS

All communications with respect to this pleading and in connection with this proceeding should be addressed to the following:

Joseph E. Bowring⁴
Independent Market Monitor for PJM
President
Monitoring Analytics, LLC
2621 Van Buren Avenue, Suite 160
Valley Forge Corporate Center
Eagleville, Pennsylvania 19403
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⁴ Designated to receive service.

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V. CONCLUSION

The Market Monitor respectfully requests that the Commission afford due consideration to the arguments raised in this complaint as the Commission resolves the issues raised in this proceeding.

Respectfully submitted,



Jeffrey W. Mayes

Joseph E. Bowring
Independent Market Monitor for PJM
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Dated: November 22, 2016

ATTACHMENT A

Manual 18, Revision 34, Effective Date: 07/28/2016: Original Language**8.9 Replacement Resources**

Participants may specify replacement resources in order to avoid or reduce resource performance assessment shortfalls and the associated deficiency/penalty charges. Participants may not specify replacement resources in order to avoid or reduce performance assessment shortfalls and associated deficiency/penalty charges related to price responsive demand.

Replacement capacity for generation resources, Demand Resources, Energy Efficiency Resources, or Qualifying Transmission Upgrades committed to RPM may be specified via the eRPM system by entering a “Replacement Capacity” transaction after the EFORD for the Delivery Year has been locked in the eRPM system (November 30 prior to the Delivery Year), but before the start of the Delivery Day. However, upon a request to PJM made no later than three business days after a Delivery Day containing a Performance Assessment Hour, Replacement Capacity Transactions may be permitted retroactively effective with the Delivery Day provided such transaction meets the following criteria: (1) the replacement resource must have already been in the same sub-account as the resource being replaced on the Delivery Day, (2) the replacement resource must have been included in the same Performance Assessment Hours as the resource being replaced, (3) the replacement resource must have the same or better temporal availability characteristics as the resource being replaced, and (4) the replacement resource must be located in the same LDA (or a more constrained child LDA) as the resource being replaced. Such requests must be submitted to rpm_hotline@pjm.com and include the start date and end date, resource being replaced, replacement resource, and the desired change in Daily RPM Commitments (in UCAP terms) for the resource being replaced and product type (i.e., Base Generation, Base DR/EE, or Capacity Performance) of the commitment being replaced.

Through the “Replacement Capacity” transaction functionality in eRPM, PJM will provide participants with a list of the available capacity for each generation or demand resource in their portfolio as well as a list of cleared buy bids from any Incremental Auction via the eRPM system and a list of resources with RPM Resource Commitments. Participants will have the ability to match a generation, Demand Resource, Energy Efficiency Resource or Qualifying Transmission Upgrade resource committed to RPM that they would like to replace with available capacity from a generation resource, demand resource, cleared buy bids in an Incremental Auction, or from Locational UCAP transactions. Effective with the 2019/2020 Delivery Year, available capacity from an EE Resource may be utilized to replace the commitment of only another EE Resource because such commitments are accompanied by the adjustment that is required to avoid double-counting of energy efficiency measures as described in section 2.4.5 of this manual.

The following are business rules that apply to Replacement Resources for Resources Committed to RPM:

- The start date and end date of the replacement must be specified.

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- A Replacement Resource used to reduce a Demand Resource commitment shall be specified for no less than the balance of the Delivery Year. An available Demand Resource may only be used as a Replacement Resource when the start date of the Replacement Capacity transaction is from June 1 through September 30th unless the Demand Resource can demonstrate through the prior summer's event or test compliance data that the Demand Resource met both its Summer Average RPM Commitment and the new daily RPM commitment level that would result if the Replacement Capacity transaction was approved.
- The desired change in Daily RPM Resource Commitments (in UCAP terms) for the resource being replaced and the replacement resource must be specified. The change in Daily RPM Resource Commitments cannot result in a negative value for the Daily RPM Resource Commitments for the resource being replaced. Effective for the 2016/2017 Delivery Year, the desired change in Daily RPM Resource Commitments (in UCAP terms) for the resource being replaced must also indicate the product type (i.e., Base Generation, Base DR/EE, or Capacity Performance) of the commitment being replaced.
- The replacement resource must be located in the same sub-account as the resource that is being replaced.
- The replacement resource must be located in the same LDA as the resource that is being replaced or reside in the Sink LDA of the Qualifying Transmission Upgrade being replaced.
- Resources located in a constrained LDA can serve as replacement capacity for a generation resource located in a less constrained parent LDA.
- The replacement resource must have the same or better temporal availability characteristics as the resource that is being replaced.
- Annual Resource commitments can only be replaced by available capacity from an Annual Resource, or by cleared Buy Bids for Annual Capacity, or by Locational UCAP originating from an Annual Resource
- Extended Summer DR commitments can only be replaced by available capacity from an Annual Resource or Extended Summer DR, or by cleared Buy Bids for Annual or Extended Summer Capacity, or by Locational UCAP originating from an Annual Resource or Extended Summer DR
- Limited DR commitments can only be replaced by available capacity from an Annual Resource, Extended Summer DR or Limited DR, or by cleared Buy Bids for Annual, Extended Summer or Limited Capacity, or by Locational UCAP originating from an Annual Resource, Extended Summer DR or Limited DR..
- Capacity Performance Resource commitments can only be replaced by available capacity from a capacity resource that is eligible to be committed as CP, or by cleared Buy Bids or Locational UCAP of the Capacity Performance product type..
- Base Capacity commitments on a Generation Resource can only be replaced by available capacity from a generation resource that is eligible to be committed as Base, available capacity from a capacity resource that is eligible to be committed as CP, or by cleared Buy Bids or Locational UCAP for Base Generation product type or Capacity Performance product type

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- Base Capacity commitments on Demand Resource or Energy Efficiency Resources can be replaced by available capacity from a capacity resource that is eligible to be committed as Base or CP, or by cleared Buy Bids or Locational UCAP for Base Generation product type, Base DR/EE product type or Capacity Performance product type.
- If a generation, demand, or EE resource is used as replacement capacity, a decrease in the Daily RPM Resource Commitments for the resource that is being replaced will result and a corresponding increase in the Daily RPM Resource Commitments for the replacement generation, demand, or EE resource will result during the time period specified for replacement. A change in the Daily RPM Resource Commitments for a generation resource will result in a change in the Total Unit ICAP Commitment Amount for the generation resource.
- If cleared buy bids from an Incremental Auction or Locational UCAP transactions are used as replacement capacity, a decrease in the Daily RPM Commitments for the resource that is being replaced will result during the time period specified for replacement. A change in the Daily RPM Commitments for a generation resource will result in a change in the Total Unit ICAP Commitment Amount for the generation resource.

Replacement capacity for Generation Capacity Resources, Demand Resources, Energy Efficiency Resources, or Qualifying Transmission Upgrades committed to RPM may be specified via the eRPM system by entering a "Replacement Capacity" transaction prior to the EFORd for the Delivery Year being locked in the eRPM system (earlier than November 30 prior to the Delivery Year), when the owner of the replaced resource provides transparent and verifiable evidence to support the expected final physical position of the resource at the time of request.

The following additional business rules apply to Replacement Resources for Resources Committed to RPM entered prior to the EFORd for the Delivery Year being locked in the eRPM system (earlier than November 30 prior to the Delivery Year):

- Requests shall be submitted in writing simultaneously to PJM rpm_hotline@pjm.com and the Independent Market Monitor rpmacr@monitoringanalytics.com documenting the reason for the early replacement.
- Acceptable reasons for early replacement include:
- Generator Deactivation (properly noticed to PJM and posted to the website)
- Withdrawal of queue position / cancellation of project (accompanied by written notification to PJM Interconnection Projects manager)
- Delayed in-service date (accompanied by written notification to PJM Interconnection Projects manager)
- Permanent departure of load used as a basis for an existing DR or EE resource at the time of commitment
- Generation replaced early may not be recommitted for the Delivery Year.
- DR/EE sites replaced early may not be registered or committed for the Delivery Year.

If the replacement resource's capacity is not affected by its outage rate, such as a cleared Incremental Auction Buy Bids, the Replacement Transaction can be completed at any time.

Replacement resources for Generation Capacity Resources, QTU, Energy Efficiency Resources, or Demand Resources committed to FRR Capacity Plan are specified by an FRR

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Entity through the update of the FRR Entity's FRR Capacity Plan prior to the start of the Delivery Day. FRR Entities may update their FRR Capacity Plan to reduce the FRR Capacity Plan Commitment on the resource being replaced and increase the FRR Capacity Plan Commitment on a replacement resource. The change in the Daily FRR Capacity Plan Commitments for a generation resource will result in a change in the Total Unit ICAP Commitment Amount for the generation resource.

**Manual 18, Revision 34, Effective Date: 07/28/2016: Proposed and Approved Language,
Redline**

8.9 Replacement Resources

Participants may specify replacement resources in order to avoid or reduce resource performance assessment shortfalls and the associated deficiency/penalty charges. Participants may not specify replacement resources in order to avoid or reduce performance assessment shortfalls and associated deficiency/penalty charges related to price responsive demand.

Replacement capacity for generation resources, Demand Resources, Energy Efficiency Resources, or Qualifying Transmission Upgrades committed to RPM may be specified via the eRPM system by entering a “Replacement Capacity” transaction after the EFORD for the Delivery Year has been locked in the eRPM system (November 30 prior to the Delivery Year), but before the start of the Delivery Day. However, upon a request to PJM made no later than three business days after a Delivery Day containing a Performance Assessment Hour, Replacement Capacity Transactions may be permitted retroactively effective with the Delivery Day provided such transaction meets the following criteria: (1) the replacement resource must have already been in the same sub-account as the resource being replaced on the Delivery Day, (2) the replacement resource must have been included in the same Performance Assessment Hours as the resource being replaced, (3) the replacement resource must have the same or better temporal availability characteristics as the resource being replaced, and (4) the replacement resource must be located in the same LDA (or a more constrained child LDA) as the resource being replaced. Such requests must be submitted to rpm_hotline@pjm.com and include the start date and end date, resource being replaced, replacement resource, and the desired change in Daily RPM Commitments (in UCAP terms) for the resource being replaced and product type (i.e., Base Generation, Base DR/EE, or Capacity Performance) of the commitment being replaced.

Through the “Replacement Capacity” transaction functionality in eRPM, PJM will provide participants with a list of the available capacity for each generation or demand resource in their portfolio as well as a list of cleared buy bids from any Incremental Auction via the eRPM system and a list of resources with RPM Resource Commitments. Participants will have the ability to match a generation, Demand Resource, Energy Efficiency Resource or Qualifying Transmission Upgrade resource committed to RPM that they would like to replace with available capacity from a generation resource, demand resource, cleared buy bids in an Incremental Auction, or from Locational UCAP transactions. Effective with the 2019/2020 Delivery Year, available capacity from an EE Resource may be utilized to replace the commitment of only another EE Resource because such commitments are accompanied by the adjustment that is required to avoid double-counting of energy efficiency measures as described in section 2.4.5 of this manual.

The following are business rules that apply to Replacement Resources for Resources Committed to RPM:

- The start date and end date of the replacement must be specified.

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- A Replacement Resource used to reduce a Demand Resource commitment shall be specified for no less than the balance of the Delivery Year. An available Demand Resource may only be used as a Replacement Resource when the start date of the Replacement Capacity transaction is from June 1 through September 30th unless the Demand Resource can demonstrate through the prior summer's event or test compliance data that the Demand Resource met both its Summer Average RPM Commitment and the new daily RPM commitment level that would result if the Replacement Capacity transaction was approved.
- The desired change in Daily RPM Resource Commitments (in UCAP terms) for the resource being replaced and the replacement resource must be specified. The change in Daily RPM Resource Commitments cannot result in a negative value for the Daily RPM Resource Commitments for the resource being replaced. Effective for the 2016/2017 Delivery Year, the desired change in Daily RPM Resource Commitments (in UCAP terms) for the resource being replaced must also indicate the product type (i.e., Base Generation, Base DR/EE, or Capacity Performance) of the commitment being replaced.
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- Limited DR commitments can only be replaced by available capacity from an Annual Resource, Extended Summer DR or Limited DR, or by cleared Buy Bids for Annual, Extended Summer or Limited Capacity, or by Locational UCAP originating from an Annual Resource, Extended Summer DR or Limited DR..
- Capacity Performance Resource commitments can only be replaced by available capacity from a capacity resource that is eligible to be committed as CP, or by cleared Buy Bids or Locational UCAP of the Capacity Performance product type..
- Base Capacity commitments on a Generation Resource can only be replaced by available capacity from a generation resource that is eligible to be committed as Base, available capacity from a capacity resource that is eligible to be committed as CP, or by cleared Buy Bids or Locational UCAP for Base Generation product type or Capacity Performance product type

- Base Capacity commitments on Demand Resource or Energy Efficiency Resources can be replaced by available capacity from a capacity resource that is eligible to be committed as Base or CP, or by cleared Buy Bids or Locational UCAP for Base Generation product type, Base DR/EE product type or Capacity Performance product type.
- If a generation, demand, or EE resource is used as replacement capacity, a decrease in the Daily RPM Resource Commitments for the resource that is being replaced will result and a corresponding increase in the Daily RPM Resource Commitments for the replacement generation, demand, or EE resource will result during the time period specified for replacement. A change in the Daily RPM Resource Commitments for a generation resource will result in a change in the Total Unit ICAP Commitment Amount for the generation resource.
- If cleared buy bids from an Incremental Auction or Locational UCAP transactions are used as replacement capacity, a decrease in the Daily RPM Commitments for the resource that is being replaced will result during the time period specified for replacement. A change in the Daily RPM Commitments for a generation resource will result in a change in the Total Unit ICAP Commitment Amount for the generation resource.

~~Replacement capacity for Generation Capacity Resources, Demand Resources, Energy Efficiency Resources, or Qualifying Transmission Upgrades committed to RPM may be specified via the eRPM system by entering a “Replacement Capacity” transaction prior to the EFORd for the Delivery Year being locked in the eRPM system (earlier than November 30 prior to the Delivery Year), when the owner of the replaced resource provides transparent and verifiable evidence to support the expected final physical position of the resource at the time of request.~~

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- ~~• Delayed in-service date (accompanied by written notification to PJM Interconnection Projects manager)~~
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If the replacement resource’s capacity is not affected by its outage rate, such as a cleared Incremental Auction Buy Bids, the Replacement Transaction can be completed at any time.

Replacement resources for Generation Capacity Resources, QTU, Energy Efficiency Resources, or Demand Resources committed to FRR Capacity Plan are specified by an FRR Entity through the update of the FRR Entity’s FRR Capacity Plan prior to the start of the Delivery

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Day. FRR Entities may update their FRR Capacity Plan to reduce the FRR Capacity Plan Commitment on the resource being replaced and increase the FRR Capacity Plan Commitment on a replacement resource. The change in the Daily FRR Capacity Plan Commitments for a generation resource will result in a change in the Total Unit ICAP Commitment Amount for the generation resource.

Manual 18, Revision 34, Effective Date: 07/28/2016: Final language, As Approved**8.9 Replacement Resources**

Participants may specify replacement resources in order to avoid or reduce resource performance assessment shortfalls and the associated deficiency/penalty charges. Participants may not specify replacement resources in order to avoid or reduce performance assessment shortfalls and associated deficiency/penalty charges related to price responsive demand.

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- Limited DR commitments can only be replaced by available capacity from an Annual Resource, Extended Summer DR or Limited DR, or by cleared Buy Bids for Annual, Extended Summer or Limited Capacity, or by Locational UCAP originating from an Annual Resource, Extended Summer DR or Limited DR..
- Capacity Performance Resource commitments can only be replaced by available capacity from a capacity resource that is eligible to be committed as CP, or by cleared Buy Bids or Locational UCAP of the Capacity Performance product type..
- Base Capacity commitments on a Generation Resource can only be replaced by available capacity from a generation resource that is eligible to be committed as Base, available capacity from a capacity resource that is eligible to be committed as CP, or by cleared Buy Bids or Locational UCAP for Base Generation product type or Capacity Performance product type

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- If a generation, demand, or EE resource is used as replacement capacity, a decrease in the Daily RPM Resource Commitments for the resource that is being replaced will result and a corresponding increase in the Daily RPM Resource Commitments for the replacement generation, demand, or EE resource will result during the time period specified for replacement. A change in the Daily RPM Resource Commitments for a generation resource will result in a change in the Total Unit ICAP Commitment Amount for the generation resource.
- If cleared buy bids from an Incremental Auction or Locational UCAP transactions are used as replacement capacity, a decrease in the Daily RPM Commitments for the resource that is being replaced will result during the time period specified for replacement. A change in the Daily RPM Commitments for a generation resource will result in a change in the Total Unit ICAP Commitment Amount for the generation resource.

If the replacement resource's capacity is not affected by its outage rate, such as a cleared Incremental Auction Buy Bids, the Replacement Transaction can be completed at any time.

Replacement resources for Generation Capacity Resources, QTU, Energy Efficiency Resources, or Demand Resources committed to FRR Capacity Plan are specified by an FRR Entity through the update of the FRR Entity's FRR Capacity Plan prior to the start of the Delivery Day. FRR Entities may update their FRR Capacity Plan to reduce the FRR Capacity Plan Commitment on the resource being replaced and increase the FRR Capacity Plan Commitment on a replacement resource. The change in the Daily FRR Capacity Plan Commitments for a generation resource will result in a change in the Total Unit ICAP Commitment Amount for the generation resource.

ATTACHMENT B

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Independent Market Monitor for PJM)	
)	
v.)	Docket No. EL167-____-000
)	
PJM Interconnection, L.L.C.)	
)	

NOTICE OF COMPLAINT

(November 22, 2016)

Take notice that on November 22, 2016, pursuant to section 206 of the Rules and Practice and Procedure of the Federal Energy Regulatory Commission (Commission), 18 CFR § 385.206 (2011), Monitoring Analytics, LLC, acting in its capacity as the Independent Market Monitor for PJM (Complainant) filed a formal complaint against PJM Interconnection, L.L.C. (Respondent) requesting that the Commission issue an order directing PJM to reverse all of the indicated revisions to PJM Manual 18 (see Attachment A), thereby reinstating the rules requiring that replaced capacity be physical, that it be replaced only for documented physical reasons and that the replaced capacity not be resold as capacity for the same delivery year, and to take such other actions as are necessary and appropriate to prevent the exploitation of these flawed rules. In addition, the Market Monitor requests Fast Track processing.

The Complainant states that copies of the complaint were served on representatives of the Respondent.

Any person desiring to intervene or to protest this filing must file in accordance with Rules 211 and 214 of the Commission’s Rules of Practice and Procedure (18 CFR 385.211, 385.214). Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a notice of intervention or motion to intervene, as appropriate. The Respondent’s answer and all interventions, or protests must be filed on or before the comment date. The Respondent’s answer, motions to intervene, and protests must be served on the Complainants.

The Commission encourages electronic submission of protests and interventions in lieu of paper using the “eFiling” link at <http://www.ferc.gov>. Persons unable to file electronically should submit an original and 14 copies of the protest or intervention to the Federal Energy Regulatory Commission, 888 First Street, NE, Washington, DC 20426.

This filing is accessible on-line at <http://www.ferc.gov>, using the “eLibrary” link and is available for review in the Commission’s Public Reference Room in Washington, DC. There is an “eSubscription” link on the web site that enables subscribers to receive email notification when a document is added to a subscribed docket(s). For assistance with any FERC Online service, please email FERCOnlineSupport@ferc.gov, or call (866) 208-3676 (toll free). For

ATTACHMENT B (NOTICE)

TTY, call (202) 502-8659.

Comment Date: 5:00 pm Eastern Time on __, 2016.

Kimberly D. Bose,
Secretary