UNITED STATES OF AMERICA BEFORE THE FEDERAL ENERGY REGULATORY COMMISSION

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PJM Interconnection, L.L.C.)
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Docket No. ER19-2722-000

Docket No. ER20-2573-000

(not consolidated)

MOTION FOR EXTENSION OF ABEYANCE OF THE INDEPENDENT MARKET MONITOR FOR PJM

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Pursuant to Rule 212 of the Commission's Rules and Regulations,¹ Monitoring Analytics, LLC, acting in its capacity as the Independent Market Monitor ("Market Monitor") for PJM Interconnection, L.L.C. ("PJM"),² respectfully requests the extension of the order holding this proceeding (Docket No. ER19-2722) in abeyance, until the issuance of an order on the filing that PJM made today in Docket No. ER20-2573 ("July 31st Filing"). PJM requested a shortened comment period, ending on October 12, rather than the usual 60 day comment period which would end on October 31, 2020.

By order issued January 23, 2020 ("January 23rd Order"), the Commission held the PJM fast start pricing compliance proceeding in Docket No. ER19-2722 in abeyance until July 31, 2020, "to allow PJM and its stakeholders the opportunity to fully consider necessary

¹ 18 CFR § 385.212 (2019).

² Capitalized terms used herein and not otherwise defined have the meaning used in the PJM Open Access Transmission Tariff ("OATT").

changes to address PJM's pricing and dispatch misalignment issue in conjunction with the compliance directives of the Order on Paper Hearing."³

PJM filed a letter today in this proceeding (Docket No. ER19-2722) ("July 31st Letter") asserting that the misalignment issues have been solved and that the details of that proposed solution are explained in a separate filing also made today in Docket No. ER20-2573 (July 31st Filing). In the July 31st Letter, PJM asserts that the July 31st Filing resolves the alignment issues in PJM's real-time dispatch and pricing processes and requests that the Commission rule on PJM's pending fast start compliance filing as soon as possible. It is not clear whether PJM is requesting that the Commission rule on the fast start filing prior to the Commission's review of the July 31st Filing.

The Market Monitor requests that no action be taken on the filing pending in this proceeding concerning fast start pricing rules (Docket No. ER19-2722) until the Commission rules on the details of PJM's proposed solution in Docket No. ER20-2573. The Market Monitor briefly identifies the flaws in the July 31st Filing in this pleading, and will provide a more complete response during the comment period to be established in Docket No. ER20-2573.

The July 31st Filing is the culmination of the stakeholder process, in which the Market Monitor actively participated. PJM's proposed changes in the July 31st Filing are not adequate to address the Commission's identified issues which were the basis for holding the fast start proceeding in abeyance. Misalignment between real-time dispatch and pricing will persist under the changes proposed in the July 31st Filing.

The July 31st Filing's proposed revisions to the PJM Operating Agreement do not align the resource dispatch period with the settlement and pricing interval.⁴ As a result, the

³ *PJM Interconnection, L.L.C.,* 170 FERC ¶ 61,018 at P 32 ("January 23rd Order").

⁴ See July 31st Filing at 6.

July 31st Filing's proposal does not accomplish the claims asserted in the July 31st Letter.⁵ Only the combined implementation of the short term, intermediate term and long term changes to the RT SCED software, RT SCED case execution, and RT SCED case approval will resolve the issues identified in the January 23rd Order.⁶

The Market Monitor identified these issues in the stakeholder process, and explained the shortcomings of implementing only the short term proposal in addressing the flaws in the real-time dispatch and pricing process that prevent fast start pricing from functioning as designed.⁷

The Market Monitor requests that no action be taken on the filing pending in this proceeding concerning fast start pricing rules (Docket No. ER19-2722) until the Commission rules on the details of PJM's proposed solution in Docket No. ER20-2573. The Market Monitor requests that the period of abeyance in Docket No. ER19-2722 be extended from July 31, 2020, until the issuance of an order on the July 31st Filing in Docket No. ER20-2573.

Accordingly, the Market Monitor respectfully requests that the Commission grant this motion.

Respectfully submitted,

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Joseph E. Bowring Independent Market Monitor for PJM President Jeffrey W. Mayes

General Counsel

⁵ July 31st Letter at 2–3.

⁶ See July 31st Filing at 14.

⁷ See "Five Minute Dispatch and Settlements Fast Start Example", presented at the special session of the Markets Implementation Committee, which can be accessed at <<u>https://www.pjm.com/-/media/committees-groups/committees/mic/2020/20200501-special-five/20200501-item-04b-imm-fast-startexample.ashx</u>> (May 1, 2020).

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Dated: July 31, 2020

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated at Eagleville, Pennsylvania, this 31st day of July, 2020.

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