



Executive Summary Manual Changes

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| Effective Date | 12/21/2020 |
| Impacted Manual #(s)/Manual Title(s): | |
| M14-B, PJM Region Transmission Planning Process | |
| Conforming Order(s): | |
| FERC Order Docket No. ER21-162-000 (Issued 2020-12-18) FERC Order Docket No. ER19-80-001 (Issued 2019-02-19) | |
| Associated Issue Tracking Title: | Market Efficiency Process Enhancement Task Force (MEPETF) |
| Committee Approval Path - What committee(s) have already seen these changes? | |
| PC first read - April 6 th , 2021 PC second read and endorsement - May 11 th , 2021 MRC first read - May 26 th , 2021 MRC MRC second read and request for endorsement – June 23 rd , 2021 (anticipated) | |
| MRC 1st read date: | May 26 th , 2021 |
| MRC voting date: | June 23 rd , 2021 (anticipated) |
| Impacted Manual sections: | |
| Section 2.6 RTEP Market Efficiency Planning Attachment E: Market Efficiency Analysis Economic Benefit / Cost Ratio Threshold Test | |
| Reason for change: | |
| Changes align with corresponding proposal for the above issue tracking topic, FERC Order Docket No. ER21-162-000 (Issued 2020-12-18), and FERC Order Docket No. ER19-80-001 (Issued 2019-02-19) | |
| Summary of the changes: | |
| <p>(1) The Reliability Pricing Model (RPM) benefits for a Market Efficiency proposal are determined using RPM simulations for the RPM and RTEP years.</p> <p>(2) Updated obsolete language in Appendix E to conform to FERC Order Docket No. ER19-80-001 (Issued 2019-02-19)</p> | |

Revision summary:

- Section 2.6 RTEP Market Efficiency Planning
 - Added Reliability Pricing Model constraints to the list of constraints that have an economic impact.
 - Split the section 2.6.5 Determination of Market Benefits into three parts to allow inserting the new section 2.6.5.2 Determination of Reliability Pricing Model (RPM) Benefits
 - 2.6.5.1 Determination of Energy Market Benefits (existing section)
 - 2.6.5.2 Determination of Reliability Pricing Model (RPM) Benefits (new subsection) – using RPM simulations for the RPM and RTEP years
 - 2.6.5.3 Determination of Benefits/Cost ratio (existing section)
- Attachment E: Market Efficiency Analysis Economic Benefit / Cost Ratio Threshold Test
 - Updated obsolete language regarding the 15 year period used for the B/C ratio to conform to the B/C ratio changes, PJM OA Section 1.5.7, accepted by FERC Order Docket No. ER19-80-001) (Issued 2019-02-19)