

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

PJM Interconnection, L.L.C.

)

Docket No. ER18-88-000

**COMMENTS
OF THE PJM POWER PROVIDERS GROUP**

Pursuant to Rule 212 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission (“FERC” or the “Commission”), 18 C.F.R. §385.212 (2017), the PJM Power Providers Group (“P3”)¹ respectfully submits these comments regarding the October 17, 2017 Proposed Revisions To Reduce Bidding Points for Virtual Transactions of PJM Interconnection, L. L. C. (“PJM”) (“PJM Revisions”).² PJM proposed the revisions in order to reduce the number of bidding points at which Virtual Transactions may be submitted by market participants. On October 17, 2017, the Commission issued a Combined Notice of Filings #1 setting November 7, 2017, as the intervention and comment date. On October 31, 2017, P3 filed a doc-less Motion to Intervene. P3 respectfully submits these comments³ in response to the PJM revisions.

¹ P3 is a non-profit organization dedicated to advancing federal, state and regional policies that promote properly signed and well-functioning electricity markets in the PJM Interconnection, L.L.C. (“PJM”) region. Combined, P3 members own over 84,000 MWs of generation assets, produce enough power to supply over 20 million homes and employ over 40,000 people in the PJM region covering 13 states and the District of Columbia. For more information on P3, visit www.p3powergroup.com.

² *PJM Interconnection, L.L.C.*, Proposed Revisions To Reduce Bidding Points For Virtual Transactions, Docket No. ER18-88-000, October 17, 2017 (“PJM Revisions”).

³ The comments contained in this filing represent the position of P3 as an organization, but not necessarily the views of any particular member with respect to any issue.

I. COMMENTS

P3 generally supports PJM's proposed revisions to reduce the number of bidding points for Virtual Transactions. P3 agrees that it is appropriate that the points at which Virtual Transactions can be submitted should align with points where the settlement of physical energy occurs or forward positions can be taken.⁴ It is correct that Virtual Transaction source and sink points should be limited to nodes or aggregates at which physical injections or withdrawals are settled. P3 further agrees with PJM that if the day-ahead resource commitment is not optimal, it can have a significant impact on real-time operations and market results.⁵

P3 specifically appreciates that PJM's revisions may reduce the clearing time of the day-ahead energy market. P3 welcomed the Commission examining the time it takes to clear the day-ahead energy market in Commission Order No. 809 in order to improve gas-electric coordination. PJM's revisions to reduce the bidding points of Virtual Transactions will reduce the clearing time of the day-ahead energy market and, in doing so, allow power generators to procure gas more effectively.

As PJM highlighted, the proposed revisions were endorsed by stakeholders by a sector-weighted vote of 4.07 out of 5.0 at the April 27, 2017, PJM Markets and Reliability Committee, and on June 22, 2017, the PJM Members Committee approved the proposed revisions by a sector-weighted vote of 4.16 out of 5.0.⁶

⁴ PJM Revisions at pg. 5.

⁵ *Id.* at pg. 7.

⁶ *Id.* at p.14.

P3 agrees that by making the PJM proposed revisions to reduce the bidding points for Virtual Transactions, along with other revisions proposed in Docket No. ER18-86-000, it will improve market outcomes and operations for all market participants.⁷

II. CONCLUSION

P3 respectfully requests that the Commission consider these comments and issue an order granting PJM's proposed revisions.

Respectfully submitted,

On behalf of the PJM Power Providers Group

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November 7, 2017

⁷ *PJM Interconnection, L.L.C.*, Proposed Revisions On Allocating Uplift To Virtual Transactions, Docket No. ER18-86-000, October 17, 2017, at pg. 6.

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 Washington, D.C. this 7th day of November 2017.

On behalf of the PJM Power Providers Group

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