



DRAFT
Minutes
PJM Interconnection
Markets and Reliability Committee
The Chase Center on the Riverfront, Wilmington, DE
April 25, 2013
9:00 a.m. – 3:30 p.m.

Secretary/Chair:

Anders	David	PJM Interconnection, LLC	Not Applicable
Kormos	Mike	PJM Interconnection, LLC	Not Applicable

Voting Members Present:

Last Name	First Name	Company	Sector
Ainspan	Malcolm	Energy Curtailment Specialists, Inc.	Other Supplier
Barker	Jason	Exelon Business Services Company, LLC	Transmission Owner
Bearden	Joel	Cargill Power Markets LLC	Other Supplier
Bleiweis	Bruce	DC Energy LLC	Other Supplier
Brodbeck	John	Potomac Electric Power Company	Electric Distributor
Campbell	Bruce	Rep.'g Comperio Energy LLC d/b/a ClearChoice Energy	Other Supplier
Campbell	Bruce	Rep.'g Energy Consulting Services LLC	Other Supplier
Campbell	Bruce	EnergyConnect, Inc.	Other Supplier
Campbell	Bruce	Rep.'g EnerNOC, Inc.	Other Supplier
Campbell	Bruce	Rep.'g Mid-Atlantic Power Partners	Other Supplier
Citrolo	John	Public Service Electric & Gas Company	Transmission Owner
Esposito	Patricia	Atlantic Grid Operations A, LLC	Other Supplier
Evrard	David	Pennsylvania Office of Consumer Advocate	End Use Customer
Fahey	Reem	Edison Mission Marketing and Trading, Inc.	Generation Owner
Fitch	Neal	NRG Power Marketing LLC	Generation Owner
Fondacci	Luis	North Carolina Electric Membership Corporation	Electric Distributor
Francis	Frank	Brookfield Energy Marketing LP	Other Supplier
Fuess	Jay	Rep.'g Diamond State Generation Partners, LLC	Generation Owner
Fuess	Jay	Rep.'g Evraz Claymont Steel	Other Supplier
Fuess	Jay	Rep.'g Ictec.com, Inc.	Other Supplier
Fuess	Jay	Rep.'g Kuehne Chemical Company, Inc.	Other Supplier
Fuess	Jay	Rep.'g PBF Power Marketing LLC	Generation Owner
Gates	Kenneth	Primary Power LLC	Other Supplier
Gil	David	NextEra Energy Power Marketing, LLC	Generation Owner
Gill	Richard	UGI Utilities, Inc.	Transmission Owner
Greening	Michele	PPL EnergyPlus, L.L.C.	Transmission Owner
Griffiths	Dan	Enerwise Global Technologies, Inc.	Other Supplier
Guerry	Katie	Hess Corporation	Other Supplier
Hastings	David	Rep.'g Mercuria Energy America, Inc.	Other Supplier
Hastings	David	Rep.'g Saracen Energy East LP	Other Supplier
Hastings	David	Rep.'g Solios Power LLC	Other Supplier



Hebert	Damase	Rep.'g Covanta Energy Group, Inc.	Generation Owner
Hebert	Damase	Rep.'g Essential Power Rock Springs, LLC	Transmission Owner
Hebert	Damase	Rep.'g Jersey Green Energy LLC	Other Supplier
Hebert	Damase	Rep.'g RC Cape May Holdings, LLC	Generation Owner
Hebert	Damase	Rep.'g Richland-Stryker Generation LLC	Generation Owner
Hirsch	Stephen	Downes Associates, Inc.	Other Supplier
Hirsch	Stephen	Rep.'g Mont Alto, PA (Borough of)	Electric Distributor
Hirsch	Stephen	Rep.'g Thurmont, MD (Town of)	Electric Distributor
Horstmann	John	Dayton Power and Light Company (The)	Transmission Owner
Horton	Dana	Appalachian Power Company (AEP Generation)	Transmission Owner
Hughes	Adam	Property Endeavors, LLC	End Use Customer
Hurwich	Mark	Elliott Bay Energy Trading, LLC	Other Supplier
Jablonski	James	Rep.'g Borough of Butler, Butler Electric Division	Electric Distributor
Jablonski	James	Rep.'g Borough of Lavallette, New Jersey	Electric Distributor
Jablonski	James	Rep.'g Borough of Madison, New Jersey	Electric Distributor
Jablonski	James	Rep.'g Borough of Milltown	Electric Distributor
Jablonski	James	Rep.'g Borough of Park Ridge, New Jersey	Electric Distributor
Jablonski	James	Rep.'g Borough of Pemberton	Electric Distributor
Jablonski	James	Rep.'g Borough of Seaside Heights, New Jersey	Electric Distributor
Jablonski	James	Rep.'g Borough of South River, New Jersey	Electric Distributor
Jablonski	James	Rep.'g Vineland Municipal Electric Utility	Electric Distributor
Jennings	Ken	Duke Energy Business Services LLC	Transmission Owner
Johnson	Carl	Long Island Lighting Company d/b/a LIPA	Other Supplier
Kogut	George	New York Power Authority	Other Supplier
Levine	Jeffrey	GDF SUEZ Energy Marketing NA, Inc.	Other Supplier
Lieberman	Steven	Old Dominion Electric Cooperative	Electric Distributor
Long	Scott	Allegheny Electric Cooperative, Inc.	Electric Distributor
Maye	Shelly-Ann	North America Power Partners LLC	Other Supplier
McAlister	Lisa	American Municipal Power, Inc.	Electric Distributor
Meyer	Renee	LM Power, LLC	Other Supplier
Miller	Donald	FirstEnergy Solutions Corp.	Transmission Owner
O'Connell	Robert	JPMorgan Ventures Energy Corporation	Other Supplier
Pakela	Greg	DTE Energy Trading, Inc.	Other Supplier
Plante	Matthieu	H.Q. Energy Services (U.S.), Inc.	Other Supplier
Pratzen	David	Rep.'g Calpine Energy Services, L.P.	Generation Owner
Pratzen	David	Rep.'g Liberty Electric Power, LLC	Generation Owner
Quinlan	Pamela	Rockland Electric Company	Transmission Owner
Rainey	Frank	PEI Power Corporation	Generation Owner
Rohrbach	John	Rep.'g Southern Maryland Electric Cooperative	Electric Distributor
Rohrbach	John	Rep.'g Wabash Valley Power Association, Inc.	Electric Distributor
Scarpignato	David	Direct Energy Business, LLC	Other Supplier
Schofield	William	Rep.'g Blue Ridge Power Agency, Inc.	Electric Distributor
Schofield	William	Rep.'g Borough of Chambersburg (DTEET)	Electric Distributor
Schofield	William	Rep.'g Buckeye Power, Inc.	Electric Distributor
Schofield	William	Rep.'g Central Virginia Electric Cooperative	Electric Distributor
Schofield	William	Rep.'g City of Dover, Delaware	Electric Distributor
Schofield	William	Rep.'g Delaware Municipal Electric Corporation	Electric Distributor
Schofield	William	Rep.'g Easton Utilities Commission	Electric Distributor



Schofield	William	Rep.'g Energy Cooperative Association of PA	Other Supplier
Schofield	William	Rep.'g Hagerstown Light Department	Electric Distributor
Schofield	William	Rep.'g Illinois Municipal Electric Agency	Electric Distributor
Schofield	William	Rep.'g Indiana Municipal Power Agency	Generation Owner
Schofield	William	Rep.'g Madison Gas & Electric Company	Other Supplier
Schofield	William	Rep.'g Northern Virginia Electric Cooperative (NOVEC)	Electric Distributor
Schofield	William	Rep.'g Williamsport, MD (Town of)	Electric Distributor
Schofield	William	Rep.'g WPPI Energy	Other Supplier
Scoglietti	Barbara	Tangent Energy Solutions, Inc.	Other Supplier
Sidhom	Noha	Vel Energy LLC	Other Supplier
Skucas	Ruta	Rep.'g Alphataraxia Palladium LLC	Other Supplier
Skucas	Ruta	Rep.'g Apple Group LLC	Other Supplier
Skucas	Ruta	Rep.'g BJ Energy, LLC	Other Supplier
Skucas	Ruta	Rep.'g Dyon, LLC	Other Supplier
Skucas	Ruta	Rep.'g E Minus LLC	Other Supplier
Skucas	Ruta	Rep.'g Great Bay Energy I, LLC	Other Supplier
Skucas	Ruta	Rep.'g Hexis Energy Trading, LLC	Other Supplier
Skucas	Ruta	Rep.'g Mac Trading, Inc	Other Supplier
Skucas	Ruta	Rep.'g MET MA, LLC	Other Supplier
Skucas	Ruta	Rep.'g Monterey MA, LLC	Other Supplier
Skucas	Ruta	Rep.'g Pure Energy, Inc.	Other Supplier
Skucas	Ruta	Rep.'g Red Wolf Energy Trading, LLC	Other Supplier
Skucas	Ruta	Rep.'g The Highlands Energy Group LLC	Other Supplier
Sunseri	Pat	Twin Cities Power, LLC	Other Supplier
Trayers	Barry	Citigroup Energy, Inc.	Other Supplier
Wadsworth	Joe	Vitol Inc.	Other Supplier
Weishaar	Robert	Rep.'g Air Liquide Industrial U.S., LP	End Use Customer
Weishaar	Robert	Rep.'g Air Products & Chemicals, Inc.	End Use Customer
Weishaar	Robert	Rep.'g Castlebridge Energy Group, LLC	Other Supplier
Weishaar	Robert	Rep.'g Gerdau Ameristeel Energy, Inc.	Other Supplier
Weishaar	Robert	Rep.'g Industrial Energy Users-Ohio	Other Supplier
Weishaar	Robert	Rep.'g Kimberly-Clark Corporation	Generation Owner
Weishaar	Robert	Rep.'g Lehigh Portland Cement Company	End Use Customer
Weishaar	Robert	Rep.'g Letterkenny Industrial Development Authority	Electric Distributor
Weishaar	Robert	Rep.'g Linde LLC	End Use Customer
Weishaar	Robert	Rep.'g MeadWestvaco Corporation	End Use Customer
Weishaar	Robert	Rep.'g Occidental Power Services, Inc.	Other Supplier
Weishaar	Robert	Rep.'g Praxair, Inc.	End Use Customer
Weishaar	Robert	Rep.'g Procter & Gamble Paper Products Company (The)	End Use Customer
Weishaar	Robert	Rep.'g Trustees of the U of PA, dba University of Pennsylvania	End Use Customer
Weishaar	Robert	Rep.'g Wellsboro Electric Company (pre-2008)	Electric Distributor
Williams	Michael	Black Oak Energy, LLC	Other Supplier
Wolfe	Samuel	Viridity Energy, Inc.	Other Supplier



Non-Voting Attendees:

Last Name	First Name	Company	Sector
Bayless	Charles	North Carolina Electric Membership Corporation	Electric Distributor
Carmean	Gregory	OPSI	Not Applicable
Carretta	Kenneth	Public Service Electric & Gas Company	Transmission Owner
Czigler	Frank	PSEG Energy Resources and Trade LLC	Transmission Owner
Ellison	Alan	Grays Ferry Cogeneration Partnership	Generation Owner
Filomena	Guy	Customized Energy Solutions, Ltd.*	Not Applicable
Godson	Gloria	Potomac Electric Power Company	Electric Distributor
Heidorn	Richard	The Federal Energy Regulatory Commission	Not Applicable
Hoatson	Tom	Riverside Generating, LLC	Other Supplier
Mayes	Jeff	Monitoring Analytics, LLC	Not Applicable
Norton	Chris	American Municipal Power, Inc.	Generation Owner
Paulson	Erik	Customized Energy Solutions, Ltd.*	Not Applicable
Smoots	Carol	Pierce Atwood LLP	Not Applicable
Stadelmeyer	Rebecca	Exelon Business Services Company, LLC	Transmission Owner
Stevens	Andrew	DC Energy	Other Supplier
Stuchell	Jeff	FirstEnergy Solutions Corporation	Transmission Owner
Tatum	Ed	Old Dominion Electric Cooperative	Electric Distributor
Weaver	David	PECO Energy Company	Transmission Owner
Ziegler	Richard	FirstEnergy Solutions Corporation	Transmission Owner

PJM Attendees:

Last Name	First Name	Company	Sector
Boston	Terry	PJM Interconnection, LLC	Not Applicable
Braptsis	Brat	PJM Interconnection, LLC	Not Applicable
Bresler	Stu	PJM Interconnection, LLC	Not Applicable
Bryson	Michael	PJM Interconnection, LLC	Not Applicable
Burlew	Sarah	PJM Interconnection, LLC	Not Applicable
Daugherty	Suzanne	PJM Interconnection, LLC	Not Applicable
Eckenrod	Robert	PJM Interconnection, LLC	Not Applicable
Egan	Amanda	PJM Interconnection, LLC	Not Applicable
Foley	Sheila	PJM Interconnection, LLC	Not Applicable
Foster	Denise	PJM Interconnection, LLC	Not Applicable
Gdowik	John	PJM Interconnection, LLC	Not Applicable
Hendrzak	Chantal	PJM Interconnection, LLC	Not Applicable
Herling	Steven	PJM Interconnection, LLC	Not Applicable
Hoang	Liem	PJM Interconnection, LLC	Not Applicable
Horning	Lynn	PJM Interconnection, LLC	Not Applicable
Huang	Nancy	PJM Interconnection, LLC	Not Applicable
Kendall	Ross	PJM Interconnection, LLC	Not Applicable
Manion	Evelyn	PJM Interconnection, LLC	Not Applicable
Mayben	William	PJM Board of Managers	Not Applicable
McGlynn	Paul	PJM Interconnection, LLC	Not Applicable
Ott	Andrew L.	PJM Interconnection, LLC	Not Applicable
Rogers	Sarah	PJM Board of Managers	Not Applicable
Sechrist	Erin	PJM Interconnection, LLC	Not Applicable



Slusser	Jeff	PJM Interconnection, LLC	Not Applicable
Snyder	Sue	PJM Interconnection, LLC	Not Applicable
Souder	Michelle	PJM Interconnection, LLC	Not Applicable
Tribulski	Jennifer	PJM Interconnection, LLC	Not Applicable
Withrow	David	PJM Interconnection, LLC	Not Applicable

ADMINISTRATION

Mr. Kormos welcomed the Members and Mr. Anders provided the Anti-trust and Code of Conduct announcements.

Mr. Duane, on behalf of the PJM Board of Managers Competitive Markets Committee, provided an update on the Board’s interaction with the Independent Market Monitor regarding the previously announced draft Request for Proposal. He indicated that the Board and Monitoring Analytics had agreed to extend the current contract for five months (to the end of 2014), and that the Board and Monitoring Analytics were engaging in discussions regarding extension of the current contract. Mr. Mayes, Monitoring Analytics, noted concurrence with Mr. Duane’s report.

Mr. Ott provided an update on the recent FERC order regarding the complaint related to DR Plan Enhancement manual revisions endorsed by the Markets and Reliability Committee (MRC) at its last meeting. He indicated that no action was required in preparation for the upcoming Base Residual Auction and that proposed Tariff revisions would be prepared to incorporate the DR Plan Enhancements as endorsed by the MRC. The proposed revisions will be provided to stakeholders for comment and the Members Committee will be asked to endorse the proposed revisions at its June 27, 2013 meeting.

ENDORSEMENTS/APPROVALS

1. ADMINISTRATION

Minutes of the March 28, 2013, April 11, 2013 and April 18, 2013 MRC meetings were **approved** by acclamation with no objections and one abstention.

2. PJM MANUALS

Mr. Bryson presented proposed Manual 13: Emergency Operations related to integration of East Kentucky Power Cooperative. Following discussion, the MRC **endorsed** the proposed revisions by acclamation with no objections and one abstention.

3. SYSTEM RESTORATION STRATEGY SENIOR TASK FORCE (SRSTF)

- A. Ms. Hendrzak presented proposed Tariff revisions to implement the recommended cost allocation methodology associated with the updated System Restoration Strategy previously endorsed by the MRC. Mr. Weaver proposed a friendly amendment to remove from Schedule 6A the opportunity for a Transmission Owner to recover the costs associated with enabling the provision of Black Start Service from its Transmission Zone to a neighboring Transmission Zone. There was no objection to the proposed friendly amendment, and therefore it was incorporated into the main motion. Following discussion, the committee **endorsed** the proposed revisions by acclamation with no objections and five abstentions.
- B. Ms. Hendrzak presented a proposed update to the SRSTF Charter regarding addition of a broader investigation into restoration strategy compensation. The committee was asked to approve the proposed Charter revision at its first reading, since the committee had discussed the issue at its last meeting. Following discussion, the committee **approved** the proposed revision to the Charter by acclamation with 19 objections and two abstentions.

4. PROVISION OF E-TAG DATA TO ISOS, MMUS, AND FERC

Ms. Huges presented proposed Tariff and Operating Agreement (OA) revisions regarding FERC’s recent order requiring provision of E-Tag data to ISOs, MMUs, and the FERC. Following discussion, the committee **endorsed** the proposed Tariff revisions by acclamation with no objections and one abstention.



5. FREQUENCY CAPABILITY VERIFICATION

Ms. Burlew discussed a proposed problem statement identified and endorsed by the CSTF related to Frequency Capability Verification. She noted that the issue was included in the problem statement previously approved by the MRC, and that this problem statement had been developed as a clarification of the item in the previously approved problem statement, and to transfer the issue to the Demand Response Subcommittee. Following discussion, the proposed problem statement **failed** in a sector-weighted vote with 1.89 in favor.

6. UP-TO CONGESTION TRANSACTION ENHANCEMENT

Mr. Bresler reviewed a proposal to apply volume limitations to up to congestion transactions similar to those that apply to increment offers and decrement bids, and to move the specific limitation from the Tariff to Manual M-11. The proposed revisions also add a definition of Up-To Congestion transactions to the OA and Tariff. He noted the previous MRC discussion on this subject, including the two special MRC conference calls focused on the Up-To Congestion transaction definition. Mr. Ott acknowledged previous discussions related to allocating Balancing Operating Reserves or a fixed fee to these transactions, and that such issue should be pursued separately and not as a part of the implementation of the definition. He noted that PJM would undertake an analysis to allow stakeholders to understand the impacts of these transactions, and that any proposals for allocation of costs or fees would be considered through a full stakeholder process. Mr. Barker proposed a friendly amendment regarding refining the term Bilateral Transaction, by changing reference to Market Buyer and Market Seller to Market Participant and also changing generation resource to simply resource. There were no objections to the proposed friendly amendment and therefore it was incorporated into the main motion. Following discussion the committee **endorsed** the proposed revisions by acclamation with one objection and two abstentions.

7. APPLICATION OF FTR FORFEITURE RULES TO UP-TO CONGESTION TRANSACTIONS

Mr. Bresler discussed proposed application of FTR forfeiture rules to up-to congestion transactions. Following discussion the committee **endorsed** the proposed revisions by acclamation with one objection and 17 abstentions.

8. COMMODITY FUTURES TRADING COMMISSION (CFTC) EXEMPTION ORDER

Ms. Daugherty and Mr. Eckenrod reviewed the recently-issued CFTC Exemption Order and proposed revisions to the OA and Tariff to comply with conditions in this Order. Ms. Daugherty noted that stakeholders had posed several questions and suggested revisions to the proposal, and therefore the request for endorsement would be deferred to the committee's next full meeting. At stakeholder request an additional special conference call of the MRC will be arranged to facilitate additional discussion prior to voting at the next full MRC meeting.

FIRST READINGS

9. UP-TO CONGESTION TRANSACTION CREDIT REQUIREMENTS

Ms. Daugherty presented proposed credit requirements for Up-To Congestion transactions. She discussed the components of proposed solutions and current polling to resolve support each of the five proposed solutions. The committee will be asked to endorse the proposed requirements at its next meeting.

10. OPERATING RESERVES REVIEW

Ms. Horning presented a proposed problem statement regarding a holistic review of operating reserves. Suggested revisions to the specifics of the document were discussed. The committee will be asked to approve the problem statement at its next meeting.

11. FTR FORFEITURE RULE CHANGES

Mr. Bresler presented proposed Manual revisions regarding the FTR Forfeiture rule as it applies to Inc/Dec transactions and discussed a proposed problem statement developed by the Independent Market Monitor regarding review and potential updating of the FTR Forfeiture rule. He indicated that PJM and the Independent Market Monitor



had jointly developed the proposed Manual revision to document the currently implemented rule. Mr. Barker moved and Mr. Tatum seconded that the proposed Manual revisions be endorsed. Mr. Sunseri proposed a friendly amendment that endorsement of the proposed Manual revisions would be contingent upon a stakeholder process to re-examine the FTR Forfeiture rule in general, with a problem statement to be provided at the next meeting. Mr. Barker and Mr. Tatum agreed that this was friendly, and was therefore incorporated into the motion. Following discussion, Mr. Barker withdrew his motion to allow refinement of the problem statement so that both the Manual revisions and the problem statement could be endorsed/approved at the committee's next meeting. The committee will be asked to endorse the proposed revisions and a problem statement at its next meeting.

12. PMU DEPLOYMENT

Ms. Huang presented proposed Tariff revisions related to Phasor Measurement Unit (PMU) deployment endorsed by the Planning Committee. The committee will be asked to endorse the proposed revisions at its next meeting.

13. ENERGY STORAGE RESOURCES

Mr. Jacobson, AES Energy Storage, presented a proposed problem statement regarding allowing advanced energy storage resources to participate in capacity auctions. The committee will be asked to approve the proposed problem statement at its next meeting.

14. BGE SPECIAL PROTECTION SCHEMES

Mr. Tekle, BGE, presented two Special Protection Systems (SPS) plans in the BGE zone related to baseline transmission projects. He indicated that the schemes will be in effect on June 1, 2014.

15. EME SPECIAL PROTECTION SCHEME REMOVAL

Mr. Patzin discussed removal of an SPS in the ComEd zone. He indicated that all required upgrades had been completed, and the SPS would be removed on August 15, 2013.

16. REPLACEMENT CAPACITY

This item was deferred to a future meeting.

17. PJM MANUALS

- A. Mr. Langbein reviewed manual revisions developed by the Demand Response Subcommittee to address load reduction reporting requirements for emergency demand resources and electronic notification standards for demand resources. The committee will be asked to endorse these changes at its next meeting.
- B. Ms. Coyne presented manual updates for Residual Zone Pricing. The committee will be asked to endorse the manual language at its next meeting.
- C. Ms. Cummings presented manual revisions to reflect the integration of EKPC into the PJM footprint. The committee will be asked to endorse the revisions at its next meeting.
- D. Mr. Boyle reviewed manual changes to M-36: System Restoration related to new NERC Standards EOP-005-2 and EOP-006-2. The committee will be asked to endorse these changes at its next meeting.
- E. Mr. Thomas reviewed changes to Manual 03A: Energy Management System (EMS) Model Updates and Quality Assurance. The committee will be asked to endorse these changes at its next meeting.
- F. Mr. Schmitt reviewed proposed revisions to Manual 11: Energy & Ancillary Service Market Operations and Manual 15: Cost Development regarding Regulation Market Cost-Based Offers. The committee will be asked to endorse these changes at its next meeting.
- G. Mr. Gdowik reviewed proposed revisions to Manual 35: Definitions and Acronyms. The committee will be asked to endorse these changes at its next meeting.



- H. Mr. Sims presented manual updates for the implementation of NERC standard PRC-023-2. The committee will be asked to endorse the revisions at its next meeting.
- I. Mr. Hoang reviewed changes to Manual 03: Transmission Operations. The committee will be asked to endorse these changes at its next meeting.

FUTURE AGENDA ITEMS

There were no new future agenda items identified.

FUTURE MEETINGS

May 30, 2013	9:00 AM	Wilmington, DE
June 27, 2013	9:00 AM	Wilmington, DE
August 1, 2013	9:00 AM	Wilmington, DE
August 29, 2013	9:00 AM	Wilmington, DE
September 26, 2013	9:00 AM	Wilmington, DE
October 24, 2013	9:00 AM	Wilmington, DE
December 5, 2013	9:00 AM	Wilmington, DE

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DMS Document Number: 750382, v1