



PJM Interconnection
PJM Operating Committee
Minutes of the 177th Meeting
PJM Conference and Training Center
Tuesday, May 8, 2012
9:00 AM

Members Present:

Mike Bryson, Chairman
Heather Reiter, Secretary
Patrick Brown
David Pratzon
Donald Miller
Brad Weghorst
John Brodbeck
Russell W. Price

PJM Interconnection
PJM Interconnection
EP Rock Springs, Inc.
Exelon Generation Co. LLC
First Energy Solutions Corp.
PPL Energy Plus
Shell Energy North America, LP
UGI Utilities, Inc.

Members Present via Conference Call:

Brock Ondayko
Timothy Hostetler
Bruce Erickson
Andrew Dodge
John Garavaglia
Guy Filomena
Steven McDonald
John Horstmann
Charles Bonner
Robert Snow
Andrew Hunter
Anthony Linderman
David Marton
Ronald Palcic
Grace McNamara
Al Freeman
David Mabry
Steven Lieberman
David Weaver

AEP
AEP Appalachian Transmission Company
Allegheny Electric Cooperative, Inc.
Baltimore Gas & Electric Company
Commonwealth Edison
Customized Energy Solutions, Ltd.
Customized Energy Solutions, Inc.
Dayton Power and Light
Dominion Virginia Power
Federal Energy Regulatory Commission
First Energy Solutions Corp.
FirstEnergy Solutions Corp.
FirstEnergy Solutions Corp.
FirstEnergy Solutions Corp.
Louis Dreyfus Energy Services, L.P.
Michigan Public Service Commission
NcNees Wallace
Old Dominion Electric
PECO Energy Company



Martin Diamant
Ronald Wharton
Jacquie Smith
Thomas Hoatson
Gerald Binder
Brad Swalwell

PSEG Energy Resources and Trade LLC
Public Service Electric & Gas Company
ReliabilityFirst Corporation
Riverside Generating, LLC
SESCO Enterprises LLC
Tangent Energy

Also Present:

David Anders
Joseph Ciabattoni
Ronald Graff
Thomas Hauske
Chantal Aimee Hendrzak
Liem Hoang
Srinivas Kappagantula
Adam Keech
Susan Kenney
David Kimmel
Jeffrey McLaughlin
Lisa Morelli
Ruston Ogburn
Christopher Pulong
Kenneth Schuyler
David Schweizer
Erin Sechrist
Simon Tam

PJM Interconnection
PJM Interconnection

1. ADMINISTRATION

- The Agenda for this meeting was approved.
- The Draft Minutes of the April 10, 2012 OC meeting were reviewed and approved.

2. COMMITTEE/SUBCOMMITTEE/WORKING GROUP UPDATES

PJM Staff will provide an informational report on the issues and activities associated with the Committee/Subcommittee:

- Markets and Reliability Committee – Mr. Anders provided a summary of the April 26, 2012 MRC meeting.



- Markets Implementation Committee – Ms. Morelli provided a summary of the April 11, 2012 MIC meeting and a preview of the May 9, 2012 meeting Agenda. The MIC approved the proposal to sunset the Black Start Service Task Force at the April 11, 2012 meeting.
- System Information Subcommittee – Mr. Graff provided a summary of the April 18, 2012 SIS meeting.
- System Operations Subcommittee – Mr. Keech provided a summary of the May 3, 2012 SOS meeting.
- Regulation Performance Senior Task Force – Mr. Ogburn provided a summary of the April 25, 2012 RPSTF meeting.
- Intermittent Resources Task Force – Mr. Schuyler provided an update that PJM filed Tariff Revisions on April 4, 2012. The next meeting is on June 18, 2012.
- System Restoration Strategy Task Force – Ms. Hendrzak provided an update on the SRSTF. This Task Force will examine the current System Restoration Planning process to determine its viability and efficiency moving forward and recommend any changes to the System Restoration strategy.
- Reliability Standards and Compliance Subcommittee – Mr. Kappagantula provided a summary of the April 20, 2012 RSCS meeting.

3. NERC/RFC UPDATE

Mr. Kappagantula provided an update on NERC, SERC, RFC and NAESB Regional Standards.

4. REVIEW OF OPERATIONS

Mr. Keech reviewed the PJM Operations since the last OC meeting.

5. 2012 SUMMER EMERGENCY PROCEDURES DRILL

Mr. Ciabattone reviewed the 2012 Summer Emergency Procedures Drill scheduled for May 22, 2012 with May 30th as the backup date.

6. MARKETS AND OPERATIONS ORGANIZATIONAL UPDATES

Ms. Reiter reviewed the organizational changes within PJM Markets and Operations Divisions.

7. OPERATIONS ASSESSMENT TASK FORCE (OATF) RESULTS

Mr. McLaughlin reviewed the Summer 2012 OATF results. The OATF study did not identify any major reliability issues.



8. MANUAL UPDATES

- Mr. Ogburn presented the proposed manual language for Manual-11: Energy and Ancillary Services Market Operations §3.2 PJM Regulation Market Business Rules describing what the energy limited ramp rate is and how it will be applied. The implementation date is scheduled for October 1, 2012.
- Mr. Schweizer presented proposed manual language for Manual 14D – Generator Operational Requirements. Changes included Section 7 on unit startup and notification, Section 8 on wind farm requirements, and Section 10 on the black start replacement process. The Committee will be asked to endorse the changes at its next meeting.
- Mr. Schweizer reviewed changes to Manual-10: Pre-Scheduling Operations. Changes included Section 1 on unit start up and notification. The new rules will be implemented in the fall 2012. The Committee will be asked to endorse the changes at its next meeting.
- Mr. Schweizer reviewed changes to Manual-39: Nuclear Plant Interface Coordination. Changes included Section 4 on NUC-001 requirements and Attachment C. The Committee will be asked to endorse the changes at its next meeting.
- Mr. Keech reviewed changes to Manual 13 – Emergency Operations. Changes included Attachment K, Attachments E & F, and Sections 2.3 and 5.2 for unit startup and notification. The Committee will be asked to endorse the changes at its next meeting.
- Mr. Keech reviewed changes to Manual 12 – Balancing Operations. Changes included Section 4.4 on requiring AGC for units providing regulation, Section 4.6 on black start, and Section 5.1 on removal of DVP voltage limits. The Committee will be asked to endorse the changes at its next meeting.
 - Mr. Hauske and Mr. Kimmel presented proposed manual language for Manual 12 – Balancing Operations §4.6 Black Start Service and proposed changes for the Black Start Test Report form used for sending test results to PJM Performance Compliance. The changes were to comply with the Open Access Transmission Tariff (OATT) and to document PJM Performance Compliance business practice for transparency and clarity. The submission forms are currently on the Black Start Task Force website, a link will be sent out when these are moved. The Committee will be asked to endorse the changes at its next meeting.

9. CURRENT DR PARTICIPATION IN ANCILLARY SERVICE MARKETS

Ms. Kenney discussed demand response 25% limit on participation in Ancillary Service Markets. The Issue Statement was presented and endorsed with discussed changes. This issue is assigned to the Operating Committee and will be facilitated by Ms. Kenney.



10. PJM CONTROL OF VOLTAGE ISSUES

Mr. Ciabattoni provided an overview on PJM control of voltage issues. The presentation included a review of voltage control actions and future system upgrades.

11. ARIZONA – SOUTHERN CALIFORNIA OUTAGES

Mr. Bryson discussed the Arizona – Southern California outages of September 8, 2011: Causes and Recommendations report. Mr. Vicini will lead the PJM effort to bring back an overall analysis of the recommendations.

12. DOUBLE CIRCUIT TOWER CONTINGENCIES

Mr. Bryson discussed the PJM operating philosophy regarding the monitoring and modeling of double circuit tower contingencies resulting from delays in RTEP upgrades including a review of the need for DCTLTC due to the Susquehanna – Roseland project delay.

13. FUTURE AGENDA ITEMS

- PJM Project Summary for Coming Year July
- Winter Reserve Target October
- Demand Response Event Summary October
- Yearly Day Ahead Reserve Requirement M-13 Update October (November Endorsement)
- Load Forecasting Error Metrics Bi-Annual
- Synchronous Reserve Event Summary Bi-Annual
- Spring / Fall Outage Schedules Bi-Annual
- Emergency Procedures Drill Update Bi-Annual
- Annual Review of OC Charter April

14. FUTURE OC MEETINGS

June 12, 2012	Office of the Interconnection	9:00 AM
July 10, 2012	Office of the Interconnection	9:00 AM
August 7, 2012	Office of the Interconnection	9:00 AM
September 11, 2012	Office of the Interconnection	9:00 AM
October 9, 2012	Office of the Interconnection	9:00 AM
November 6, 2012	Office of the Interconnection	9:00 AM
December 11, 2012	Office of the Interconnection	9:00 AM



Author: Heather Reiter
Typist: Heather Reiter
Docs #: 703135

Anti-trust:

You may not discuss any topics that violate, or that might appear to violate, the antitrust laws including but not limited to agreements between or among competitors regarding prices, bid and offer practices, availability of service, product design, terms of sale, division of markets, allocation of customers or any other activity that might unreasonably restrain competition. If any of these items are discussed the chair will re-direct the conversation. If the conversation still persists, parties will be asked to leave the meeting or the meeting will be adjourned.

Code of Conduct:

As a mandatory condition of attendance at today's meeting, attendees agree to adhere to the PJM Code of Conduct as detailed in PJM Manual M-34 section 4.5, including, but not limited to, participants' responsibilities and rules regarding the dissemination of meeting discussion and materials.

Public Meetings/Media Participation:

Unless otherwise noted, PJM stakeholder meetings are open to the public and to members of the media. Members of the media are asked to announce their attendance at all PJM stakeholder meetings at the beginning of the meeting or at the point they join a meeting already in progress. Members of the Media are reminded that speakers at PJM meetings cannot be quoted without explicit permission from the speaker. PJM Members are reminded that "detailed transcriptional meeting notes" and white board notes from "brainstorming sessions" shall not be disseminated. PJM Members are also not allowed to create audio, video or online recordings of PJM meetings.