

**Market Settlements Subcommittee
Conference Call
November 10, 2016
1:00 p.m. – 4:00 p.m. EST**

Administration

PJM reviewed the Anti-Trust Policy, Code of Conduct and Media Participation Policy and performed roll call. The Subcommittee approved the minutes from the October 13, 2016 MSS meeting.

Working Issues

1. Settlement C Update

Mr. Ray Fernandez, PJM, provided details on recent requests for reconciliation after the 60 day deadline. There were two recent requests for Settlement C adjustments in the Dayton and DEOK zones. Reconciliation in the Dayton zone was due to delayed adjustments to non-interval metered load, and reconciliation in the DEOK zone was due to corrections to over-reported load.

2. Real Time Metering Impacts to Settlements

Mr. John McComb, PJM, provided education on the real time metering impacts to settlements. John explained how the accuracy of a generator's RT LMP is dependent on the accuracy of the unit's RT telemetry in conjunction with the accuracy of RT telemetry in the surrounding area. He explained the effect of inaccurate telemetry on RT load distribution and balancing congestion and losses billing. John also provided the RT LMP impacts of both 5 minute and hourly generator reporting in PowerMeter, depending on the accuracy of the State Estimator vs PowerMeter uploaded value.

3. Capacity Performance – Performance Assessment Hour Charges and Credits Detail Reports

Mr. Ed Rich, PJM, provided a recap of the upcoming billing and report changes related to Performance Assessment Hour Charges and Credits, which were initially presented at the August 18, 2016 MSS meeting. Ed presented an additional report, Performance Assessment Generation Adjustment Details, which will display the details of the calculation of the actual performance for a generator.

PJM will continue to develop additional supporting reports, which will be discussed in future MSS meetings.

4. Problem Statement/Issue Charge – Pseudo Tie Units Submitting Meter Correction Data

Mr. Doug White, NCEMC, presented a problem statement and issue charge on allowing Pseudo-Tie Units to submit Meter Correction data. The problem statement states that addressing this oversight will afford putting pseudo-tie units on an equal basis as other generators, and that currently there is a potential for generators connected via pseudo-ties to be incorrectly compensated if the issue is not addressed. The issue charge states that the MSS should be the stakeholder group assigned for this issue and will work to develop potential solutions.

PJM will work with NCEMC to prepare this issue for discussion at the December 14, 2016 MIC meeting. Pending MIC endorsement, the subcommittee will begin to move forward with the stakeholder process on this issue at the January 19, 2017 MSS meeting.

5. FERC Order 825 – Discussion on Sub-Hourly Settlements

Mr. Ray Fernandez, PJM, discussed the Generation and Load imbalance component related to the 5 minute settlement implementation. He described how an imbalance is inherently introduced in the Real Time Net Interchange calculation due to flat profiling of load. This imbalance impacts the 5 minute balancing spot market energy charge, spot market loss value, total hourly transmission loss charges, and the hourly transmission loss credits allocated to market participants.

Ray presented the results of analysis performed by PJM on the financial impact of the generation and load imbalance on the spot market loss value. The analysis focused on one low load, one negative LMP, and two high load days for the data set. The results show that, for all sample days, there is an overall reduction in the Transmission Loss Charges and consequently the Transmission Loss Credits.

Miscellaneous Settlements Items

Mr. Ray Fernandez, PJM, provided an update on the upcoming NSPL Daily Zonal Scaling Factor changes. PJM has been working with its vendor and is currently testing the changes in RPM. PJM is planning to implement the changes on January 1, 2017. Members of the subcommittee should plan to discuss their plans regarding NSPL scaling at the December 8, 2016 MSS meeting.

Mr. Nick DiSciullo, PJM, provided an update on the new LSE InSchedule and NSPL Activity Summary report, which was covered at the September 22, 2016 MSS meeting. The report documentation was uploaded to the MSRS section on PJM.com and was communicated to the Market Settlements Subcommittee email distribution on November 8, 2016. The report is targeted to go live in production on December 1, 2016, covering trade dates 11/1/2016 forward.

Future Agenda Items

Participants will have the opportunity to request the addition of any new item(s) to the agenda of a future meeting.

Future Meeting Dates

December 8, 2016	1:00 p.m. – 4:00 p.m.	Conference Call
January 19, 2017	1:00 p.m. – 4:00 p.m.	Conference Call
February 16, 2017	1:00 p.m. – 4:00 p.m.	Conference Call
March 16, 2017	1:00 p.m. – 4:00 p.m.	Conference Call
April 20, 2017	1:00 p.m. – 4:00 p.m.	Conference Call
May 18, 2017	1:00 p.m. – 4:00 p.m.	Conference Call
June 15, 2017	1:00 p.m. – 4:00 p.m.	Conference Call
July 20, 2017	1:00 p.m. – 4:00 p.m.	Conference Call
August 17, 2017	1:00 p.m. – 4:00 p.m.	Conference Call
September 21, 2017	1:00 p.m. – 4:00 p.m.	Conference Call
October 19, 2017	1:00 p.m. – 4:00 p.m.	Conference Call
November 16, 2017	1:00 p.m. – 4:00 p.m.	Conference Call
December 7, 2017	1:00 p.m. – 4:00 p.m.	Conference Call

Attendees

Fernandez, Raymond (Chair)	PJM Interconnection, LLC	Not Applicable
Disciullo, Nicholas (Secretary)	PJM Interconnection, LLC	Not Applicable
Atlas, Ted	Talen Energy Marketing, LLC	Generation Owner
Austin, Larry	PJM Interconnection, LLC	Not Applicable
Bargas, Steven	Tenaska Power Services Co.	Generation Owner
Bertocchi, John	Metropolitan Edison Company	Transmission Owner
Bloom, David	Baltimore Gas and Electric Company	Transmission Owner
Bolan, Martin	FirstEnergy Solutions Corp.	Transmission Owner
Borradaile, Michael	PJM Interconnection, LLC	Not Applicable
Britt, Debbie	North Carolina Electric Membership Corporation	Electric Distributor
Caruthers, Anna	FirstEnergy Solutions Corp.	Transmission Owner
Cicero, Nicholas	FirstEnergy Solutions Corp.	Transmission Owner
Coleman, Robert	BP Energy Company	Other Supplier
Cox, Bill	Exion Energy, Inc.	Other Supplier
Coyne, Suzanne	PJM Interconnection, LLC	Not Applicable
Dessender, Harry	Customized Energy Solutions, Ltd.*	Not Applicable
Dugan, Chuck	East Kentucky Power Cooperative, Inc.	Transmission Owner
Filomena, Guy	Customized Energy Solutions, Ltd.*	Not Applicable
Flamm, Sean	PJM Interconnection, LLC	Not Applicable
Fondacci, Luis	North Carolina Electric Membership Corporation	Electric Distributor
Gondek, John	PSEG Energy Resources and Trade, LLC	Other Supplier
Grisollia, Al	PSE&G Solar 4 All	Not Applicable
Guntle, Vince	UGI Energy Services, LLC	Other Supplier
Hagaman, Derek	GT Power Group	Not Applicable
Hart, Joy	North Carolina Electric Membership Corporation	Electric Distributor
Hartman, Gary	Talen Energy Marketing, LLC	Generation Owner
Hemmert, John	Dayton Power & Light Company (The)	Transmission Owner
Holter, Natasha	PJM Interconnection, LLC	Not Applicable
Hsia, Eric	PJM Interconnection, LLC	Not Applicable
Johnson, Carl	Customized Energy Solutions, Ltd.*	Not Applicable
Juhrden, Jane	Atlantic City Electric Company	Electric Distributor
Kendall, Brandon	Appalachian Power Company	Transmission Owner
Kingston, Amber	North Carolina Electric Membership Corporation	Electric Distributor
Kotras, Craig	Baltimore Gas and Electric Company	Transmission Owner
Krauss, Robert	PSEG Services Corp	Not Applicable
Krishnaraj, Morgini	Brookfield Energy Marketing LP	Other Supplier
Leasure, Jill	Keystone Projects	Not Applicable
Loudenburg, Zack	Aces Power Marketing	Not Applicable
Lovely, Christina	Calpine Energy Services, L.P.	Generation Owner
Mabry, David	McNees Wallace & Nurick LLC	Not Applicable
Martinson, Tia	Grand Ridge Energy LLC	Generation Owner
Meridionale, Kevin	Jersey Central Power & Light Company	Transmission Owner
Mollenkopf, Sandy	East Kentucky Power Cooperative, Inc.	Transmission Owner
Molnar, Steve	AEP Appalachian Transmission Company, Inc.	Transmission Owner
Nice, Ryan	PJM Interconnection, LLC	Not Applicable
Nichols, Lloyd	Commonwealth Chesapeake Company, LLC	Generation Owner
Ondayko, Brock	Appalachian Power Company	Transmission Owner
Peoples, John	Duquesne Light Company	Transmission Owner
Plevin, Cherie	Duke Energy Business Services LLC	Transmission Owner
Polka, Joseph	Duquesne Light Company	Transmission Owner
Popella, Jeff	Dayton Power & Light Company (The)	Transmission Owner
Pratzon, David	GT Power Group	Not Applicable
Rayhorn, Carolyn	Dominion Virginia Power	Not Applicable
Reid, Ryan	Buckeye Power, Inc.	Electric Distributor
Rieger, Laura	Aces Power Marketing	Not Applicable
Rohrbach, John	Aces Power Marketing	Not Applicable
Salem, Jay	Pennsylvania Electric Company	Transmission Owner
Sasser, Jonathan	Customized Energy Solutions, Ltd.*	Not Applicable
Saxe, Barbara	Public Service Electric & Gas Company	Transmission Owner
Scherer, Paul	Commonwealth Edison Company	Transmission Owner
Sensenig, James	Pennsylvania Electric Company	Transmission Owner
Shaffer, Brian	Atlantic City Electric Company	Electric Distributor
Tangirala, Subha	ABB	Not Applicable
Teamann, Cynthia	FirstEnergy Solutions Corp.	Transmission Owner



Meeting Minutes

Treadwell, Al
Tumbleson, Renee
Verduin, Glenn
Waskiewicz, Michael
Werner, Christopher
White, Doug
Whitehead, Jeffrey
Wilhite, Chad
Wong, Bryant

Allegheny Electric Cooperative, Inc.
FirstEnergy Solutions Corp.
PSEG Energy Resources and Trade, LLC
Hartree Partners, LP
Appalachian Power Company
North Carolina Electric Membership Corporation
Direct Energy Business Marketing, LLC
FirstEnergy Solutions Corp.
ABB

Electric Distributor
Transmission Owner
Other Supplier
Other Supplier
Transmission Owner
Electric Distributor
Other Supplier
Transmission Owner
Not Applicable

Author: Nicholas DiSciullo