

**Resource Adequacy Analysis Subcommittee
Conference Call/WebEx
September 9, 2016
9:00 a.m. – 11:00 a.m. EST**

ADMINISTRATION

Mr. Falin opened the meeting and reviewed the agenda. Mr. Quevada performed roll call. The meeting minutes from the June 24, 2016 meeting were approved and will be posted as final.

2016 RRS PRELIMINARY RESULTS AND DISCUSSION

Mr. Falin presented the draft results of the 2016 Reserve Requirement Study (RRS) analysis. Mr. Falin noted that in general the Study is very similar in scope, base assumptions and model characteristics as the previous 2015 RRS report. The 16.6% IRM for 2020/2021 calculated in this year's study represents an increase of 0.1 percentage points with respect to the IRM computed for 2019/2020 in last year's study. The mild increase can be attributed to changes in the PJM load model which this year features a flatter monthly peak shape, more specifically a higher August-to-July peak ratio. The emergency imports from the World are slightly higher this year, partially offsetting the impact of the flatter PJM load model. The capacity model did not have a different impact on the IRM compared to last year's result.

The target date to review the draft 2016 Study report will be the next RAAS meeting on September 27, 2016. Request for endorsement of the IRM and associated parameters for 2017/2018, 2018/2019, 2019/2020, and 2020/2021 will also occur at this meeting.

The results of the 2016 RRS are summarized below. PJM Staff recommends the values shown in bold in the following table.

2016 RRS Study results:

RRS Year	Delivery Year Period	Calculated IRM	Recommended IRM	Average EFORd	Average XEFORd**	PJM August-to-July Peak Ratio*	Recommended FPR	Recommended DR Factor**
2016	2017 / 2018	16.60%	16.6%	6.54%	5.94%	96.9%	1.0967	0.947
2016	2018 / 2019	16.67%	16.7%	6.59%	6.59%	96.9%	1.0901	N/A
2016	2019 / 2020	16.64%	16.6%	6.59%	6.59%	96.9%	1.0892	N/A
2016	2020 / 2021	16.64%	16.6%	6.59%	6.59%	96.9%	1.0892	N/A

* PJM August-to-July Peak Ratio: PJM's August Peak as percentage of PJM's Annual Peak (which occurs in July)

** DR Factor and OMC events eliminated with introduction of CP in 2018/2019.

FUTURE MEETING DATES

September 27, 2016

2:30 p.m. – 4:30 p.m.

PJM Conference and Training Center



Meeting Minutes

WebEx/Teleconference Attendees

Name	Company
Tom Falin (Chair)	PJM Interconnection, LLC
Jason Quevada (Secretary)	PJM Interconnection, LLC
David Bloom	Baltimore Gas and Electric Company
Guy Filomena	Customized Energy Solutions, Ltd.*
Jonathan Sasser	Customized Energy Solutions, Ltd.*
Randi Heise	Dominion Virginia Power
Martin Bolan	FirstEnergy Solutions Corp.
Lou D'Alessandris	FirstEnergy Solutions Corp.
Derek Hagaman	GT Power Group
David Mabry	McNees Wallace & Nurick LLC
Andrew Gledhill	PJM Interconnection, LLC
Murty Bhavaraju	PJM Interconnection, LLC
Tom Hoatson	Riverside Generating, LLC
James Wilson	Wilson Energy Economics