



Draft Minutes
PJM Interconnection
PJM Operating Committee (194th Meeting)
PJM Conference and Training Center
Tuesday, October 8th, 2013
9:00 AM

Members Present:

Mike Bryson, Chair
Heather Reiter, Secretary
Martin Diamant
George Kogut
David Pratzon
William Scholfield
Rebecca Stadelmeyer
Bradley Weghorst

PJM Interconnection
PJM Interconnection
PSEG Energy Resources and Trade
New York Power Authority
GT Power Group
Customized Energy Solutions, Ltd.
Exelon Business Services Company
PPL Energy Plus LLC

Members Present via Conference Call:

Malcolm Ainspan
Martin Bolan
Seth Berend
Michael Berlinski
Charles Bonner
John Citrolo
Joe DeNavas
Bruce Erickson
John Garavaglia
Don Gebele
Fred Heizer
Tom Hoatson
Andrew Hunter
Brain Jacoby
Judith Judson McQueeney
Jack Kerr
Steven Kimmish
Michael LaFalce
Kathy Larsen
Joel Luna

Energy Curtailment Specialists
FirstEnergy Solutions Corporation
Calpine Energy Services, L.P.
Beacon Power, LLC
Dominion Virginia Power
PSEG Energy Resources and Trade LLC
Potomac Electric Power Company
Allegheny Electric Cooperative, Inc.
Commonwealth Edison Company
Dayton Power & Light Company
Ohio PUC
Riverside Generating, LLC
Metropolitan Edison Company
Baltimore Gas and Electric Company
Customized Energy Solutions
Virginia Electric & Power Company
PSEG Energy Resources and Trade
PSEG Energy Resources and Trade
RTO Insider
Monitoring Analytics, LLC



- Draft Minutes of the September 10th, 2013 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 an update from the September 26th, 2013 MRC meeting.
- Markets Implementation Committee – Ms. Walter provided an update from the September 11th, 2013 MIC meeting.
- System Information Subcommittee – Mr. Graff provided an update from the September 18th, 2013 SIS meeting.
- System Operations Subcommittee – Mr. Piong provided an update from the September 25th, 2013 SOS meeting.
- Regulation Performance Senior Task Force – Mr. Schmitt provided an update on the RPSTF.
- Intermittent Resources Task Force – Mr. Schuyler informed the OC about a Special Meeting on October 28th, 2013
- Restoration Strategy Task Force – Ms. Hendrzak provided an update on the September 13th, 2013 SRSTF meeting.
- Reliability Standards and Compliance Subcommittee – Ms. Wesley provided an update on the September 20th, 2013 RSCS meeting.

3. NERC/RFC UPDATE

Mr. Wesley provided an update on NERC, SERC, RFC, and NAESB Regional Standards. EOP-010-1 comments are due 10/18, PRC-010-1 comments are due 10/9, and PRC-027-1 comments are due 11/1. The 2010 CIP Spot Check & 693 Audit, as well as the Kenzie Creek CVI, are currently in settlement discussions. The FERC Audit action items are 86% complete.

4. REVIEW OF OPERATIONS

Mr. Piong reviewed the PJM Operations since the last Operating Committee (OC) Meeting. Mr. Piong discussed the hot weather events that occurred on September 9 – 11. The analysis of these events is still in the initial stages of information gathering. As a result of each event analysis, there will be potential changes to operating procedures and manuals. Follow up is already under way for some specific items: Load Shed Events, Capacity Units, Generation Outage Scheduling, Load Forecast, DSR, Reserve Monitor/generator parameters, and PJM Stakeholder communications.



5. WINTER PREPARATION FOR SEVERE COLD WEATHER

Mr. Schweizer reviewed the NERC's Webinar on Winter Preparation for Severe Cold Weather which was held on October 2nd.

6. MANUAL UPDATES

- Ms. Reiter will review changes to Manual 03: Transmission Operations. These changes are part of the semi-annual review. ****The Operating Committee endorsed these changes with 0 objections and 0 abstentions.**
- Mr. Schweizer reviewed changes to Manual 10: Pre-Scheduling Operations. These changes are part of the annual review and include changes to Exhibit 1, sections 2.1 and 2.1.1, section 3 on reserve requirements, and section 4.1.1 on regulation resource. ****The Operating Committee endorsed these changes with 0 objections and 0 abstentions.**
- Mr. Schweizer reviewed changes to Manual 14D: Generator Operational Requirements. These changes included section 7.1.2 on voltage and reactive control, 7.3.5 on fuel limitation reporting, section 7.4 on synchronization and disconnection procedures, and Attachment D & E. ****The Operating Committee endorsed these changes with 0 objections and 0 abstentions.**
- Mr. Pulong reviewed changes to Manual 13: Emergency Procedures. These changes included sections 2.3.2 and 5.2 on emergency procedures, section 2.4 for the Elroy cap, sections 3.3 and 3.4 for EKPC, and Attachment L. **** The Operating Committee will be asked to endorse these changes at its next meeting.**
- Mr. Hsia reviewed the yearly day ahead reserve requirements to Manual 13 – Emergency Procedures. **** The Operating Committee will be asked to endorse these changes at its next meeting.**

7. REGIONAL PRACTICES UPDATES AND RETIREMENT OF MANUAL 41

Mr. Pacella presented updates to the Regional Transmission and Energy Scheduling Practices document and retirement of Manual 41: Managing Interchange. ****The Operating Committee will be asked to endorse these changes at its next meeting.**

8. MEMBERS COMMUNICATION

Mr. Kovler reviewed the Members Communication proposal packages. The main difference between the packages is with the cost allocation. **The Operating committee voted on the proposals. Package A received 44 in favor, 6 against, and 39 abstentions, with an 88% approval. Package B received 60 in favor, 0 against, and 23 abstentions, with a 100% approval. Package C received 0 in favor, 63 against, and 21 abstentions, with a 0% approval. Package B will move forward to the MRC as the main proposal package.**



9. DEMAND RESPONSE

- Mr. O'Neill presented a preliminary 2013 Demand Response summary, specifically for the July 15th, 16th and 18th and September 10th and 11th timeframes. A yearend report will be released in late December 2013 and will include more comprehensive information.
- Mr. Langbien provided an update on the DR and Generation performance in SR since the new rules were established in 2012. Follow up analysis will be presented at the next OC meeting.

10. SYNCHRONIZED RESERVE DATA

- Mr. Pulong presented five potential changes to the way we perform Tier 1 estimates for synchronized reserves.
- Mr. Pulong discussed adjusting the SR requirement during conservative operations.

11. COMBINED CYCLE MODELING UPDATE

Mr. Hauske provided an update to the Combined Cycle Modeling. Stakeholder impacts were reviewed. Next steps are to perform a cost benefit for implementation with the target for implementation being 2015 due to the increase of the estimated cost.

12. FERC REPORT – FIRST YEAR OF PERFORMANCE BASED REGULATION

Ms. Eichorn discussed the analysis in the FERC Report on the First Year of Performance Based Regulation. The Report will be filed October 12, 2013.

13. FUTURE AGENDA ITEMS

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| • Annual Review of OC Charter | April |
| • PJM Project Summary for Coming Year | August |
| • Winter Reserve Target | October |
| • Demand Response Event Summary | October |
| • Yearly Day Ahead Reserve Requirement M-13 Update | October |
| • Synchronous Reserve Event Summary | Bi-Annual |
| • Spring / Fall Outage Schedules | Bi-Annual |
| • Emergency Procedures Drill Update | Bi-Annual |



14. FUTURE OC MEETINGS

November 5, 2013	Office of the Interconnection	9:00 AM
December 9, 2013 (Monday)	Office of the Interconnection	9:00 AM

Author: Heather Reiter
Typist: Heather Reiter

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.