



AGENDA
Credit Subcommittee
PJM Interconnection
Conference Call
Friday, July 18, 2014
9:30 a.m. – 12:00 p.m.

1. Administration (9:30 – 9:40 am)

The Secretary will take roll call of all participants for the meeting.

PJM will ask for comments and or questions on the June 10, 2014 meeting minutes.

2. Credit Application Programming Interface (API) (9:40 – 9:50 am)

Mr. Loomis will provide an update on the requested credit API.

3. Risk Policies (9:50 – 10:00 am)

Mr. Loomis will present possible Credit Policy changes which would allow for electronic submission of the Officer Certification form and would allow members to certify that their risk policies and procedures have not changed, rather than resubmit them annually. The Members will be asked if there is a consensus to move the proposed changes forward in the stakeholder process.

4. Virtual Transactions Credit Requirement Timeframe (10:00 – 10:10 am)

Mr. Loomis will present possible Credit Policy changes that would reduce the virtual transactions credit requirement to cover two days instead of four, along with other related changes. The Members will be asked if there is a consensus to move the proposed changes forward in the stakeholder process.

5. Demand Bid Screening (10:10 – 10:20 am)

Mr. Loomis will present a proposed Credit Policy change to provide for screening of Demand Bids. The Members will be asked if they have any other alternatives to analyze or if they support moving the proposed change forward in the stakeholder process.

6. FTR Analysis (10:20 – 10:40 pm)

Mr. Loomis will present recent analysis on FTR Undiversified exposure.

7. PMA Credit Requirements (10:40 – 11:30 am)

- a. Narmada Nanjundan of East Kentucky Power Cooperative will make a presentation on her company's proposal for changing the Peak Market Activity (PMA) calculation.
- b. Mr. Loomis will lead a discussion on potential changes to PMA credit requirements based on member suggestions received prior to the meeting. Members are encouraged to submit any additional concepts



prior to the meeting so they can be posted and considered by all members prior to discussion at the meeting.

8. INC/DEC Credit Requirements Algorithm (11:30-11:35 pm)

Given that the analysis presented at the February 4, 2014 Credit Subcommittee meeting demonstrates that the current INC/DEC credit requirement appears to be rendering a reasonable balance between exposure and credit requirements, PJM plans to temporarily defer analysis of changes to the INC/DEC credit requirement algorithm in order to pursue other initiatives.

9. Future Agenda Items (11:35 am – 11:40 pm)

Members are welcome to request additional discussion items at this or any future meeting.

10. Future Meetings

August 26, 2014

1:30 pm – 4:00 pm

Teleconference

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.

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