

**Credit Subcommittee
Conference Call
September 17, 2018
2:00 p.m. – 5:00 p.m. EPT**

Administration

PJM staff reviewed the Anti-Trust Policy, Code of Conduct and Media Participation Policy.

The Subcommittee approved the minutes from the August 21, 2018 CS meeting by acclamation.

Working Issues

1. Surety Bonds

Hal Loomis, PJM, presented the results of the poll of two proposals for acceptance of Surety Bonds as an additional form of Collateral, and indicated that the proposals had been forwarded to the MIC for its consideration.

[Issue Tracking: Surety Bonds Opportunity](#)

2. Collateral Deposit Accounts

Steve Lawson, PJM, provided an update on collateral deposit accounts, indicating that PNC Bank had agreed to credit interest at a rate linked to Treasury fund money market rates.

3. FTR Mark-to-Auction Credit Requirement

Bridgid Cummings, PJM, led a matrix discussion of FTR Mark-to-Auction Proposal Packages and presented additional information regarding design components and potential impacts. A poll of Proposal Packages was opened after the meeting and will be discussed at the September 28 CS meeting, then submitted, as applicable, to the MIC for a first read at its October meeting.

4. Minimum Capital Requirements

Mr. Loomis led a discussion of the Options matrix and Proposal Packages for possible changes to PJM's minimum capital requirements. James Ramsey, Suffolk Fund, made a presentation on reducing default risks without increasing the costs of congestion hedges. Mr. Loomis requested that participants present proposal packages for consideration at the October 23, 2018 CS meeting.

5. FTR Default Update, Lessons Learned and FTR Workshop

Suzanne Daugherty, PJM, provided an update on the current FTR default, an overview of lessons learned and an update from the special workshop on FTR credit.

Attendees

Adams, Sean	PSEG Energy Resources and Trade LLC	Other Supplier
Agarwal, Dilip	GRG Energy LLC	Other Supplier
Arce, Jose	Maple Analytics, LLC	Other Supplier
Benckek, Jim	American Transmission Systems, Inc.	Transmission Owner
Bleiweis, Bruce	DC Energy, LLC	Other Supplier
Carmell, Matt	Scylla Energy LLC	Other Supplier
Case, Nathan	Aces Power Marketing Inc.	Not Applicable

Cermack, Trish	Louisville Gas & Electric /Kentucky Utilities	Transmission Owner
Chamblee, Mark	QPH Capital, LLC	Other Supplier
Chen, Lee	Hill Energy Resource & Services, LLC	Other Supplier
Chintapalli, Raj	Galt Power Inc.	Other Supplier
Chmielewski, Brian	PJM Interconnection, LLC	Not Applicable
Conn, Jeff	Big Bend Trading, LLC	Other Supplier
Cummings, Bridgid	PJM Interconnection, LLC	Not Applicable
Dao, Dan	NextEra Energy Marketing, LLC	Other Supplier
Daugherty, Suzanne	PJM Interconnection, LLC	Not Applicable
Dayal, Hanish	Hemsworth Capital LP	Other Supplier
Drauschak, Lisa	PJM Interconnection, LLC	Not Applicable
Duensing, Allison	Saracen Energy East LP	Other Supplier
Filomena, Guy	Customized Energy Solutions	Not Applicable
Ford, Adrien	Old Dominion Electric Cooperative	Electric Distributor
Gilani, Rehan	ConEdison Energy, Inc.	Other Supplier
Gorman, Kevin	Highlands Energy Group LLC (The)	Other Supplier
Greiner, Gary	PSEG Energy Resources and Trade LLC	Other Supplier
Hayik, Seth	Monitoring Analytics, LLC	Not Applicable
Hohenshilt, Jennifer	Talen Energy Marketing, LLC	Generation Owner
Holstein, Matt	Energy Authority, Inc. (The)	Other Supplier
Hugee, Jacqui	PJM Interconnection, LLC	Not Applicable
Hurwich, Mark	Elliott Bay Energy Trading, LLC	Other Supplier
Hyzinski, Tom	GT Power Group	Not Applicable
Jain, Shilpa	Duke Energy Business Services LLC	Generation Owner
Janicki, Diane	Boston Energy Trading & Marketing, LLC	Generation Owner
Johnson, Carl	Customized Energy Solutions, Ltd.	Not Applicable
Kogut, George	New York Power Authority	Not Applicable
Lawson, Steve	PJM Interconnection, LLC	Not Applicable
Leach, Brad	Energy Advisory Services	Not Applicable
Lewis, Lisa	Dominion Virginia Power	Not Applicable
Loomis, Hal (Facilitator)	PJM Interconnection, LLC	Not Applicable
Lupino, Samantha	Southern Maryland Electric Cooperative, Inc.	Electric Distributor
Manganaro, Lynn	PSEG Energy Resources and Trade LLC	Other Supplier
McCraw, Phil	Southwest Power Pool	Not Applicable
Midgley, Sharon	Exelon Business Services	Transmission Owner
Million, Mark	PJM Interconnection, LLC	Not Applicable
Nanjundan, Narmada	East Kentucky Power Cooperative, Inc.	Transmission Owner
Nicolay, Christi	Macquarie Energy LLC	Other Supplier
Niemeyer, Jay	PJM Interconnection, LLC	Not Applicable
Olenick, Cory	West Oaks Energy, LP	Other Supplier
Patt, Kate	PJM Interconnection, LLC	Not Applicable
Pelletier, Eveline	Hydro-Quebec	Not Applicable
Pratzon, David	GT Power Group	Not Applicable
Price, Mark	DC Energy, LLC	Other Supplier
Ramsey, James	Suffolk Fund LLC	Other Supplier
Rayhorn, Carolyn	Dominion Virginia Power	Not Applicable
Riddell, Justin	Energy Authority, Inc. (The)	Other Supplier
Robson, Matt	SESCO Enterprises LLC	Other Supplier

Sage, Coty	Energy Authority, Inc. (The)	Other Supplier
Saini, Ishwar	Macquarie Energy, LLC	Other Supplier
Sasser, Jonathan	Customized Energy Solutions, Ltd.	Not Applicable
Scherer, Paul	Commonwealth Edison Company	Transmission Owner
Schneider, Jon	FirstEnergy Solutions Corp.	Transmission Owner
Sims, Tom	FirstEnergy Solutions Corp.	Transmission Owner
Singer, Chad	Fellon McCord	Not Applicable
Thompson, Bill	Appalachian Power Company (AEP Generation)	Generation Owner
Thompson, Matthew	XO Energy MA, LP	Other Supplier
Tibbetts, Mauve	Pierce Atwood	Not Applicable
Vonderheide, Scott	Eastern Generation, LLC	Generation Owner
Ward, Mike	PJM Interconnection, LLC	Not Applicable
Wilson, Bram	Diamond State Generation Partners, LLC	Generation Owner
Xu, Xu	PJM Interconnection, LLC	Not Applicable

Future Meeting Dates

September 28, 2018	11:00 a.m. – 12:00 p.m.	Teleconference
October 23, 2018	9:00 a.m. – 11:00 a.m.	Teleconference
November 20, 2018	9:00 a.m. – 11:00 a.m.	Teleconference
December 19, 2018	9:00 a.m. – 11:00 a.m.	Teleconference

Author: Mark Million