



Minutes
PJM Interconnection
Market Implementation Committee
PJM Conference & Training Center
Norristown, PA
December 12, 2012

Members Present:

Ford, Adrien (Chair)	PJM Interconnection, LLC	Not Applicable
Canter, David	AEP	Transmission Owner
Bloom, David	Baltimore Gas and Electric Company	Transmission Owner
Mancuso, Maria	Baltimore Gas and Electric Company	Transmission Owner
Kerecman, Joseph	Calpine Energy Services, L.P.	Generation Owner
Trayers, Barry	Citigroup Energy, Inc.	Other Supplier
Schofield, William	Customized Energy Solutions, Inc.	Not Applicable
McDonald, Steve	Customized Energy Solutions, Ltd.	Not Applicable
Filomena, Guy	Customized Energy Solutions, Ltd.	Not Applicable
Horstmann, John	Dayton Power & Light Company (The)	Transmission Owner
Scarpignato, David	Direct Energy Business, LLC	Other Supplier
Flaherty, Dale	Duquesne Light Company	Transmission Owner
Campbell, Bruce	EnergyConnect, Inc.	Other Supplier
Breidenbaugh, Aaron	EnerNOC, Inc.	Other Supplier
Schisler, Ken	EnerNOC, Inc.	Other Supplier
Griffiths, Dan	Enerwise Global Technologies, Inc.	Other Supplier
Barker, Jason	Exelon Business Services Company, LLC	Transmission Owner
Stadelmeyer, Rebecca	Exelon Business Services Company, LLC	Transmission Owner
Marton, David	FirstEnergy Corporation	Transmission Owner
Miller, Don	FirstEnergy Solutions Corporation	Transmission Owner
Stuchell, Jeff	FirstEnergy Solutions Corporation	Transmission Owner
Hebert, Damase	Gabel Associates	Not Applicable
Fitch, Neal	GenOn Energy Management, LLC	Generation Owner
Guerry, Katie	Hess Corporation	Other Supplier
O'Connell, Robert	JPMorgan Ventures Energy Corporation	Other Supplier
Powers, Sean	Linde Energy Services, Inc.	End Use Customer
Johnson, Carl	Long Island Lighting Company d/b/a LIPA	Other Supplier
Suh, Jung	Noble Americas Energy Solutions LLC	Other Supplier
Fondacci, Luis	North Carolina Electric Membership Corporation	Electric Distributor
Lieberman, Steven	Old Dominion Electric Cooperative	Electric Distributor
Greening, Michele	PPL EnergyPlus, L.L.C.	Transmission Owner
Citrolo, John	PSE&G ER&T	Transmission Owner
Rohrbach, John	Southern Maryland Electric Cooperative	Electric Distributor
Wolfe, Samuel	Viridity Energy, Inc.	Other Supplier
Wadsworth, Joseph	Vitol Inc.	Other Supplier
Morelli, Lisa (Secretary)	PJM Interconnection, LLC	Not Applicable

Also in attendance:

Pratzon, David	GT Power Group	Not Applicable
Mabry, David	McNees Wallace & Nurick LLC	Not Applicable
Bowring, Joe	Monitoring Analytics, LLC	Not Applicable



Salaneck, Alexandra	Monitoring Analytics, LLC	Not Applicable
Sidhom, Noha	Pierce Atwood	Other
Anders, David	PJM Interconnection, LLC	Not Applicable
Bresler, Stu	PJM Interconnection, LLC	Not Applicable
Bryson, Mike	PJM Interconnection, LLC	Not Applicable
Burlew, Sarah	PJM Interconnection, LLC	Not Applicable
Ciabattoni, Joseph	PJM Interconnection, LLC	Not Applicable
Colby, Mike	PJM Interconnection, LLC	Not Applicable
Esterly, Terri	PJM Interconnection, LLC	Not Applicable
Horger, Timothy	PJM Interconnection, LLC	Not Applicable
Horning, Lynn	PJM Interconnection, LLC	Not Applicable
Hugee, Jacquelynn	PJM Interconnection, LLC	Not Applicable
Keech, Adam	PJM Interconnection, LLC	Not Applicable
Langbein, Peter	PJM Interconnection, LLC	Not Applicable
Reiter, Heather	PJM Interconnection, LLC	Not Applicable
Sechrist, Erin	PJM Interconnection, LLC	Not Applicable
Souder, David	PJM Interconnection, LLC	Not Applicable
Ulmer, David	PJM Interconnection, LLC	Not Applicable
Walter, Laura	PJM Interconnection, LLC	Not Applicable
Watson, Jeanine	PJM Interconnection, LLC	Not Applicable
Williams, Stanley	PJM Interconnection, LLC	Not Applicable

Attended via teleconference / WebEx:

Dimailig, Josh	AEP Energy Partners, Inc.	Other Supplier
Erickson, Bruce	Allegheny Electric Cooperative, Inc.	Transmission Owner
Hubbard, Lance	Allegheny Electric Cooperative, Inc.	Transmission Owner
Kaminski, Vince	Allegheny Electric Cooperative, Inc.	Transmission Owner
Gabrieli, Anthony	Ally Energy LLC.	Other Supplier
McAlister, Lisa	American Municipal Power, Inc.	Electric Distributor
Norton, Chris	American Municipal Power, Inc.	Electric Distributor
Ondayko, Brock	Appalachain Power Company (AEP)	Transmission Owner
Kotras, Craig	Baltimore Gas and Electric Company	Transmission Owner
Lee, George	BJ Energy, LLC	Other Supplier
Williams, Michael	Black Oak Energy, LLC	Other Supplier
Bassett, Jeffrey	BP Energy Company	Other Supplier
Yu, Haibin	Calpine Energy Services, L.P.	Generation Owner
Zhang, Leon	Calpine Energy Services, L.P.	Generation Owner
Orzel, Chris	Chris Orzel Consulting	Not Applicable
Danis, Deral	Clean Line Energy Partners LLC	Not Applicable
Miller, John	Commonwealth Edison Company	Transmission Owner
Gilani, Rehan	ConEdison Energy, Inc.	Other Supplier
Gravener, Mark	Darby Energy, LLLP	Other Supplier
Leckey, Sean	Darby Energy, LLLP	Other Supplier
Will, Lloyd	DB Energy Trading LLC	Other Supplier
Bleiweis, Bruce	DC Energy LLC	Other Supplier
Scott, Charles	DC Energy, L.L.C.	Other Supplier
Maucher, Andrea	Delaware Division of the Public Advocate	End Use Customer
Price, Ruth	Delaware Division of the Public Advocate	End Use Customer
Farber, John	Delaware Public Service Commission	Not Applicable
Dharmadhikari, Janhavi	Dominion Energy Marketing, Inc.	Generation Owner
Via, Troy	Dominion Energy Marketing, Inc.	Generation Owner
Rajan, Abhijit	Dominion Resources	Not Applicable
Berger, Ken	Dominion Virginia Power	Other Supplier
Hirsch, Stephen	Downes Associates, Inc.	Other Supplier



Pakela, Greg	DTE Energy Trading, Inc.	Other Supplier
Schafer, Anita	Duke Energy Business Services LLC	Generation Owner
Jett, William	Duke Energy Business Services, Inc.	Generation Owner
Mok, Alan	Duke Energy Kentucky, Inc.	Electric Distributor
McRae, Todd	Dynasty Power, Inc.	Other Supplier
Cox, Jason	Dynegy Power Marketing, Inc.	Generation Owner
Hurwich, Mark	Elliott Bay Energy Trading, LLC	Other Supplier
Gassner, Andy	ENBALA Power Networks Inc.	Other Supplier
Ainspan, Malcolm	Energy Curtailment Specialists, Inc.	Other Supplier
Cain, Mary	Federal Energy Regulatory Commission (The)	Not Applicable
Everngam, Scott	Federal Energy Regulatory Commission (The)	Not Applicable
Logan, Sharon	Federal Energy Regulatory Commission (The)	Not Applicable
Sillin, John	Federal Energy Regulatory Commission (The)	Not Applicable
Snow, Robert	Federal Energy Regulatory Commission (The)	Not Applicable
Huffman, Dan	FirstEnergy Solutions Corporation	Transmission Owner
Benchek, Jim	FirstEnergy Solutions Corporation	Transmission Owner
Kogut, George	FirstEnergy Solutions Corporation	Transmission Owner
Stein, Ed	FirstEnergy Solutions Corporation	Transmission Owner
Plante, Matthieu	H.Q. Energy Services (U.S.), Inc.	Other Supplier
Shanker, Roy	H.Q. Energy Services (U.S.), Inc.	Other Supplier
Howley, Rachel	Hess Corporation	Other Supplier
Polakowski, Ray	Hess Corporation	Other Supplier
Gorman, Kevin	Highlands Energy Group LLC (The)	Other Supplier
Wood, Jeff	Hudson Transmission Partners, LLC	Other Supplier
Hanson, Mark	Illinois Commerce Commission	Not Applicable
Elliott, Tia	Indiana Utility Regulatory Commission	Not Applicable
Levine, Jeffrey	IPR-GDF SUEZ Energy Marketing NA, Inc.	Other Supplier
Castillo, Phyllis	Konektiv Communications LLC	Not Applicable
Williams, Jeff	Lamppost Consulting	Not Applicable
Meyer, Renee	LM Power, LLC	Other Supplier
Liao, Huaiwei	Louis Dreyfus Energy Services, L.P.	Other Supplier
McNamara, Grace	Louis Dreyfus Energy Services, L.P.	Other Supplier
Saini, Ishwar	Macquarie Energy LLC (BGE MD Base)	Other Supplier
Arce, Jose	Maple Analytics, LLC	Other Supplier
Howatt, Bob	Maryland Energy Administration	Not Applicable
DeGeeter, Ralph	Maryland Public Service Commission	Not Applicable
Hall II, Walter	Maryland Public Service Commission	Not Applicable
Ellithorpe, Don	Merrill Lynch Commodities, Inc.	Other Supplier
Freeman, Al	Michigan Public Service Commission	Not Applicable
Hammer, Neil	MidAmerican Energy Company (Bulk)	Other Supplier
Hayik, Seth	Monitoring Analytics	Not Applicable
Luna, Joel	Monitoring Analytics	Not Applicable
Dugan, William	Monitoring Analytics, LLC	Not Applicable
Clemenhausen, Barbara	Morris Cogeneration, L.L.C.	Generation Owner
Tigue, John	New York State Electric & Gas Corporation	Other Supplier
Gil, David	NextEra Energy Power Marketing, LLC	Generation Owner
Huntoon, Stephen	NextEra Energy Power Marketing, LLC	Generation Owner
Sun, Yan	Noble Americas Gas & Power Corp.	Other Supplier
Kingston, Amber	North Carolina Electric Membership Corporation	Electric Distributor
Summe, Martin	North Carolina Municipal Power Agency # 1	Other Supplier
Mariam, Yohannes	Office of the Peoples Counsel District of Columbia	Not Applicable
Smoots, Carol	Pierce Atwood	Not Applicable
Hamilton, T.L.	Platts	Not Applicable
Whieldon, Esther	Platts	Not Applicable
Dillon, Lisa	PJM Interconnection, LLC	Not Applicable
Fan, Zhenyu	PJM Interconnection, LLC	Not Applicable



Sotkiewicz, Paul	PJM Interconnection, LLC	Not Applicable
Hyzinski, Thomas	PPL EnergyPlus, L.L.C.	Transmission Owner
Kazerooni, Hamid	PPL EnergyPlus, L.L.C.	Not Applicable
Gates, Kenneth	Primary Power LLC	Other Supplier
La Falce, Michael	PSE&G ER&T	Transmission Owner
Summers, Theodore	PSEG Energy Resources and Trade LLC	Transmission Owner
Heizer, Fred	Public Utilities Commission of Ohio	Not Applicable
Jasani, Sachin	Red Wolf Energy Trading, LLC	Other Supplier
Nobile, Joe	Richland-Stryker Generation LLC	Generation Owner
Hoatson, Tom	Riverside Generating, LLC	Other Supplier
Sudhakara, Raghu	Rockland Electric Company (CIEP Load)	Transmission Owner
Carr, Christopher	Scylla Energy LLC	Other Supplier
Binder, Gerry	SESCO Enterprises LLC	Other Supplier
Robson, Matt	SESCO Enterprises LLC	Other Supplier
Moore, John	Sustainable FERC Project (The)	Not Applicable
Swalwell, Brad	Tangent Energy	Other Supplier
Staska, Stephanie	Twin Cities Energy, LLC	End Use Customer
Spahr, Ron	Unknown	Unknown
Dupeire, Michael	Ventyx	Other Supplier
Galicia, Louis	Ventyx	Not Applicable
Ruddell, Amanda	Wabash Valley Power Association, Inc.	Other Supplier
Birnel, William	Westar Energy, Inc. (ED)	Other Supplier
Wilson, James	Wilson Energy Economics	Not Applicable

1. ADMINISTRATION

The Committee approved the minutes of the November 7 and November 19, 2012 meetings by acclamation with 0 objections and 0 abstentions.

2. HUDSON TRANSMISSION PARTNERS HVDC BUSINESS PRACTICES

Mr. Michael Colby reviewed the new business practices document addressing transmission service over the new Hudson Transmission Partners HVDC project. The committee endorsed the document by acclamation with 0 objections and 0 abstentions.

3. DEMAND RESPONSE – PLAN ENHANCEMENTS

Ms. Terri Esterly reviewed an issue charge addressing potential enhancements to demand response plans required for planned demand response resource participation in RPM auctions. A motion was made to expand the scope of work to also consider governing document changes that would reconcile the current rules that require certainty three years in advance of the delivery year with the inherently uncertain nature of DR commitments, which are most reliable when submitted with a short lead time. The motion was not accepted as friendly since PJM and some members of the committee preferred to keep the discussion focused on specific changes to DR plans in order to enable revised DR plan requirements to be established prior to the upcoming Base Residual Auction. A motion to replace the words “better understand” in the issue charge with “adequately understand” was made and accepted. **The committee approved the amended issue charge by acclamation with 0 objections and 3 abstentions.** The work will be taken up by special sessions of the MIC given that any agreed upon changes will need to be implemented prior to the May BRA.

4. BALANCING CONGESTION ALLOCATION

Mr. Horger presented two proposals for a change to the allocation of balancing congestion. Option 1 directed the allocation to real time load plus exports. Option 2 directed the allocation to FTR MWh. A motion was made to vote on

each option with two separate implementation dates: June 2013 and June 2014. **The committee voted on the packages with the following results: Option 1 with 2013 implementation – 85 in favor, 103 opposed, 15 abstentions (45% in favor); Option 1 with 2014 implementation – 88 in favor, 98 opposed, 17 abstentions (47% in favor); Option 2 with 2013 implementation – 38 in favor, 147 opposed, 14 abstentions (21% in favor); Option 2 with 2014 implementation – 34 in favor, 161 opposed, 14 abstentions (17% in favor).** Since none of the packages received majority support, none will be forwarded to the MRC for consideration.

5. RELIABILITY LIMITED GENERATOR COMPENSATION TASK FORCE PROPOSAL

Ms. Heather Reiter presented a single compromise proposal developed by the Reliability Limited Generator Compensation Task Force. The proposal limits the payment of lost opportunity cost credits to the lesser of economic maximum or the maximum facility output. **The committee endorsed the proposal by acclamation with 37 against and 14 abstentions.**

6. INTER-REGIONAL COORDINATION UPDATE

Mr. Stan Williams provided an informational update on inter-regional coordination efforts with MISO and NYISO, as well as a status update on the Michigan-Ontario PAR proceedings. Participants requested that time be set aside at the January MIC meeting to collectively prioritize the topics being addressed at the PJM-MISO joint stakeholder meetings.

7. PRICE RESPONSIVE DEMAND COMPLIANCE FILING

Ms. Lynn Horning reviewed what is required in the third Price Response Demand compliance filing, which is due in February 2013. The compliance filing requires PJM to either file tariff changes allowing loads to provide both Price Responsive Demand and supply-side demand response or submit an information filing apprising the Commission of PJM's progress in developing these rules.

8. DAY-AHEAD RELIABILITY AND REACTIVE COST ALLOCATION WORKING SESSION UPDATE

Ms. Laura Walter provided an update on the Day-Ahead Reliability Allocation working session that has been scheduled for December 14. The purpose of this working session is to start the work that was charged under the Day-Ahead Operating Reserve Allocation and the Allocation of Make Whole Payments for Reactive Services issue charges at the November MIC meeting.

9. SEPT 4 – 7 DAY-AHEAD CT COMMITMENT ANALYSIS

Mr. Joe Ciabattini reviewed analysis on the day-ahead commitment of CTs from September 4th through September 7th, as requested at the November 19th MIC meeting. Analysis revealed that the high number of CTs committed was due to a spike in temperatures coupled with an increase in planned generator outages heading into the start of outage season.

10. UP-TO CONGESTION TRANSACTION ENHANCEMENT

Mr. Mike Ward reviewed a proposal to create a bid volume limit on up-to congestion transactions so that it may be enforced if transaction volume threatens the ability of the day-ahead market software to solve in a timely manner. The committee will be asked to endorse this proposal at the January MIC meeting. Mr. Tim Horger reviewed educational materials on the FTR forfeiture rules that currently apply to increment offers and decrement bids in the day-ahead market to support future discussions around the potential application of this rule to up to congestion transactions.



11. INCREMENTAL ARR RTEP ANALYSIS FOR 2013/14 PLANNING PERIOD

Mr. Horger presented the results of the Incremental ARR RTEP Analysis for the 2013/2014 Planning Period. The analysis revealed that no incremental ARR capability was created by the upgrades included in the study.

12. SALE AND REPLACEMENT OF CAPACITY RESOURCES IN CAPACITY AUCTIONS

Dr. Joe Bowring briefly introduced Monitoring Analytics' study addressing the sale and replacement of generation and demand response resources in capacity auctions. The study will be discussed in further detail at the January MIC meeting.

13. DEMAND RESPONSE EMERGENCY MEASUREMENT AND VERIFICATION

Mr. Pete Langbein reviewed proposed market rules changes which include: excluding emergency events from economic CBL calculations, treatment of energy market compensation when emergency events and economic events overlap and modifying how emergency energy load reductions are quantified (usage of economic CBL when available). The committee will be asked to endorse the rules at the January MIC meeting.

14. DEMAND RESPONSE ENHANCED CSP REPORTED INFORMATION

Mr. Pete Langbein reviewed proposed rules to expand and clarify information reported by Curtailment Service Providers on the source of DR capability, business segment and on-site generation attributes. The committee will be asked to endorse the rules at the January MIC meeting.

15. DEMAND RESPONSE DUPLICATE REGISTRATION RESOLUTION

Mr. Pete Langbein reviewed proposed rules to determine the resolution process used when different Curtailment Service Providers register the same end use customer. The committee will be asked to endorse the rules at the January MIC meeting.

16. EFFICIENCY OF THE DEMAND RESPONSE REGISTRATION PROCESS

Mr. Aaron Bridenbaugh of EnerNOC reviewed an issue charge addressing the efficiency of the demand response registration process. The committee will be asked to approve the issue charge at the January MIC meeting.

17. MAKE WHOLE PAYMENTS FOR BLACK START UNITS DRAFT MANUAL LANGUAGE

Mr. Tom Hauske presented draft manual revisions outlining the allocation of make whole payments for black start units. The committee will be asked to endorse the revisions at the January MIC meeting.

18. TARIFF CLEANUP FILING

Ms. Jeanine Watson presented proposed Tariff revisions to remove references to ILR and ALM, since those products were eliminated per previous FERC orders.

INFORMATIONAL SECTION

19. REPORT ON MARKET OPERATIONS

The Report on Market Operations will be posted to the [MIC Website](#).



20. SUBCOMMITTEE AND TASK FORCE UPDATES

Demand Response Subcommittee (DRS)

The DRS is scheduled to meet on 12/18/2012. Meeting materials will be posted to the [DRS web site](#).

Intermittent Resources Task Force (IRTF)

The IRTF is scheduled to meet on 12/17/2012. Meeting materials will be posted to the [IRTF web site](#).

Financial Transmission Rights Task Force (FTRTF)

The FTRTF met on 12/6/2012. Meeting materials are available at:

[20121206 FTRTF agenda](#)

21. FUTURE AGENDA ITEMS

Investigation of balancing operating reserve netting rules (Pending outcome of FERC Docket No. EL12-8-001)

22. FUTURE MEETING DATES

January 9, 2013	9:30 AM	PJM Interconnection - Valley Forge, PA
February 4, 2013	9:30 AM	PJM Interconnection - Valley Forge, PA
March 6, 2013	9:30 AM	PJM Interconnection - Valley Forge, PA
April 10, 2013	9:30 AM	PJM Interconnection - Valley Forge, PA
May 8, 2013	9:30 AM	PJM Interconnection - Valley Forge, PA
June 5, 2013	9:30 AM	PJM Interconnection - Valley Forge, PA
July 10, 2013	9:30 AM	PJM Interconnection - Valley Forge, PA
August 7, 2013	9:30 AM	PJM Interconnection - Valley Forge, PA
September 11, 2013	9:30 AM	PJM Interconnection - Valley Forge, PA
October 9, 2013	9:30 AM	PJM Interconnection - Valley Forge, PA
November 6, 2013	9:30 AM	PJM Interconnection - Valley Forge, PA
December 11, 2013	9:30 AM	PJM Interconnection - Valley Forge, PA

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.