



DRAFT
Minutes
PJM Interconnection
Markets and Reliability Committee
The Chase Center on the Riverfront, Wilmington, DE
March 29, 2012
9:00 a.m. – 12:45 p.m.

Chair/Secretary:

Anders	Dave	PJM Interconnection, LLC	Not Applicable
Kormos	Michael J.	PJM Interconnection, LLC	Not Applicable

Voting Members Present:

Last Name	First Name	Company	Sector
Ainspan	Malcolm	Energy Curtailment Specialists, Inc.	Other Supplier
Applebaum	David	NextEra Energy Power Marketing, LLC	Generation Owner
Batta	Michael	Virginia Electric & Power Company	Transmission Owner
Bleiweis	Bruce	DC Energy LLC	Other Supplier
Brodbeck	John	Shell Energy North America (US), LP	Other Supplier
Bruce	Susan	Rep.'g Air Liquide Industrial U.S., LP	End Use Customer
Bruce	Susan	Rep.'g Air Products and Chemicals, Inc.	End Use Customer
Bruce	Susan	Rep.'g Castlebridge Energy Group, LLC	Other Supplier
Bruce	Susan	Rep.'g Gerdau Ameristeel Energy, Inc.	Other Supplier
Bruce	Susan	Rep.'g Industrial Energy Users-Ohio	Other Supplier
Bruce	Susan	Rep.'g Kimberly-Clark Corporation	Generation Owner
Bruce	Susan	Rep.'g Lehigh Portland Cement Company	End Use Customer
Bruce	Susan	Rep.'g Letterkenny Industrial Development Authority	Electric Distributor
Bruce	Susan	Rep.'g Linde LLC	End Use Customer
Bruce	Susan	Rep.'g MeadWestvaco Corporation	End Use Customer
Bruce	Susan	Rep.'g Praxair, Inc.	End Use Customer
Bruce	Susan	Rep.'g Procter & Gamble Paper Products Company (The)	End Use Customer
Bruce	Susan	Rep.'g RG Steel Sparrows Point, LLC	End Use Customer
Bruce	Susan	Rep.'g Sunoco, Inc. (R and M)	End Use Customer
Bruce	Susan	Rep.'g Trustees of the U of PA, dba University of Pennsylvania	End Use Customer
Bruce	Susan	Rep.'g Wellsboro Electric Company (pre-2008)	Electric Distributor
Campbell	Bruce	Rep.'g Comperio Energy LLC d/b/a ClearChoice Energy	Other Supplier
Campbell	Bruce	Rep.'g EnergyConnect, Inc.	Other Supplier
Carretta	Ken	Public Service Electric and Gas Company	Transmission Owner
Coulbeck	Robert	ENBALA Power Networks Inc.	Other Supplier
Edington	Sean	Mercuria Energy America, Inc.	Other Supplier
Ellis	Jeff	Edison Mission Marketing and Trading, Inc.	Generation Owner
Erbrick	Michael	EDF Trading North America, LLC	Other Supplier
Esposito	Patricia	NRG Power Marketing LLC	Generation Owner
Fitch	Neal	GenOn Energy Management, LLC	Generation Owner



Flaherty	Dale	Duquesne Light Company	Transmission Owner
Fuess	Jay	Rep.'g Energy Consulting Services LLC	Other Supplier
Fuess	Jay	Rep.'g Evraz Claymont Steel	Other Supplier
Fuess	Jay	Rep.'g Ictec.com, Inc.	Other Supplier
Fuess	Jay	Rep.'g Kuehne Chemical Company, Inc.	Other Supplier
Fuess	Jay	Rep.'g PBF Power Marketing LLC	Generation Owner
Gates	Kenneth	Rep.'g Atlantic Grid Operations A, LLC	Other Supplier
Gates	Kenneth	Rep.'g Primary Power LLC	Other Supplier
Griffiths	Dan	Enerwise Global Technologies, Inc.	Other Supplier
Guerry	Katie	Hess Corporation	Other Supplier
Hebert	Damase	Rep.'g Covanta Energy Group, Inc.	Generation Owner
Hebert	Damase	Rep.'g EP Rock Springs, Inc.	Transmission Owner
Hebert	Damase	Rep.'g Jersey Green Energy LLC	Other Supplier
Hebert	Damase	Rep.'g RC Cape May Holdings, LLC	Generation Owner
Hirsch	Stephen	Downes Associates, Inc.	Other Supplier
Hirsch	Stephen	Rep.'g Mont Alto, PA (Borough of)	Electric Distributor
Hirsch	Stephen	Rep.'g Thurmont, MD (Town of)	Electric Distributor
Horstmann	John	Dayton Power and Light Company (The)	Transmission Owner
Horton	Dana	Appalachian Power Company (AEP Generation)	Transmission Owner
Huis	Diane	North Carolina Electric Membership Corporation	Electric Distributor
Jablonski	James	Rep.'g Borough of Butler, Butler Electric Division	Electric Distributor
Jablonski	James	Rep.'g Borough of Lavallette, New Jersey	Electric Distributor
Jablonski	James	Rep.'g Borough of Madison, New Jersey	Electric Distributor
Jablonski	James	Rep.'g Borough of Milltown	Electric Distributor
Jablonski	James	Rep.'g Borough of Park Ridge, New Jersey	Electric Distributor
Jablonski	James	Rep.'g Borough of Pemberton	Electric Distributor
Jablonski	James	Rep.'g Borough of Seaside Heights, New Jersey	Electric Distributor
Jablonski	James	Rep.'g Borough of South River, New Jersey	Electric Distributor
Jablonski	James	Rep.'g Vineland Municipal Electric Utility	Electric Distributor
Jennings	Ken	Duke Energy Business Services LLC	Generation Owner
Johnson	Carl	Long Island Lighting Company d/b/a LIPA	Other Supplier
Jones	Peter	Monterey MA, LLC	Other Supplier
Lieberman	Steven	Old Dominion Electric Cooperative	Electric Distributor
Long	Scott	Allegheny Electric Cooperative, Inc.	Transmission Owner
Maye	Shelly-Ann	North America Power Partners LLC	Other Supplier
Merola	Becky	Rep.'g Noble Americas Gas and Power Corp.	Other Supplier
Miller	Donald	FirstEnergy Solutions Corp.	Transmission Owner
Norton	Chris	American Municipal Power, Inc.	Electric Distributor
O'Connell	Robert	JPMorgan Ventures Energy Corporation	Other Supplier
Pakela	Greg	DTE Energy Trading, Inc.	Other Supplier
Plante	Matthieu	H.Q. Energy Services (U.S.), Inc.	Other Supplier
Pratzon	David	PECO Energy Company	Transmission Owner
Pratzon	David	Rep.'g Calpine Energy Services, L.P.	Generation Owner
Quinlan	Pamela	Rockland Electric Company	Transmission Owner
Rainey	Frank	PEI Power Corporation	Generation Owner
Rohrbach	John	Rep.'g Southern Maryland Electric Cooperative	Electric Distributor
Rohrbach	John	Rep.'g Wabash Valley Power Association, Inc.	Other Supplier
Scarpignato	David	Direct Energy Business, LLC	Other Supplier



Schofield	William	Rep.'g Blue Ridge Power Agency, Inc.	Electric Distributor
Schofield	William	Rep.'g Borough of Chambersburg (DTEET)	Electric Distributor
Schofield	William	Rep.'g Buckeye Power, Inc.	Electric Distributor
Schofield	William	Rep.'g Central Virginia Electric Cooperative	Electric Distributor
Schofield	William	Rep.'g City of Dover, Delaware	Electric Distributor
Schofield	William	Rep.'g Delaware Municipal Electric Corporation	Electric Distributor
Schofield	William	Rep.'g Easton Utilities Commission	Electric Distributor
Schofield	William	Rep.'g Energy Cooperative Association of PA	Other Supplier
Schofield	William	Rep.'g Hagerstown Light Department	Electric Distributor
Schofield	William	Rep.'g Illinois Municipal Electric Agency	Electric Distributor
Schofield	William	Rep.'g Indiana Municipal Power Agency	Generation Owner
Schofield	William	Rep.'g Madison Gas and Electric Company	Other Supplier
Schofield	William	Rep.'g Northern Virginia Electric Cooperative (NOVEC)	Electric Distributor
Schofield	William	Rep.'g Williamsport, MD (Town of)	Electric Distributor
Schofield	William	Rep.'g WPPI Energy	Other Supplier
Scoglietti	Barbara	Tangent Energy Solutions, Inc.	Other Supplier
Seymour	Melissa	IBERDROLA RENEWABLES, Inc.	Generation Owner
Singh	Harry	J. Aron and Company	Other Supplier
Summers	Jim	Potomac Electric Power Company	Electric Distributor
Trayers	Barry	Citigroup Energy, Inc.	Other Supplier
Wadsworth	Joe	Vitol Inc.	Other Supplier
Weber	Sharon	PPL EnergyPlus, L.L.C.	Transmission Owner

Non-Voting Attendees:

Last Name	First Name	Company	Sector
Abbott	Tim	Duke Energy Business Services, Inc.	Generation Owner
Bainbridge	Thomas	FirstEnergy Solutions Corporation	Transmission Owner
Barker	Jason	Constellation Energy Commodities Group, Inc.	Generation Owner
Biden	Douglas	Electric Power Generation Association	Not Applicable
Binder	Gerry	SESCO Enterprises LLC	Other Supplier
Bloom	David	Baltimore Gas and Electric Company	Transmission Owner
Bolan	Martin	FirstEnergy Solutions Corporation	Transmission Owner
Bowring	Joseph	Monitoring Analytics, LLC	Not Applicable
Burner	Bob	Duke Energy Business Services, Inc.	Generation Owner
Canter	David	AEP	Transmission Owner
Christian	Adam	Red Wolf Energy Trading, LLC	Other Supplier
Clover	Bernita	Duquesne Light Company	Transmission Owner
Consoli	Dannine	Energy Curtailment Specialists, Inc.	Other Supplier
Daniels	Jeff	PPL Electric Utilities Corporation d/b/a PPL Utilities	Transmission Owner
De Geeter	Ralph	Public Service Commission of Maryland	Not Applicable
Delaclyuse	Anthony	Power Cost	Not Applicable
Fernandes	John	Baltimore Gas and Electric Company	Transmission Owner
Filomena	Guy	Customized Energy Solutions, Ltd.*	Not Applicable
Galligan	Craig	FirstEnergy Solutions Corporation	Transmission Owner
Gilani	Rehan	ConEdison Energy, Inc.	Other Supplier
Giles	Steven	Allegheny Electric Cooperative, Inc.	Transmission Owner
Gilrain	Mark	NRG Power Marketing, L.L.C.	Generation Owner



Greening	Michele	PPL EnergyPlus, L.L.C.	Transmission Owner
Hamilton	T.L.	Platts	Not Applicable
Haskins	Linda	Dominion Resources	Not Applicable
Hastings	David	DhastCo,LLC	Not Applicable
Heizer	Fred	Ohio PUC	Not Applicable
Hitch	George	Virginia Electric and Power Company	Transmission Owner
Hoatson	Tom	Riverside Generating, LLC	Other Supplier
Hobbs	Walter	PCI	Not Applicable
Howatt	Robert	Maryland Energy Administration	Not Applicable
Hugh	Adam	XO Energy MA, LP	Other Supplier
Huntoon	Stephen	NextEra Energy Power Marketing, LLC	Generation Owner
Hyzinski	Tom	PPL EnergyPlus, L.L.C.	Transmission Owner
Jain	Adarsh	ConEdison Energy Inc.	Other Supplier
Jeremko	Steven	New York State Electric & Gas Corporation	Other Supplier
Kerecman	Joseph	Calpine Energy Services, L.P.	Generation Owner
Kogut	George	FirstEnergy Solutions Corporation	Transmission Owner
Kopon	Owen	Brickfield, Burchette, Ritts & Stone, P.C.	Not Applicable
Kuflik	Jennifer	Exelon Generation Co., LLC	Transmission Owner
Liao	Huaiwei	Louis Dreyfus Energy Services, L.P.	Other Supplier
Lindeman	Tony	FirstEnergy Solutions Corporation	Transmission Owner
Maheshwari	Neha	Edison Mission Marketing & Trading, Inc.	Generation Owner
Mancuso	Marie	Baltimore Gas and Electric Company	Transmission Owner
Marinelli	Richard	PSEG Energy Resources and Trade LLC	Transmission Owner
Martin	Valerie	The Federal Energy Regulatory Commission	Not Applicable
Marton	Dave	FirstEnergy Solutions Corporation	Transmission Owner
McDonald	Steve	Customized Energy Solutions, Ltd.*	Not Applicable
McNamara	Grace	Louis Dreyfus Energy Services, L.P.	Other Supplier
Miller	Jeff	XO Energy MA, LP	Other Supplier
Miller	John	Commonwealth Edison Company	Transmission Owner
Moore	John	The Sustainable FERC Project	Not Applicable
O'Hern	Bill	RG Steel Sparrows Point LLC	End-Use Customer
Ondayko	Brock	AEP	Transmission Owner
Palcic	Ron	FirstEnergy Solutions Corporation	Transmission Owner
Patrylo	Bob	H-P Energy Resources LLC	Other Supplier
Patty	Sandra	MD DNR	Not Applicable
Peebles	Andy	Shell Energy North America (US), LP	Other Supplier
Riding	MQ	NAEA Ocean Peaking Power, LLC	Generation Owner
Ruch	Roger	FirstEnergy Solutions Corporation	Transmission Owner
Scott	Charles	DC Energy, L.L.C.	Other Supplier
Shanker	Roy	H.Q. Energy Services (U.S.), Inc.	Other Supplier
Sidhom	Noha	Pierce Atwood LLP	Not Applicable
Sillin	John	The Federal Energy Regulatory Commission	Not Applicable
Smoots	Carol	Pierce Atwood LLP	Not Applicable
Stadlmeyer	Rebecca	Exelon Generation Co., LLC	Transmission Owner
Sun	Yan	Noble Americas Energy Solutions LLC	Other Supplier
Swalwell	Brad	Tangent Energy	Other Supplier
Tatum	Ed	Old Dominion Electric Cooperative	Electric Distributor
Taylor	Miles	Northern Indiana Public Service Company	Other Supplier



Terelmes	Steve	Ameren Energy Marketing Company	Other Supplier
Thompson	Matthew	North America Power Partners LLC	Other Supplier
Toups	Stephanie	Tenaska Power Services Co.	Generation Owner
Vanderlaan	Bill	Illinois Commerce Commission	Not Applicable
Villetoro	Karen	The Federal Energy Regulatory Commission	Not Applicable
Weaver	David	PECO Energy Company	Transmission Owner
White	John	The Federal Energy Regulatory Commission	Not Applicable
Williams	Paul	ArcelorMittal USA LLC	End-Use Customer
Wilson	James	Wilson Energy Economics	Not Applicable
Witten	Lane	FPL Energy Marcus Hook, L.P.	Generation Owner

PJM Attendees:

Last Name	First Name	Company	Sector
Baker	Scott	PJM Interconnection, LLC	Not Applicable
Bastian	Jeff	PJM Interconnection, LLC	Not Applicable
Boston	Terry	PJM Interconnection, LLC	Not Applicable
Braptsis	Brat	PJM Interconnection, LLC	Not Applicable
Bresler	Stu	PJM Interconnection, LLC	Not Applicable
Bryson	Michael	PJM Interconnection, LLC	Not Applicable
Burlew	Sarah	PJM Interconnection, LLC	Not Applicable
Burnley	Helen	PJM Interconnection, LLC	Not Applicable
Coyne	Suzanne	PJM Interconnection, LLC	Not Applicable
Daugherty	Suzanne	PJM Interconnection, LLC	Not Applicable
Dessender	Harry	PJM Interconnection, LLC	Not Applicable
Dessender	Lisa	PJM Interconnection, LLC	Not Applicable
Dillon	Lisa	PJM Interconnection, LLC	Not Applicable
DiMartino	Denise	PJM Interconnection, LLC	Not Applicable
Duane	Vince	PJM Interconnection, LLC	Not Applicable
Eckenrod	Robert	PJM Interconnection, LLC	Not Applicable
Egan	Amanda	PJM Interconnection, LLC	Not Applicable
Ennis	Brad	PJM Interconnection, LLC	Not Applicable
Foley	Sheila	PJM Interconnection, LLC	Not Applicable
Ford	Adrien	PJM Interconnection, LLC	Not Applicable
Glazer	Craig	PJM Interconnection, LLC	Not Applicable
Habre	Alex	PJM Interconnection, LLC	Not Applicable
Hartung	Dean	PJM Interconnection, LLC	Not Applicable
Herling	Steven	PJM Interconnection, LLC	Not Applicable
Hoang	Liem	PJM Interconnection, LLC	Not Applicable
Horning	Lynn	PJM Interconnection, LLC	Not Applicable
Hugee	Jacquelyn	PJM Interconnection, LLC	Not Applicable
Keech	Adam	PJM Interconnection, LLC	Not Applicable
Kelley	Michael	PJM Interconnection, LLC	Not Applicable
Kendall	Ross	PJM Interconnection, LLC	Not Applicable
Kinsey	Jean	PJM Board of Managers	Not Applicable
Manion	Evelyn	PJM Interconnection, LLC	Not Applicable
Mayben	William	PJM Board of Managers	Not Applicable
McGlynn	Paul	PJM Interconnection, LLC	Not Applicable



Ott	Andrew L.	PJM Interconnection, LLC	Not Applicable
Schweizer	David	PJM Interconnection, LLC	Not Applicable
Sechrist	Erin	PJM Interconnection, LLC	Not Applicable
Sims	Mark	PJM Interconnection, LLC	Not Applicable
Sotkiewicz	Paul	PJM Interconnection, LLC	Not Applicable
Swimm	Nora C.	PJM Interconnection, LLC	Not Applicable
Tam	Simon	PJM Interconnection, LLC	Not Applicable
Ulmer	David	PJM Interconnection, LLC	Not Applicable
Walter	Laura	PJM Interconnection, LLC	Not Applicable
Williams	Jeff	PJM Interconnection, LLC	Not Applicable

ADMINISTRATION (9:00-9:05)

Mr. Anders welcomed and reminded participants of Anti-trust and Code of Conduct requirements.

ENDORSEMENTS/APPROVALS

1. ADMINISTRATION (9:05-9:10)

Minutes of the February 23, 2012 Markets and Reliability Committee (MRC) meeting were **approved** by acclamation with no objections or abstentions.

2. PJM MANUALS (9:10-9:40)

- A. Mr. McGlynn reviewed revisions to PJM Manual 14A regarding unit output.
- B. Mr. Dessender reviewed revisions to Manual 28: Operating Agreement Accounting addressing the fixed costs to be paid to Demand Resources responding to Synchronized Reserve Events. The Cost Development Subcommittee will be asked to develop the definition of shutdown costs to be included in make-whole payments.
- C. Mr. Keech reviewed various revisions to manuals 11, 12, 13, 28 endorsed by the Operating Committee.

Following discussion, the MRC **endorsed** the proposed revisions in items 2A, 2B and 2C by acclamation with no objections and one abstention.

3. FERC ORDER ON REMOVING NON-RELIABILITY MONITORED FACILITIES FROM PJM LOSS CALCULATIONS (9:40-10:10)

Mr. Bresler discussed proposed Tariff and Operating Agreement (OA) revisions prepared in response to the recent FERC order rejecting the proposed marginal loss calculation change (ER11-3445-000). He reviewed discussions of this topic at the Market Implementation Committee (MIC) and MRC. Following discussion, the motion **failed** in a sector-weighted vote with 3.17 in favor. Mr. Kormos noted that this item had been noticed as being on the Members Committee agenda for its March 29, 2012 meeting, but would not be voted upon unless moved and seconded by a Member. In response to questions, he noted that staff may recommend that the Board of Managers take action on this issue.

4. BLACK START REFURBISHMENT (10:10-10:30)

Mr. Schweizer presented proposed Tariff and Manual 14D revisions to implement the Black Start Refurbishment Process and resulting proposals developed by the Black Start Service Task Force. Following discussion, the main motion, proposal B, **failed** in a sector-weighted vote with 1.96 in favor. The alternative motion provided by the Market Implementation Committee (MIC), proposal A1, also **failed** in a sector-weighted vote with 0.37 in favor. Mr. Schofield moved and Mrs. Bruce seconded an additional alternate proposal, proposal C. This motion also failed in a sector-weighted vote with 1.80 in favor.



5. COMBINED CYCLE MODELING (10:30-10:45)

Ms. Walter presented a proposed Problem Statement and associated draft charge regarding Combined Cycle Modeling. Following discussion during which it was determined that the issue would be assigned to the Operating Committee, there was no objection to undertaking the Problem Statement, and the Charge was **approved** with no objections or abstentions.

6. SYSTEM RESTORATION STRATEGY TASK FORCE (SRSTF) (10:45-11:00)

Ms. Hendrzak presented the draft charter for the SRSTF. Following discussion, the MRC **approved** the proposed revisions by acclamation with no objections or abstentions.

FIRST READINGS

1. PJM MANUALS (11:30-11:40)

- A. Mr. Keech presented proposed revisions to Manual 1 due to implementation of AC² and other cleanup revisions. The MRC will be asked to endorse these proposed revisions at its next meeting.
- B. Mr. Sims discussed a proposal regarding the amount of generation scaled by the PJM Generation Deliverability Test and associated draft PJM Manual 14B language. The MRC will be asked to endorse these proposed revisions at its next meeting.

2. RPM RELATED ISSUES (11:40-12:10)

Mr. Anders discussed results of polling related to longer-term RPM associated issues submitted by stakeholders for consideration in future stakeholder process activities as well as draft Problem Statements related to Demand Response Issues, Report and Energy Markets Obligations, Transmission/RTEP Issues, and Other – Review Timing. Although this is a first read, due to timeliness of the issue, the committee was asked approve a Problem Statement and charge associated with the Long Term Auction scope of work. Mr. Ruch proposed a friendly amendment to add to the charge that the proposed auction be competitive, non-discriminatory and not distortive to the existing Base Residual Auction. Mr. Schofield objected, and therefore this was not considered friendly. Mr. Tatum proposed that the term "voluntary" be removed from the Problem Statement. Several Members objected to this being friendly, and therefore it was not considered friendly. Mr. Hoatson proposed a friendly amendment to replace the second paragraph of the Problem Statement with the section of the FERC order describing the specific commitment and to remove the term "voluntary" from the Problem Statement. Mr. Fitch requested that the last statement of the original document not be stricken from the last paragraph of the Problem Statement. There were no objections to either of these two proposed amendments, and therefore they were considered friendly. There was no objection to pursuing this issue and therefore the Problem Statement was considered **approved**. Following discussion, the Charge was **approved** by acclamation with two objections and two abstentions. It was agreed that a special meeting of the MRC would be convened in April for the purpose of performing the first read of the other four Problem Statements/Charges, and that the MRC would be asked to approve these Problem Statements/Charges at the regularly scheduled April 26, 2012 meeting.

3. QUALITY PROJECT PROCESS IMPROVEMENTS (12:10-12:25)

Ms. Huges discussed revisions to Tariff Attachment M identified through PJM's Quality Project related to process improvements in the flow of information between Members, the Independent Market Monitor and PJM. This item will be added to the agenda for the April special RPM related MRC meeting for the first read. The MRC will be asked to endorse these proposed revisions at the regularly scheduled April 26, 2012 meeting.

4. IRM ASSUMPTIONS (12:25-12:35)

Mr. Falin reviewed the draft 2012 IRM assumptions letter. He noted discussion of the draft letter at the Planning Committee (PC).



5. ADDITIONAL SECTIONALIZING SCHEMES (12:35-12:45)

Mr. Daniels reviewed the West Shore sectionalizing schemes in the PP&L zone to be incorporated into Manual 3: Transmission Operations. He noted that this scheme has been in place as it is an N-1-1 scheme, and not required to be included in M3. He noted that it was being reviewed with the MRC at this time because other planned system conditions will result in this becoming an N-1 contingency, and therefore will be added to M3.

FUTURE AGENDA ITEMS (12:45)

No new future agenda items were identified.

FUTURE MEETINGS

2011

April 26, 2012	9:00 AM	Wilmington, DE
June 28, 2012	9:00 AM	Wilmington, DE
July 26, 2012	9:00 AM	Wilmington, DE
September 27, 2012	9:00 AM	Wilmington, DE
October 25, 2012	9:00 AM	Wilmington, DE
November 29, 2012	9:00 AM	Wilmington, DE

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