



PJM Interconnection
PJM Operating Committee
Minutes of the 156th Meeting
PJM Service Center – S-1
Tuesday, December 21, 2010
9:30 AM

Members Present:

Frank J. Koza, Chairman
Christopher Pulong, Secretary
J. Andrew Dodge
Guy Filomena
David Steigerwald
David Scarp
David Pratzon
William Dugan
David Weaver
Brad Weghorst
Mark Heimbach
Steven Kimmish
Russell W. Price

PJM Interconnection
PJM Interconnection
Baltimore Gas & Electric Company
Customized Energy Solutions, Ltd.
Customized Energy Solutions, Ltd.
Direct Energy Business, LLC
Exelon Generation Co., LLC
Monitoring Analytics, LLC
PECO Energy Company
PPL EnergyPlus, LLC
PPL Martins Creek, LLC
PSEG Energy Resource & Trade LLC
UGI Utilities, Inc.

Members Present via Conference Call:

Bruce Erickson
Robin Libbos
Mark Klohonatz
David Canter
Timothy Hostetler
Paul Johnson
Gregory Urbin
Rehan Gilani
Stephen Knapp
Robert Pleiss
Donald Gebele
John Horstmann
Kenneth Jennings
Timothy Abbott

Allegheny Electric Cooperative, Inc.
Allegheny Energy Supply Company, LLC
Allegheny Power
Appalachian Power Company
Appalachian Power Company
Appalachian Power Company
Baltimore Gas & Electric Company
ConEdison Energy, Inc.
Constellation Energy Commodities Group
Constellation Energy Commodities Group
Dayton Power & Light Company
Dayton Power & Light Company
Duke Energy Business Services, LLC
Duke Energy Ohio, Inc.



Members Present via Conference Call: (Cont'd.)

Patrick Conti
Jeffrey Ellis
Bruce Campbell
James Benchek
Gerald Huff, Jr.
Anthony Lindeman
Donald Miller
Andrew Hunter
Megan Wisersky
David S. Mabry
Al Freeman
Jeffrey Daniels (representing Michael DeCesaris)
Martin Diamant
Ronald E. Wharton
Jason Cross
Jacquie Smith
Todd Poynton (representing Patrick Burke)
Thomas Bradish
Charles Bonner
Joseph Brown
Jack Kerr
Joseph Wadsworth

Duquesne Light Company
Edison Mission
EnergyConnect, Inc
FirstEnergy Solutions Corp.
FirstEnergy Solutions Corp.
FirstEnergy Solutions Corp.
FirstEnergy Solutions Corp.
FirstEnergy Transmission
Madison Gas & Electric
McNees Wallace
Michigan Public Service
PPL Electric Utilities Corporation
PSEG Energy Resource & Trade LLC
Public Service Electric & Gas Company
PUC Ohio
ReliabilityFirst Corp.
Rockland Electric Company
RRI Energy Services, Inc.
Virginia Electric & Power Company
Virginia Electric & Power Company
Virginia Electric & Power Company
Vitol Inc.

Also Present:

David A. Anders
Michael E. Bryson
Thomas M. Hauske
William H. Herbsleb
Susan E. Kenney
Jack O'Neill
Ian Mundell
Kenneth A. Schuyler
Kenneth S. Seiler
Laura Walter

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1. ADMINISTRATION

- The Agenda for this meeting was approved with one addition.
 - VAR-002 concerns with voltage regulator being taken off/on during ramp up/off (Bob Pleiss).



- The Draft Minutes of the November 16, 2010 OC meeting were approved as drafted.

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 a summary of the December 15th MRC meeting.
- Markets Implementation Committee – Ms. Kenney provided a summary of the December 7th MIC meeting.
- System Information Subcommittee – Mr. Mundell (on behalf of Mr. Graff) provided a summary of the December 15th SIS meeting
- System Operations Subcommittee – Mr. Bryson provided a summary of the December 8th SOS meeting.
- Intermittent Resources Working Group – Mr. Schuyler provided a summary of the December 20th IRWG meeting.
- Reliability Standards and Compliance Subcommittee – Mr. Kuras provided a summary of the December 16th RSACS meeting.

3. UPDATED PJM STAKEHOLDER PROCESS

- Mr. Anders reviewed changes to the PJM Stakeholder process focusing on the new requirements for proposing problems/issues for committee review.

4. NERC/RFC UPDATE

- Ms. Kuras provided an update on NERC, SERC, RFC and NAESB Regional Standards.
- Mr. Herbsleb reviewed the FERC Order on the Frequency Response Standards (<http://www.ferc.gov/whats-new/comm-meet/2010/121610/E-11.pdf>). A proposed timeline from NERC to draft the new BAL-003-1 standard has been filed and accepted by FERC. The OC Members requested they be kept informed of the impacts this will have to the Generator Owners. The OC Members asked that the NERC survey of Generator Owners be summarized and made available.
- PJM Operations Staff gave an update on relevant NERC Committee meetings work activities.



5. REVIEW OF OPERATIONS

- Mr. Bryson provided a review of PJM Operations for December 2010.
- OC Members raised no operating issues.

6. AC² UPDATE

- Mr. Seiler provided an update on current activities associated with the AC2 project.
- Mr. Deloach provided an update on the migration plan to meet the Go-Live goal of Q1 2011.

7. DSR PERFORMANCE

Mr. O'Neill gave a preliminary review of DSR performance and testing. The final report will be issued before the end of the year. A recommendation was made by the OC Members that PJM pre-define sub-zonal grouping of DSR resources to minimize confusion during an operational event, minimizing the time to respond.

8. CAPACITY MAXIMUM NOTIFICATION + STARTUP TIME

- Mr. Dugan reviewed the MMU proposal for Maximum Notification and Start Times. OC Members expressed concerns with applying the notification times to both cost and market based offers.
- Mr. Bryson discussed updates to the latest PJM proposal to limit Notification and Start-up time for capacity resources, including member and committee feedback. OC Members raised NERC compliance concerns with the current language that indicates units outside the notification time be reported as 'forced outages'. Mr. Bryson will adjust the language to tie this more closely to units outside the defined exception process.
- The OC Members indicated that the exception process, and whether this is applied on a global basis or unit by unit basis, is a key decision point to providing additional feedback.

9. MANUAL UPDATES

- Mr. Bryson reviewed the scope of upcoming manual updates.
- Mr. Benner reviewed the 2011 Day-Ahead Scheduling Reserve Requirement (Manual 13).

10. AVR STATUS NOTIFICATION

Mr. Pleiss reviewed a NERC compliance concern that Generation Owners need to notify PJM every time a unit comes on-line/off-line and the AVR status is out-of-service during this timeframe. PJM has



proposed changes to M-14D that notifications only need to occur if the AVR is off for more than 30-minutes during start up or shut down.

11. ACTION ITEMS

Mr. Pilon reviewed action items.

12. FUTURE OC MEETINGS

2011

January 18, 2011	Office of the Interconnection	9:30 AM
February 15, 2011	Office of the Interconnection	9:30 AM
March 15, 2011	Office of the Interconnection	9:30 AM
April 19, 2011	Office of the Interconnection	9:30 AM
May 17, 2011	Office of the Interconnection	9:30 AM
June 21, 2011	Office of the Interconnection	9:30 AM
July 19, 2011	Office of the Interconnection	9:30 AM
August 16, 2011	Office of the Interconnection	9:30 AM
September 20, 2011	Office of the Interconnection	9:30 AM
October 18, 2011	Office of the Interconnection	9:30 AM
November 15, 2011	Office of the Interconnection	9:30 AM
December 20, 2011	Office of the Interconnection	9:30 AM

Author: Chris Pilon
Typist: Linda Foulke
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