DRAFT MINUTES
PJM Interconnection
PJM Operating Committee (193rd Meeting)
PJM Conference and Training Center
Tuesday, September 10th, 2013
9:00 AM

Members Present:

Mike Bryson, Chair
Heather Reiter, Secretary
Martin Bolan
John Brodbeck
Scott Etnoyer
Rich Heidorn
John Horstmann
Kenneth Jennings
George Kogut
Don Miller
Kevin Packer
David Pratzon
Russell W. Price
William Scholfield
Brad Swalwell
Bradley Weghorst

PJM Interconnection
FirstEnergy Solutions Corporation
Potomac Electric Power Company
Raven Power Marketing LLC
PJM Insider
Dayton Power and Light Company
Duke Energy Business Services LLC
New York Power Authority
FirstEnergy Solutions Corporation
PEPCO Holdings, Inc.
GT Power Group
UGI Utilities, Inc.
Customized Energy Solutions, Ltd.
Tangent Energy Solutions, Inc.
PPL Energy Plus LLC

Members Present via Conference Call:

Malcolm Ainspan
Patrick Burke
Bruce Campbell
John Citrolo
Deral Danis
Martin Diamant
Chuck Dugan
Bruce Erickson
Guy Filomena
Neal Fitch
John Garavaglia
Don Gebele

Energy Curtailment Specialists
Rockland Electric Company
Energy Connect, Inc.
PSEG Energy Resources and Trade LLC
Clean Line Energy Partners LLC
PSEG Energy Resources and Trade
East Kentucky Power Cooperative, Inc.
Allegheny Electric Cooperative, Inc.
Customized Energy Solutions
GenOn Energy Management
Commonwealth Edison Company
Dayton Power & Light Company
<table>
<thead>
<tr>
<th>Name</th>
<th>Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>David Gil</td>
<td>NextEra Energy Power Market</td>
</tr>
<tr>
<td>Rehan Gilani</td>
<td>ConEdison Energy, Inc.</td>
</tr>
<tr>
<td>David Hastings</td>
<td>DhashCo, LLC</td>
</tr>
<tr>
<td>Fred Heizer</td>
<td>Ohio PUC</td>
</tr>
<tr>
<td>Doug Hils</td>
<td>Duke Energy Ohio, Inc.</td>
</tr>
<tr>
<td>Tim Hostetler</td>
<td>AEP Appalachian Transmission</td>
</tr>
<tr>
<td>Jack Kerr</td>
<td>Virginia Electric &amp; Power Company</td>
</tr>
<tr>
<td>David Mabry</td>
<td>McNees Wallace &amp; Nurick LLC</td>
</tr>
<tr>
<td>David Marton</td>
<td>First Energy Corporation</td>
</tr>
<tr>
<td>Brock Ondayko</td>
<td>Appalachian Power Company</td>
</tr>
<tr>
<td>Robert Pleiss</td>
<td>Constellation Energy Commodities Group</td>
</tr>
<tr>
<td>Paul Santarelli</td>
<td>PPL Electric Utilities Corp.</td>
</tr>
<tr>
<td>Jaquie Smith</td>
<td>ReliabilityFirst Corporation</td>
</tr>
<tr>
<td>Rebecca Stadelmeyer</td>
<td>Exelon Business Services Company, LLC</td>
</tr>
<tr>
<td>Vincent Stefanowicz</td>
<td>PPL EnergyPlus, LLC</td>
</tr>
<tr>
<td>Brad Swalwell</td>
<td>Tangent Energy Solutions, Inc.</td>
</tr>
<tr>
<td>David Weaver</td>
<td>PECO Energy Company</td>
</tr>
<tr>
<td>Ronald Wharton</td>
<td>Public Service Electric and Gas Company</td>
</tr>
</tbody>
</table>

**Also Present:**

<table>
<thead>
<tr>
<th>Name</th>
<th>Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>David Anders</td>
<td>PJM Interconnection</td>
</tr>
<tr>
<td>Scott Benner</td>
<td>PJM Interconnection</td>
</tr>
<tr>
<td>Joe Ciabattoni</td>
<td>PJM Interconnection</td>
</tr>
<tr>
<td>Sarah Eichorn</td>
<td>PJM Interconnection</td>
</tr>
<tr>
<td>Russell Fernsler</td>
<td>PJM Interconnection</td>
</tr>
<tr>
<td>Adrien Ford</td>
<td>PJM Interconnection</td>
</tr>
<tr>
<td>Ron Graff</td>
<td>PJM Interconnection</td>
</tr>
<tr>
<td>Thomas Hauske</td>
<td>PJM Interconnection</td>
</tr>
<tr>
<td>Ed Hoey</td>
<td>PJM Interconnection</td>
</tr>
<tr>
<td>Jeff Hoffman</td>
<td>PJM Interconnection</td>
</tr>
<tr>
<td>Ed Kovler</td>
<td>PJM Interconnection</td>
</tr>
<tr>
<td>Esrick McCartha</td>
<td>PJM Interconnection</td>
</tr>
<tr>
<td>Michael Olaleye</td>
<td>PJM Interconnection</td>
</tr>
<tr>
<td>Jeff Schmitt</td>
<td>PJM Interconnection</td>
</tr>
<tr>
<td>Ken Schuyler</td>
<td>PJM Interconnection</td>
</tr>
<tr>
<td>Chris Smart</td>
<td>PJM Interconnection</td>
</tr>
<tr>
<td>John Smith</td>
<td>PJM Interconnection</td>
</tr>
<tr>
<td>Jim Snow</td>
<td>PJM Interconnection</td>
</tr>
<tr>
<td>Simon Tam</td>
<td>PJM Interconnection</td>
</tr>
<tr>
<td>Laura Walter</td>
<td>PJM Interconnection</td>
</tr>
<tr>
<td>Kim Warshel</td>
<td>PJM Interconnection</td>
</tr>
<tr>
<td>Cathy Wesley</td>
<td>PJM Interconnection</td>
</tr>
</tbody>
</table>
1. **ADMINISTRATION**

- Agenda was approved for this meeting.
- Draft Minutes of the August 6th, 2013 OC meeting were reviewed and approved.

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 an update from the August 29th, 2013 MRC meeting.
- Markets Implementation Committee – Ms. Ford provided an update from the August 7th, 2013 MIC meeting.
- System Information Subcommittee – Mr. Graff provided an update from the August 21st, 2013 SIS meeting.
  - Mr. Graff reviewed the updated SIS Charter. **The Operating Committee endorsed the charter with 0 objections and 0 abstentions.**
- System Operations Subcommittee – Mr. Bryson provided an update from the August 28th, 2013 SOS meeting.
- Regulation Performance Senior Task Force – Mr. Schmitt and Ms. Eichorn provided an update on the RPSTF.
- Intermittent Resources Task Force – Mr. Schuyler provided an update on the August 14th, 2013 IRTF meeting. Tariff changes were endorsed at the last meeting pertaining to Wind LOC eligibility. The filing is in process. The next meeting will be October 21st, 2013.
- Restoration Strategy Task Force – Mr. Hauske provided an update on the August 16th, 2013 SRSTF meeting.
- Reliability Standards and Compliance Subcommittee – Mr. Kuras provided an update on the August 15th, 2013 RSCS meeting.

3. **NERC/RFC UPDATE**

Ms. Wesley provided an update on NERC, SERC, RFC, and NAESB Regional Standards. MOD-001-2, 032-1, 033-1, 031-1, VAR-001-4, and VAR-002-3 comments are due in late August or early September. PER-005-2 comments are due 9/3, which PJM does not support. The RFC TO audit for PECO is the week of September 23rd and for UGI is the week of December 9th.
4. **REVIEW OF OPERATIONS**

Mr. Bryson reviewed PJM Operations and provided an update of the July Hot Weather Events since the last Operating Committee (OC) Meeting.

5. **MANUAL UPDATES**

- Mr. Smart provided an update on changes to Manual 01: Control Center and Data Exchange Requirements, specifically Attachment B: Schedule of Data Submittals. **The Operating Committee endorsed these changes with 0 objections and 0 abstentions.**

- Mr. Hauske reviewed changes to Manual-12: Balancing Operations. Section 4.6 Black Start Service changes were due to the System Restoration Strategy Task Force proposal for new criteria for Black Start Generation, Critical Load, and Restoration Plans. **The Operating Committee endorsed these changes with 0 objections and 0 abstentions.**

- Ms. Reiter reviewed changes to Manual 03: Transmission Operations. These changes are part of the semi-annual review. **The Operating Committee will be asked to endorse these changes at its next meeting.**

- Mr. Bryson reviewed changes to Manual 13: Emergency Procedures. These changes included sections 2.3.2 and 5.2 on emergency procedures, section 2.4 for the Elroy cap, sections 3.3 and 3.4 for EKPC, and Attachment L. **The Operating Committee will be asked to endorse these changes at its next meeting.**

- Mr. Hoey will review changes to Manual 10: Pre-Scheduling Operations. These changes are part of the annual review and include changes to Exhibit 1, sections 2.1 and 2.1.1, section 3 on reserve requirements, and section 4.1.1 on regulation resource. **The Operating Committee will be asked to endorse these changes at its next meeting.**

- Mr. Hoffman will review changes to Manual 14D: Generator Operational Requirements. These changes included section 7.1.2 on voltage and reactive control, 7.3.5 on fuel limitation reporting, section 7.4 on synchronization and disconnection procedures, and Attachment D & E. **The Operating Committee will be asked to endorse these changes at its next meeting.**

6. **DISPATCHER TRAINING SUBCOMMITTEE CHARTER**

Mr. Fernsler reviewed the updated DTS Charter. **The Operating Committee endorsed the charter with 0 objections and 0 abstentions.**
7. UNIT STARTUP NOTIFICATION

Mr. Ciabattoni reviewed the unit startup changes that will be in effect starting September 26th, 2013.

8. SR PERFORMANCE

Ms. Warshel reviewed the two Tier 2 SR Performance Penalty proposal packages. An additional proposal was introduced proposing the 10 days retroactive plus a 25% adder for the penalty. Several stakeholders requested specific unit performance historical data before voting on the proposed packages. Michael Olaleye provided further clarification on the must offer requirement. John Horstmann, Dayton Power & Light Company, made a motion to defer the vote until the October OC meeting in order for the companies to review their historical information. The motion was seconded by Brock Ondayko, Appalachian Power Company, and Brad Weghorst, PPL Energy Plus. Stan Williams, PJM, made a friendly amendment to hold a special OC meeting 5 business days after PJM provides stakeholders with their historical SR Performance information to vote on the proposals. The motion with the friendly amendment was voted on and approved by acclimation with 0 objections and 1 abstention.

9. MEMBERS COMMUNICATION

Mr. Kovler reviewed the two Members Communication proposal packages. The major difference between the two packages is with the cost allocation. **The Operating Committee will be asked to vote on the proposals at its next meeting.

10. PJM 2014 PROJECT SUMMARY

Mr. Snow discussed the preliminary 2014 PJM Project Budget.

11. FUTURE AGENDA ITEMS

- Annual Review of OC Charter April
- PJM Project Summary for Coming Year August
- Winter Reserve Target October
- Demand Response Event Summary October
- Yearly Day Ahead Reserve Requirement M-13 Update October
- Synchronous Reserve Event Summary Bi-Annual
- Spring / Fall Outage Schedules Bi-Annual
- Emergency Procedures Drill Update Bi-Annual

12. FUTURE OC MEETINGS

September 10, 2013 Office of the Interconnection 9:00 AM
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.