Minutes
PJM Interconnection
Cost Development Subcommittee (265th Meeting)
PJM Service Center – S-1
Monday September 12, 2011
10:00 AM

Members in Attendance:

Williams, Stanley (Chair)  PJM Interconnection  Not Applicable
Gomez, Luis  Exelon Generation Co., LLC  Generation Owner
Hauske, Tom  PJM Interconnection  Not Applicable
Modi, Vikram  Monitoring Analytics  Not Applicable
Walter, Laura (Secretary)  PJM Interconnection  Not Applicable

Also in Attendance:

Dugan, William  Monitoring Analytics, LLC  Not Applicable
Hauske, Tom  PJM Interconnection  Not Applicable
Modi, Vikram  Monitoring Analytics  Not Applicable
Zadlo, Thomas  PJM Interconnection  Not Applicable

In Attendance via Web Ex / Teleconference:

Donlon, Patrick  Appalachian Power Company  Generation Owner
Filomena, Guy  Customized Energy Solutions, Ltd.*  Not Applicable
Maucher, Andrea  Division of the Public Advocate of the State of Delaware  End Use Customer
Feierabend, Rick  Dominion Energy Marketing, Inc.  Generation Owner
Keefer, Brian  Dominion Energy Marketing, Inc.  Generation Owner
Jennings, Kenneth  Duke Energy Business Services LLC  Generation Owner
Marton, Dave  FirstEnergy Solutions Corp.  Transmission Owner
Jeremko, Steven  New York State Electric & Gas Corporation  Other Supplier
Egan, Amanda  PJM Interconnection  Not Applicable
Miller, Rod  PPL Generation, LLC  Generation Owner
Fee, George  PSEG Energy Resources and Trade LLC  Generation Owner
Lopez, Johnny  PSEG Energy Resources and Trade LLC  Generation Owner
Hoatson, Thomas  Riverside Generating, LLC  Generation Owner
Binder, Gerry  SESCO Enterprises LLC  Other Supplier
Mount, Colin  Trans-Allegheny Interstate Line Company  Transmission Owner

1.  ADMINISTRATION

CDS endorsed the minutes from the 264th CDS held on 8/8/2011 with a minor attendance update.
CDS endorsed the Agenda for the 265th CDS.
2. **CDS STATUS UPDATE**

CDS Chair, Stan Williams, updated CDS about the 2011 CDS meeting schedule. Currently for 2011 the CDS schedule will remain unchanged. CDS Chair, Stan Williams, updated that sector representation will be on all future CDS meeting minutes.

Station Service Rates for Q4 2011 were posted as of September 9, 2011.

3. **NO LOAD: ISSUE TRACKING LINK**

CDS reviewed and endorsed changes to PJM Manual 15 No-Load Cost calculations. PJM staff will present the recommended changes to the No-Load cost calculations at the October MRC meeting for review and for endorsement at the November MRC meeting as appropriate.

4. **VARIABLE OPERATING AND MAINTENANCE (VOM) COST DEFINITION: ISSUE TRACKING LINK**

CDS discussed and revised the VOM Cost Definition Collaborative Solution Matrix. Development of a consensus position on the VOM cost definition will be the primary focus of the October CDS meeting.

5. **INFORMATION FOR UNIT TYPES NOT ADDRESSED BY MANUAL 15: ISSUE TRACKING**

CDS reviewed the educational document for Unit Types not addressed in Manual 15. CDS will prioritize the various classes of units to be addressed at the October CDS meeting.

6. **CDS WORK PLAN AND FUTURE TOPICS**

   Immature Unit Definition: Issue Tracking
   Combined Cycle Modeling: Issue Tracking
   Cyclic Peaking Factors for Combined Cycle units: Issue Tracking (referred by MRC)

7. **FUTURE MEETINGS**

   Monday, November 14, 2011  10:00 am until 2:00 pm  PJM Interconnection Offices
   Monday, December 12, 2011  10:00 am until 2:00 pm  PJM Interconnection Offices

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.

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