MINUTES
COST DEVELOPMENT SUBCOMMITTEE (281ST MEETING)
PJM CTC
APRIL 1, 2013 10:00AM

Members in Attendance:

- Schmitt, Jeff (Chair) PJM Interconnection Not Applicable
- McDonald, Steve Customized Energy Solutions, Ltd.* Not Applicable
- Pratzon, David GT Power Group Not Applicable
- Brodbeck, John Potomac Electric Power Company Electric Distributor
- Puchyr, Lindsey (Secretary) PJM Interconnection Not Applicable

Also in Attendance:

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

Via WebEx or Teleconference:

- Celestine, Kizi Appalachian Power Company (AEP Generation) Transmission Owner
- Shannon, Gary Appalachian Power Company (AEP Generation) Transmission Owner
- McQueeney (Judson), Judith Beacon Power Corporation Other Supplier
- Berlinski, Mike Beacon Power, LLC Other Supplier
- Gilani, Rehan Consolidated Edison Energy, Inc. Other Supplier
- Schofield, William Customized Energy Solutions, Inc. Not Applicable
- Filomena, Guy Customized Energy Solutions, Ltd.* Not Applicable
- Horstmann, John Dayton Power & Light Company (The) Transmission Owner
- Jennings, Ken Duke Energy Business Services LLC Transmission Owner
- Flaherty, Dale Duquesne Light Company Transmission Owner
- Ellis, Jeff Edison Mission Marketing and Trading, Inc. Generation Owner
- Erbick, Michael EPIC Merchant Energy NJ/PA, LP Other Supplier
- Bondi, Greg Exelon Generation Co., LLC Generation Owner
- Huffman, Dan FirstEnergy Solutions Corp. Transmission Owner
- Hebert, Damase Gabel Associates Not Applicable
- Anders, David PJM Interconnection Not Applicable
- Dirani, Rami PJM Interconnection Not Applicable
- Eichorn, Sarah PJM Interconnection Not Applicable
- Miller, Rod PPL EnergyPlus, L.L.C. Transmission Owner
- Citrolo, John PSE&G ER&T Transmission Owner
- Summers, Ted PSEG Energy Resources and Trade, LLC Transmission Owner
1. **Administration**

Mr. Schmitt, PJM, reviewed the Antitrust, Code of Conduct, Media Participation Policy and roll call.

CDS endorsed the minutes from the 279th CDS held on February 8, 2013 and from the 280th CDS held on March 4, 2013 as well as the Agenda for the 281st meeting.

2. **Regulation Market Cost-Based Offers ISSUE TRACKING**

Mr. Schmitt, PJM, reviewed draft manual language for regulation. The language was approved by acclamation with the exception of an objection by the Market Monitor with regards to the placement of the non steady state heat rate degradation component in the performance offer. The manual language will go to the MRC on April 25th, 2013 for first read.

3. **Cyclic Starting & Peaking Factors ISSUE TRACKING**

Dave Pratzon, GT Power Group, reviewed the document “Implications of Removing Start and Peak Load Multipliers from CC/CG Cost Development Equations.” Mr. Hauske, PJM, reviewed the revised matrix and the calculated impacts under several scenarios for cyclic starting and peaking factors. In between this meeting and the next, PJM will distribute a poll to gather further information on this topic. Packages will be developed based on existing consensus and poll data and will be voted on at the next CDS, May 6, 2013.

4. **Future meeting dates**

- Monday, May 6, 2013  10:00 am until 3:00 pm  PJM CTC
- Monday, June 3, 2013  10:00 am until 3:00 pm  PJM CTC
- Monday, July 15, 2013  10:00 am until 3:00 pm  PJM CTC
- Monday, September 9, 2013  10:00 am until 3:00 pm  PJM CTC
- Monday, October 7, 2013  10:00 am until 3:00 pm  PJM CTC
- Monday, November 4, 2013  10:00 am until 3:00 pm  PJM CTC

Author: Lindsey Puchyr
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