Draft Minutes
Cost Development Subcommittee (283rd meeting)
PJM CTC
September 19, 2013 10:00AM

Members in Attendance:

Schmitt, Jeff (Chair)  PJM Interconnection, LLC  Not Applicable
Kerecman, Joseph  Calpine Energy Services, L.P.  Generation Owner
Pratzon, David  GT Power Group  Not Applicable
Walter, Laura (Secretary)  PJM Interconnection, LLC  Not Applicable

Also in Attendance:

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

Attended via Teleconference / WebEx:

Stock, Ryan  AEP Energy, Inc.  Other Supplier
Ondayko, Brock  Appalachian Power Company  Transmission Owner
DeMoen, Susan  Appalachian Power Company  Transmission Owner
Erickson, David  Appalachian Power Company  Transmission Owner
Filomena, Guy  Customized Energy Solutions, Ltd.*  Not Applicable
McDonald, Steve  Customized Energy Solutions, Ltd.*  Not Applicable
Schofield, William  Customized Energy Solutions, Ltd.*  Not Applicable
Horstmann, John  Dayton Power & Light Company (The)  Transmission Owner
Martinez, Eddie  Dominion Energy Marketing, Inc.  Generation Owner
Curner, Jeff  Dominion Virginia Power  Not Applicable
Feierabend, Rick  Dominion Virginia Power  Not Applicable
Wilmoth, Emily  Dominion Virginia Power  Not Applicable
Jennings, Kenneth  Duke Energy Business Services LLC  Generation Owner
Flaherty, Dale  Duquesne Light Company  Transmission Owner
Haynes, Greg  Energy Authority, Inc. (The)  Other Supplier
Ernst, Steven  Exelon Generation Co., LLC (Power Team)  Generation Owner
Fitch, Neal  GenOn Energy Management, LLC  Generation Owner
O’Connell, Robert  JPMorgan Ventures Energy Corporation  Other Supplier
Manion, Evelyn  PJM Interconnection, LLC  Not Applicable
Muhl, Nancy  PJM Interconnection, LLC  Not Applicable
Snyder, Sue  PJM Interconnection, LLC  Not Applicable
Miller, Rod  PPL EnergyPlus, L.L.C.  Transmission Owner
La Falce, Michael  PSEG Energy Resources and Trade LLC  Transmission Owner
Summers, Theodore  PSEG Energy Resources and Trade LLC  Transmission Owner
Hoatson, Tom  Riverside Generating, LLC  Other Supplier
1. **Administration**

   The committee reviewed Antitrust, Code of Conduct, and Media Participation Policy. Roll call was performed and the committee endorsed the minutes from the 282nd CDS held on May 6, 2013 and the Agenda by acclamation.

   Mr. Schmitt, PJM, reviewed the goal of the meeting which was to come up with packages and put them out for review before next meeting. The packages will be voted at the next CDS meeting.

2. **Cyclic Starting & Peaking Factors Issue Tracking**

   Mr. Pratzon, GT Power Group, presented on Combined Cycle Plant and Combustion Turbine Unit Incremental Maintenance. He described two issues that came up 6-8 months ago – (1) a proposal to keep, modify or remove start and peaking multipliers that apply to the maintenance cost for CT and CC (2) the possibility of moving the cost from the energy market to the capacity market.

   Mr. Pratzon stated his belief that the allocation of cost between energy and capacity that was adopted and used during the 15/16 planning year would not go into effect until June 2015 and will have an impact on CT and CC cost calculation and potentially their operation. He stated that the consequences of this decision were not fully considered at the time and could have a negative impact on the way CT and CC units will be operated in the future.

   Mr. Pratzon’s presentation promoted two outcomes: (1) maintaining peak and start multipliers and (2) putting CT and CC major overhaul and inspection costs back into the energy maintenance history and removing from ACR.

   PJM will bring back manual language incorporating the first outcome into Manual 15. The second issue is out of scope from the problem statement so the chair suggested a problem statement should be taken to the MRC if any stakeholder wishes to pursue the second issue.

3. **Maximum Notification and Start Up Times for Capacity Units**

   Mr. Hauske, PJM, gave an informational update regarding the addition of “Extended Cold Start” in Manual 15. PJM will bring back manual language to the next CDS.

4. **Future meeting dates**

   - 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

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