MINUTES
PJM Interconnection
Reliability Standards and Compliance Subcommittee

Monthly WebEx
Friday January 18, 2013
10:00 A.M. EDT

1. Call to Order:
Reliability Standards and Compliance Subcommittee Chairman Stephanie Monzon called the meeting to order at 10:00 a.m.

a. Members Attending via WebEx:
Stephanie Monzon (Chair)  PJM Interconnection
Tom Moleski (Secretary)  PJM Interconnection
Scott Berry Indiana Municipal Power Agency
Kenneth Brown PSEG Energy Resources and Trade LLC
Richard Brown EDP Renewables North America, LLC
Kathy Caignon Vineland Municipal Electric Utility
Hugh Conley FirstEnergy Corporation
Becky Davis PPL Martins Creek, L.L.C.
Brenda Frazier Edison Mission Marketing and Trading
Mark Godfrey PEPCO Holdings, Inc.
Mike Hurd Dayton Power and Light Company (The)
Doug Jerzycke Exelon Generation Co., LLC (Power Team)
Tim Kucey PSEG Energy Resources and Trade LLC
Becky Davis American Electric Power
Joyce Leya Duquesne Light Co.
Connie Lowe Dominion Virginia Power
James McDonnell City of Cleveland, DPU, Div of Cleveland Public Pwr
Jason Procuniar Dayton Power and Light Company (The)
Larry Raczkowski FirstEnergy Corporation
Joe Roettker Duke Energy Ohio, Inc.
Chris Scanlon Commonwealth Edison Company
Angela Thomas Northern Virginia Electric Cooperative (NOVEC)
Robert Thomas Illinois Municipal Electric Agency
Brenda Truhe PPL Electric Utilities Corporation d/b/a PPL Utilities
Wayne Van Liere Louisville Gas & Electric Co./Kentucky Utilities Co.
b. PJM Staff:
Albert M. DiCaprio  PJM Interconnection
Bradley Hofferkamp  PJM Interconnection
Megan McLaverty  PJM Interconnection
Cathy Wesley  PJM Interconnection

d. Administrative Documents
Mr. Moleski referred to the Antitrust Guidelines, the Compliance Disclaimer, and the Media Guidelines that were included with the Agenda. There were no questions on the documents as presented.

e. Approval of the Agenda
Mr. Moleski called for additions to the agenda. The following discussions were requested:
   1) Mr. Scanlon requested a discussion on Mr. Moleski’s recent e-mail requesting support for PJM’s upcoming RFC Audit.
   2) Mr Godfrey requested an update on the mitigation plan that was recently submitted involving the Transmission Owners.

f. Minutes
The minutes from the November 15, 2012 were approved as presented.

2. FERC Activities:
Ms. Monzon led a discussion on recent FERC activities:
   1) Deadline for BES re-hearing or clarification
      i. Due next week
      ii. Valid concerns exist around the exceptions process
      iii. Similar to a TFE process
      iv. Likely PJM will sign on to industry comments rather than formulate their own
      v. Note that this is an Order, not a NOPR
      vi. Clarification needed on the effective date.
   2) E-Tag Order
      i. FERC confirmed that they have the right to have e-TAG information sent to them.
      ii. ISOs have the right to e-TAGs outside their area upon request.
   3) Section 215
      i. Outgrowth of the FERC audit of NERC – Criteria for budget should be limited to what is in the original act.
         1. Standards Development
         2. Annual Assessments
         3. Compliance Enforcement
ii. New criteria NERC has prepared may go beyond that and provide funding for activities that would otherwise go unfunded.

iii. Criteria will be discussed at the next NERC BOD meeting. If approved, it will be forwarded to FERC.

4) Geo Magnetic Disturbance NOPR
   i. PJM did submit generally supportive comments in December
   ii. Concerns exist around the availability of the technical information to support a standard.
   iii. Analysis needs to be done to determine if a standard is even needed.
      1. Likely many areas of the country are unaffected by GMD
   iv. NERC response concentrated on the process, rather than the technical information.
   v. Timeline was considered by many to be far too aggressive.

3. NERC Activities:
   Ms. Monzon led a discussion on recent NERC activities:
   1) No NERC Committee Updates
   2) No Compliance Application Notice activities to report
   3) Standards Under Development
      i. Recirculation Ballot for Paragraph 81
         1. PJM voted in favor of Paragraph 81, Phase 1

4. Regional Entities Activities:
   Ms. Monzon reported that there were no new Regional Entity activities to report.

5. NERC and Regional Coordination Dept. Compliance Activities:
   Mr. Moleski reported on the following compliance activities
   1) CIP Spot Check and 693 Audit – Currently in settlement discussions
   2) Kenzie Creek CVI – NOAV-Issued
   3) 2010 Frequency Excursion Spot Check – NOV-TOP-006 R5
   4) FERC Audit
      i. PJM had 28 recommendations in the FERC Report.
      ii. First reporting date was 12/31/12. All requested information was submitted on time, and closed out 8 recommendations.
      iii. Schedule is now quarterly, with the next submittal due 3/31/13. Information required on 10 recommendations
      iv. 5) TO/TOP Matrix – Version 5
         i. Ken Brown discussed the results of PSEG’s recent TO/LCC Audit w/ RFC. One recommendation PSEG received was to have PJM include the language of the
requirement verbatim in the matrix. Mr. Moleski will discuss the audit findings w/ Mr. Kuras.

ii. Mr Moleski reported that Mr. Kuras currently had a doodle out to all Matrix Task Force members to try to arrange a meeting to discuss the future standards tab in the Matrix. It’s likely this meeting will be scheduled before our next RSCS meeting. If you have any questions, contact Mr Kuras at kuras@pjm.com.

6) Upcoming RFC TO Audits
   i. BGE
   ii. PECO
   iii. UGI

7) RFC’s Operational and Planning Audit of PJM
   i. PJM received its 90 day letter on January 8th
   ii. Audit is Scheduled for April 9th through 12th (CIP is scheduled two weeks later)
   iii. Currently no NERC or FERC participation is scheduled, that may change.
   iv. Scope covers 30 Standards, 96 Requirements.
      1. Several Requirements included because of their relevance to the Southwest Outage.
   v. PJM request for Audit Data
      1. PRC-001
         a. Mr. Moleski reviewed his recent e-mail to the compliance departments of all of the PJM Transmission Owners.
         b. PJM has been asked to provide a list of protective relay or equipment failures under PRC-001-1, Requirement 2.2.
         c. PJM believes that the list of “protective relay or equipment failures that reduces system reliability” will be very small
         d. Adam Keech, Director, PJM Dispatch sent out a similar (but far less detailed) request earlier this week. This went to his Operations contacts, but may have found its way to you. The expanded request is necessary to ensure that our data submittal is in perfect sync with yours.
         e. Of specific concern to PJM is documentation of any discussions on corrective actions that may have occurred.
         f. The Subcommittee briefly discussed PJM Smartlogs, and how much of this information was already recorded there. Mr Moleski confirmed that this was PJM’s way to double check the events that they were aware of. Mr. Moleski agreed to inform any Transmission Owner of incidents that were on the PJM list that were NOT on the TOs list.
         g. Mr. Scanlon expressed his attorney’s concerns about what controls there were around the data, how is the data going to be collected, stored, etc. There was no specific concern raised, but Mr. Moleski will look into the issue and report back to the
Subcommittee. In the interim, no one was uncomfortable with replying to Mr. Moleski’s e-mail and attaching the data.

2. VAR -001-2, R4
   a. RFC has expressed their discomfort with the PJM default voltage schedule in M03 as the sole means of communicating a voltage schedule to the GO/GOP. PJM’s Generation Department has been working with the Transmission Owners on tightening up PJM’s proof of compliance in that area.
   b. For the audit, PJM has been told that they do not have to provide sampling data for VAR-001-2 R4 at this time. However, RFC was clear in their 90 day letter and subsequent conference calls that the audit team may request evidence that specific generator(s) were provided a voltage schedule during the audit period if the audit team deems it necessary.

3. Ms. Monzon expressed her belief that once the initial round of data had been submitted to RFC, it was likely RFC would have follow up questions that would require additional to be submitted by the Transmission Owners.

4. Mr. Moleski stated that he will be sending out a request for official compliance contacts shortly. He will request that the subcommittee members include in that response the availability of your official compliance contact during the week of April 9th. Please feel free to add alternate contacts as necessary.

6. Member Issues:

   1) PRC-023-2 (Mark Sims) – will be discussed at next month’s RSCS.
   2) PERCS Website – Mr. Godfrey raised concerns about the ability of anyone w/ PERCS access to view anyone else’s data. Mr. Kappagantula will raise the issue with the PJM operations/IT staff and report back.
   3) At the last Relay Subcommittee Mr. Kuras shared a draft mitigation plan that PJM put together for a Self-Report on PRC-001, R3.2. (Requires the TOP to coordinate any relay setting change with neighboring TOPs, BAs, and RCs.)
      i. PJM is proposing that each TO review any new or changed settings on interconnection facilities back to January of 2010 to confirm that the required coordination has occurred.
      ii. PJM further suggested that the Relay Subcommittee review coordination of protection on shared facilities, and document this coordination as well.
      iii. Ms. Monzon stated that this effort would be coupled with a review of the Compliance Bulletin, to clarify:
          1. who the TOs are required to coordinate with
          2. who the TO is required to coordinate with if their only neighbor is also a PJM member.
iv. Mr. Godfrey expressed his concern that this mitigation plan only went to the Relay Subcommittee, despite the obvious compliance implications. Ms Monzon agreed, and stated this likely happened because PJM does not typically bring their mitigation plan to a subcommittee for review.

v. Mr. Scanlon offered that the next version of the standard removes the TOP from the list of applicable entities. It wouldn’t be unreasonable if the time and effort put into the mitigation plan reflected that.

4) Ms. Monzon polled the Subcommittee for future agenda items
   i. Mr. Godfrey requested an update on the data redundancy request that is coming from PJM Planning.
   ii. Ms. Monzon reminded the subcommittee that if there were any future agenda items they would like to be discusses at the RSCS to contact the NERC and Regional Coordination Department at PJM at the following email address regional_compliance@pjm.com.

8. Future Meeting Dates:

   Monthly WebEx: Third Friday of every month, except months where a quarterly Face-to-Face meeting is scheduled.

   The next meeting will be February 21st in PJM's Conference and Training Center in Valley Forge. Details will be announced and posted to the PJM website.

   2013 RSCS Meeting Dates:

   1) Friday March 15th, 2013 – WebEx
   2) Friday April 19th, 2013 – WebEx
   3) Thursday May 16th, 2013 – Face to Face
   4) Friday June 21st, 2013 – WebEx
   5) Friday July 19th, 2013 – WebEx
   6) Thursday August 15th, 2013 – Face to Face
   7) Friday September 20th, 2013 – WebEx
   8) Friday October 18th, 2013 – WebEx
   9) Thursday November 21st, 2013 – Face to Face
   10) Friday December 20th, 2013 - WebEx

9. Adjourn:

   Ms. Monzon adjourned the meeting at 11:19.