



**FINAL Meeting Minutes**  
**PJM Interconnection**  
**Black Start Service Working Group Meeting**  
**Meeting / Conference Call / WEBEX**  
**October 19, 2010**  
**1:00 PM EDT**

**Members Present:**

Bob Pleiss	Constellation Energy Commodities Group, Inc.
David Pratzon	Exelon Generation Co., LLC
Jeffrey Mayes	Monitoring Analytics
Mike Bryson	PJM Interconnection
Rob Eckenrod	PJM Interconnection
Liem Hoang	PJM Interconnection
Bill Patzin	PJM Interconnection
David Schweizer	PJM Interconnection
Brad Weghorst	PPL Energy Plus, LLC

**Members Present via Conference Call:**

Bruce Fleeger	Allegheny Power
Jeff Whitehead	Customized Energy Solutions, Ltd.
Andy Hunter	First Energy Transmission
Hal Seigrist	Mirant Potomac River, LLC
Laura Walter	PJM Interconnection
Ted Summers	PSEG Energy Resources and Trade LLC
Deepak Ramlatchan	Rockland Electric Company
Louis Slade	Virginia Electric & Power Company

**1. ADMINISTRATION**

- A. BSSWG approved agenda for this meeting.
- B. BSSWG approved minutes from 9/21/10 meeting.



## **2. JAN 2010 CHARTER ITEMS STATUS:**

### **A. CIP Costs Additive to Existing Rates (item 1c):**

1. D. Schweizer provided update on status of BSSWG proposal and tariff revisions to make CIP compliance costs additive to existing rates.
  - a. MIC endorsed BSSWG proposal to make CIP Costs Additive to Existing Rates (item c) on 8/18/10.
  - b. MRC endorsement vote for BSSWG proposal to make CIP Costs Additive to Existing Rates at 10/20/10 MRC.
  - c. MC endorsement vote on proposal and tariff changes at 11/18/10 MC.
  - d. FERC Filing 12/1/10

## **3. AUG 2010 CHARTER ITEMS:**

- ### **A. Blackstart Refurbishment Process - Develop RFP process similar to Blackstart Replacement Process to accommodate unit refurbishments.**
1. Background: Current RFP process exists for PJM to give unit notice of termination of blackstart service; Current RFP process exists for replacement of blackstart service -- purpose of new process would be to provide gating process to evaluate options in order to ensure a transparent and competitive process.
  2. BSSWG discussed the pros and cons of defining % or cost thresholds for refurbishment costs vs. establishing a transparent process with no minimum threshold amount.
  3. Action Item: PJM to investigate and quantify PJM costs associated with RFP process.
  4. Action Item: PJM to investigate costs for refurbishments as a % of new unit costs (CONE for specific LDAs).
  5. Monitoring Analytics proposed that BSSWG consider a broader view of this effort by looking at overall black start service procurement process. Concerns discussed about this proposal – ie. potential expansion of MIC charter scope for BSSWG.



- B. Opportunity Cost for pumped storage units Refurbishment Process - Develop guidelines to address the opportunity cost incurred by pumped storage units that maintain water levels in order for units to be able to provide black start service.
  - 1. BSSWG needs to discuss further and define whether the issue is addressing fuel storage cost component for pumped storage units through Schedule 6A vs. lost opportunity cost for generation revenue.
  - 2. Action Item: PJM to request that First Energy Solutions Corp. clarify definition of issue and present proposal at 11/16/10 BSSWG meeting.

**4. FUTURE MEETINGS:**

- 1. BSSWG will meet monthly to achieve completion of AUG 2010 charter items by December, 2010, and target Jan 2011 for review of results with MIC.
- 2. Next meeting – Tuesday 11/16/10 (1:00pm-4:00pm)
- 3. Subsequent meetings:  
12/21/10 (after OC Meeting)

<http://www.pjm.com/committees/meeting-advisor.html>

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