DRAFT MINUTES
PJM Interconnection
Transactions Task Force
PJM Interconnection, Valley Forge, PA
June 7, 2012
1:00pm-4:00pm

Members Present:

LAST NAME	FIRST NAME	COMPANY
Keech	Adam (Chair)	PJM Interconnection
Schofield	William	Customized Energy Solutions, Inc.
Bleiweis	Bruce	DC Energy LLC
Scarpignato	David	Direct Energy Business, LLC
Dadourian	John	Monitoring Analytics, LLC
Hyzinski	Thomas	PPL EnergyPlus, L.L.C
Allen	Wesley	Red Wolfe Energy Trading, LLC
Staehs	Richard	Red Wolf Energy Trading, LLC (TR4)
Brodbeck	John	Shell Energy North America (US), LP
Chmielewski	Brian (Secretary)	PJM Interconnection

Also Present:

Manion	Evelyn	PJM Interconnection
Horning	Lynn	PJM Interconnection
Patel	Keyur	PJM Interconnection

Attended via teleconference/WebEx:

Ondayko	Brock	AEP
Feliks	Kent	American Electric Power

Lee	George	BJ Energy
Williams	Michael	Black Oak Energy
Pratzon	David	Calpine
Nobile	Joe	Cams
Trayers	Barry	CITI
Trayers	Barry	Citigroup Energy Inc
Wetzel	Ray	Constellation
Filomena	Guy	Customized Energy Solutions
Horstmann	John	Dayton Power & Light Company
Bleiweis	Bruce	Dc Energy
Ward	Roxanna	Dc Energy
Maucher	Andrea	Delaware Public Advocate
Hastings	David	DhastCo
Pakela	Gregory	DTE Energy Trading
Jennings	Kenneth	Duke Energy
Webster	John	Dyon LLC
Erbrick	Michael	EDF Trading
Knies	Heather	EDF Trading
Hurwich	Mark	Elliott Bay Trading Llc
Barker	Jason	Exelon
Stadelmeyer	Rebecca	Exelon
Lindeman	Tony	First Energy Solutions
Miller	Donald	FirstEnergy Solutions
Fitch	Neal	GenOn Energy Management LLC
Smoots	Carol	Great Bay Energy

Steele	Bob	Great Bay Energy
Hogan	William	Harvard University
Gorman	Kevin	Highland Energy Group
O'Connell	Robert	JP Morgan
McNamara	Grace	Louis Dreyfus
Hoatson	Tom	Ls Power
Nicolay	Christi	Macquarie Energy
Bruce	Susan	McNees Wallace & Nurick
Mabry	David	McNees Wallace & Nurick
Marsh	Rob	Monolith
Shu	Chung	Nobel
Esposito	Pat	NRG
Day	Jason	Oceanside
Gabrieli	Tony	PPL EnergyPlus
Greening	Michele	PPL EnergyPlus
Weber	Sharon	PPL EnergyPlus
Weghorst	Brad	PPL EnergyPlus
Davis	Becky	PPL Generation
Citrolo	John	PSEG
Jasani	Sachin	Red Wolf Energy
McAdams	Julius	Red Wolf Energy Trading
Sudhakara	Raghu	Rockland Electric
Carmell	Matt	Scylla Energy
Carr	Christopher	Scylla Energy
Schubiger	Michael	SESCO

Scoglietti	Barbara	Tangent Energy Solutions
Desouza	Rosa	The Energy Authority
Sunseri	Patrick	Twin Cities Power
Wadsworth	Joe	Vitol
Birnel	William	Westar Energy
Miller	Jeff	Xo Energy
Sheehan	Shawn	Xo Energy

1. ADMINISTRATION (1:00-1:15)

The Task Force approved the minutes for the May 23, 2012 meeting with no questions or concerns.

2. EDUCATION ITEM- BALANCING OPERATING RESERVES (1:15-2:15)

Ms. Horning presented an overview of balancing operating reserves (BOR).

A few members of the task force reflected on the intent of the original design for BOR charges. It was noted that the main focus over the three year development process was to allocate BOR charges proportionally to those who directly contributed to its overall cost. There was less focus on allocating these costs strictly to who benefitted or not (for allocation development).

3. CONSTRUCT ASSUMPTIONS FOR UTC ANALYSIS (2:15-3:45)

Mr. Keech introduced the proposed assumptions for the up-to congestion (UTC) transaction analysis and reviewed the analysis performed by PJM in its response to the 2011 State of the Market Report.

It was noted by the group that Bid Production Cost (BPC) may not alone be a sufficient metric for determining whether or not UTC transactions should be assessed balancing operating reserve charges. However, the group did express interest in re-simulating the Day Ahead Market as PJM did in its original analysis with various UTC and INC/DEC modeling scenarios. This will assist in illustrating the various effects these products have on commitment and ultimately the impact they have on the overall cost of balancing operating reserves.

The group also noted that for modeling/simulation purposes, a UTC transaction should not be considered the same as a matching INC & DEC.

Certain members of the task force questioned the overall benefits of UTC transactions.

4. FUTURE AGENDA ITEMS (3:45-3:50)

The task force agreed to cancel the June 20th meeting in order to allow more time for PJM to conduct an analysis as well as formulate presentations for the below educational items.

1. Education Item- Similar products in other markets
2. Education Item- UTC Historical Statistics
3. Present analysis, Q&A

5. FUTURE MEETING DATES (3:50-4:00)

2012

July 18th	9:00am	PJM Interconnection – Valley Forge, PA
August 3rd	1:00pm	Conference Call

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.

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