

Markets and Reliability Committee  
The Chase Center on the Riverfront, Wilmington, DE  
December 17, 2015  
9:00 a.m. – 12:50 p.m. EPT

## Administration

Mr. Kormos welcomed stakeholders to the meeting and Mr. Anders provided the Anti-trust and Code of Conduct announcements.

Mr. Vince Duane provided an announcement related to recently announced proposed settlement stipulations filed by First Energy and AEP with the Public Utilities Commission of Ohio. The text of his announcement is expected to be posted on InsideLines.PJM.com.

Mr. Stu Bresler provided an announcement that PJM intends to make a filing at FERC notifying FERC that PJM plans to proceed as of June 1, 2016 on the basis of its compliance filing in the Capacity Performance (CP) docket, and seeking FERC action on PJM's compliance filing and rehearing requests specific to operations rules related to CP. The anticipated filing seeks to provide market participant certainty regarding PJM's implementation of FERC approved CP rules, and is expected to be made shortly.

## Endorsements/Approvals

### 1. Draft Minutes

Minutes of the November 19, 2015 and December 9, 2015 meetings of the Markets and Reliability Committee (MRC) meeting were **approved** by acclamation with no objections or abstentions.

### 2. PJM Manuals

- A. Mr. David Schweizer reviewed proposed revisions to Manual 10: Pre-Scheduling Operations regarding generator outage reporting.
- B. Mr. Jeff Schmitt presented proposed revisions to Manual 11: Energy & Ancillary Services Market and Manual 28: Operating Agreement Accounting related to the previously endorsed revisions to the Energy Market Offer Cap.
- C. Mr. David Schweizer presented proposed revisions to Manual 14D: Generator Operational Requirements to expand the communication model to include Joint Operating resources, and annual review updates including updates to reactive testing requirements.
- D. Mr. David Schweizer reviewed proposed revisions to Manual 39: Nuclear Plant Interface Coordination generated by its periodic review.

Following discussion, the proposed revisions in items 2.A through 2.D were **endorsed** by acclamation with one objection to item 2.B, one objection to item 2.C and one abstention on item 2.B.

### 3. Load Forecasting Enhancements

Mr. Tom Falin presented proposed revisions to Manual 19: Load Forecasting and Analysis related to

enhancements to the load forecast model concerning solar forecast adjustments. Following discussion the proposed revisions were **endorsed** by acclamation with eight objections and five abstentions.

#### 4. Load Forecast Update

Mr. Jeff Bastian reviewed proposed revisions to Manual 18: PJM Capacity Market and Manual 18B: Energy Efficiency Measurement & Verification to accommodate EE Resources in the PJM Capacity Market when EE is reflected in the Peak Load Forecast. Following discussion the proposed revisions were **endorsed** by acclamation with 12 objections and one abstention.

#### 5. Underperformance Risk Management in RPM/CP

Mr. Bob O'Connell, representing PPGI Fund A/B Development, LLC, presented a proposed Problem Statement and Issue Charge related to Underperformance Risk Management in RPM/CP. Mr. O'Connell noted a friendly amendment that had been posted which adds two Key Work Activities. Mr. O'Connell moved and Mr. Steve Lieberman seconded a motion that the amended proposed Statement and Issue Charge be approved. Following discussion the committee **approved** the amended proposed Problem Statement and Issue Charge in a sector-weighted vote with 3.98 in favor.

#### 6. Demand Response Non-Summer Capacity Compliance Clarification

Mr. Pete Langbein presented draft Tariff and manual revisions to clarify the CBL process for new Capacity Performance non-summer capacity compliance for Demand Response. Following discussion the proposed revisions were **endorsed** by acclamation with no objections or abstentions.

### First Readings

#### 7. Virtual Transactions

Mr. Adam Keech presented an updated proposed problem statement and issue charge regarding nodes at which virtual transactions may be made. The Committee will be asked to approve the problem statement and issue charge at its next meeting.

#### 8. Distributed Battery Storage in PJM Markets

Mr. Drew Adams, A.F. Mensah, Inc., presented an updated proposed problem statement and issue charge regarding Distributed Battery Storage in PJM Markets. The Committee will be asked to approve the problem statement at its next meeting.

#### 9. Unit Commitment

Mr. Barry Trayers, Citigroup Energy, Inc., presented a proposed problem statement and issue charge regarding Unit Commitment. The Committee will be asked to approve the problem statement and issue charge at its next meeting.

#### 10. Capacity Performance Cost Allocation

Mr. Stu Bresler presented a proposed problem statement and issue charge regarding cost allocation methodology to include winter peaks. The Committee will be asked to approve the problem statement and issue charge at its next meeting.

## 11. Summer-Only Demand Response

Mr. Stu Bresler presented a proposed problem statement and issue charge regarding implementation of Summer-Only Demand Response. The Committee will be asked to approve the problem statement and issue charge at its next meeting.

## 12. Voltage Threshold

Ms. Sue Glatz presented draft Operating Agreement revisions regarding voltage threshold and administrative changes. The Committee will be asked to endorse these proposed revisions at its next meeting.

## 13. Long Term Firm Transmission Service Task Force

Mr. Aaron Berner presented the proposed solution package to modify Long Term Firm Transmission Service methodologies. The Committee will be asked to endorse these proposed revisions at its next meeting.

## 14. PAR Task Force

Mr. Aaron Berner presented proposed Manual 14 series updates regarding PAR withdrawal and inject rights. The Committee will be asked to endorse these proposed revisions at its next meeting.

## 15. Governing Documents Enhancement & Clarification Subcommittee (GDECS)

Ms. Janell Fabiano presented proposed Tariff, Operating Agreement and Reliability Assurance Agreement revisions related to Alternative Dispute Resolution (ADR) and Markets Governing Documents Clean-up developed by the GDECS. The Committee will be asked to endorse these proposed revisions at its next meeting.

## 16. PJM Manuals

- A. Mr. Ray Fernandez presented proposed revisions to Manual 27: Open Access Transmission Tariff Accounting for the Market Consistency – Daily Zonal Scaling Factors issue that was worked through the Markets Settlements Subcommittee. The Committee will be asked to endorse these proposed revisions at its next meeting.
- B. Mr. Liem Hoang presented proposed revisions to Manual 38: Operations Planning identified through the required periodic review. The Committee will be asked to endorse these proposed revisions at its next meeting.
- C. Mr. Glen Boyle presented proposed revisions to Manual 40: Training and Certification Requirements associated with the resolution of the Training and Certification Non-Compliance

issue. The Committee will be asked to endorse these proposed revisions at its next meeting.

## Informational Items

### 17. AD14-14 – Price Formation

Mr. Adam Keech provided information on PJM's planned response to the FERC's request for comment in the Price Formation docket.

### 18. Markets Gateway and Single Sign-On

An update on implementation of Markets Gateway and Single Sign On was posted with the materials for the meeting. No formal oral presentation was provided.

## Future Agenda Items

No new future agenda items were identified.

## Future Meeting Dates

January 28, 2016	9:00 a.m.	Wilmington, DE
February 25, 2016	9:00 a.m.	Wilmington, DE
March 31, 2016	9:00 a.m.	Wilmington, DE
April 28, 2016	9:00 a.m.	Wilmington, DE
May 26, 2016	9:00 a.m.	Wilmington, DE
June 30, 2016	9:00 a.m.	Wilmington, DE
July 28, 2016	9:00 a.m.	Wilmington, DE
August 25, 2016	9:00 a.m.	Wilmington, DE
September 29, 2016	9:00 a.m.	Wilmington, DE
October 27, 2016	9:00 a.m.	Wilmington, DE
November 17, 2016	9:00 a.m.	Wilmington, DE
December 22, 2016	9:00 a.m.	Wilmington, DE

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