Meeting Minutes
PJM Interconnection
PJM Planning Committee
Chase Center
Wilmington, DE
August 4th, 2011
9:30 AM

Members Present:

Rich Geosits Allegheny Electric Cooperative, Inc.
Chris Norton American Municipal Power, Inc.
Takis Laios Appalachian Power Company
Mohamed El-Gassier Atlantic Wind Connection
Brian Hallett American Transmission Systems, Inc.
Charles Matassa Baltimore Gas and Electric Company
John Fernandes Baltimore Gas and Electric Company
Jim Jablonski Borough of Lavallette, New Jersey
John Citrolo Calpine Energy Services, L.P.
Wiktor Charytoniuk Calpine Energy Services, L.P.
Joel Bearden Cargill Power Markets LLC
Rehan Gilani ConEdison Energy, Inc.
David Steigerwald Customized Energy Solutions, Ltd.*
Guy Filomena Customized Energy Solutions, Ltd.*
John Horstmann Dayton Power & Light Company (The)
Mike Hurd Dayton Power & Light Company (The)
Courtney Stewart Delaware Public Service Commission
Jaclyn Plale Delmarva Power & Light Company
Andrea Maucher Division of the Public Advocate of the State of Delaware
Terry Fix Dominion Retail, Inc.
George Owens Downes Associates, Inc.
Ken Jennings Duke Energy Business Services, LLC.
Dan Feldman Duke Energy Ohio, Inc.
Ed Kirschner Duke Energy Ohio, Inc.
Jason Harchick Duquesne Light Company
Jim Karcher Duquesne Light Company
Rick Frohnert Duquesne Light Company
Jeff Ellis Edison Mission Marketing and Trading, Inc.
Ray Connelley Exelon Corporation
David Pratzon Exelon Generation Co., LLC
Pablo Ovando FERC
Don Miller FirstEnergy Solutions Corp.
Jeff Mackauer FirstEnergy Solutions Corp.
Jason Minalga Invenergy LLC
Mr. McGlynn called the meeting to order and asked if the Planning Committee had any additional items for the agenda. There were no suggestions for additional agenda items. Mr. McGlynn then asked Mr. Sims to call the roll. Mr. McGlynn then asked Mr. Sims to review the meeting minutes of the July 7th, 2011 Planning Committee meeting. Mr. Glass made a motion to approve the minutes as amended. Ms. Esposito seconded the motion. In a voice vote, the Planning Committee approved the July 7th, 2011 Planning Committee minutes.

2. NERC/RRO UPDATE

Mr. Kuras provided the Planning Committee with an update on recent NERC activities, PJM compliance activities, and PJM compliance bulletins.
3. NEW PJM MANUAL - PROTECTION STANDARDS*

Mr. Kuras reviewed the new PJM Manual – PJM Protection Standards. Mr. Kuras discussed some of the recent offline discussions with various stakeholders regarding the content and applicability of the manual. Mr. Kuras reviewed a real-world example of the impact of the manual. Mr. Glass had several questions for Mr. Kuras regarding the application of the proposed manual language. A detailed technical discussion with various members of the PC followed. Mr. Khadr made a motion to endorse the new manual. Ms. Plale seconded the motion. In a voice vote, the Planning Committee endorsed the new PJM Protection Standards manual. Three Planning Committee members opposed.

4. PJM MANUAL 14B

Mr. Sims provided an update on the coordination of efforts to merge the existing Manual 05 into Manual 14B and retire Manual 05. Mr. Sims stated that he would ask for Planning Committee endorsement of this change at the next Planning Committee meeting.

5. LDA ANALYTIC ISSUES

Mr. McGlynn discussed the status of various LDA analytic methods and potential LDAs. Mr. McGlynn discussed the Cleveland reactive interface in PJM Operations and the potential evaluation of this interface as a potential LDA. A member of the Planning Committee suggested that PJM also consider the utility boundaries of Cleveland instead of only considering the operational interface.

6. 2011 IRM STUDY*

Mr. Falin provided a status report on IRM Study efforts and reviewed analysis performed by PJM staff related to the load model selection process. Following discussion, Mr. Falin requested Planning Committee endorsement of the 1998-2006 load model for use in the 2011 IRM Study. Mr. Matassa made a motion to endorse the proposed load model. Mr. Chu seconded the motion. In a voice vote, the Planning Committee endorsed the proposed load model for use in the 2011 IRM Study.

7. LOAD FORECAST RECOMMENDATIONS

Mr. Reynolds provided a status update regarding the review of the Itron recommendations. PJM will present its planned model revisions and associated manual language in September. Two specific Itron recommendations were discussed. One recommendation is to use PJM use a weighted economic index that combines multiple economic measures into a single index of economic activity as the driver. Two indices were suggested. Index1 employs a common weighting factor for all zones and Index2 employs different weighting factors based on revenue class sales in each zone. PJM found the recommendation has merit in 2010 and has been evaluating it using historical and forecast data. The other recommendation was Itron recommendation #7 to use the coincident peak (CP) and not the maximum peak to allocate the RTO peak load for RPM purposes. The use of maximum peak of each zone, historically, for the allocation is not an issue with classic PJM companies. However, it is an issue with new companies whose peaks do not coincide with the RTO peak since it would unfairly allocate them a higher share of the RTO peak. Mr. Reynolds said that the LAS suggested that Market Implementation Committee to take up this issue. In the meantime, Mr. Reynolds agreed to prepare a white paper to describe the methodology, the history and Itron recommendation #7 for use by Planning Committee members in their discussion at future Planning Committee meetings. Mr. Jablonski objected to PJM’s plan to not use the economic forecast from Global Insight in addition to Moody’s in the development of the indexed economic driver.
8. **FUTURE AGENDA ITEMS**

There were no suggestions for new future agenda items.

9. **FUTURE MEETING DATES**

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<thead>
<tr>
<th>Date</th>
<th>Time</th>
<th>Location</th>
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<tbody>
<tr>
<td>Thursday, September 8, 2011</td>
<td>9:30 AM</td>
<td>Chase Center, Wilmington, DE</td>
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<tr>
<td>Wednesday, October 5, 2011</td>
<td>9:30 AM</td>
<td>Chase Center, Wilmington, DE</td>
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<tr>
<td>Thursday, November 3, 2011</td>
<td>9:30 AM</td>
<td>Chase Center, Wilmington, DE</td>
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<tr>
<td>Thursday, December 15, 2011</td>
<td>9:30 AM</td>
<td>Chase Center, Wilmington, DE</td>
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