

Tier 1 Compensation MIC Special Session
PJM Conference and Training Center / WebEx
March 17, 2015
9:00 a.m. – 12:00 p.m. EST

Administration

Ms. Lisa Morelli welcomed stakeholders and reviewed the agenda. Ms. Cheryl Mae Velasco called attention to the Anti-trust and Code of Conduct statements and performed roll call. The meeting minutes from the February 4th meeting were approved.

Review Proposed Workplan

Ms. Morelli reviewed the proposed workplan. No requests for changes to the workplan were made.

Education

Mr. Ray Fernandez provided education on the current Tier 2 compensation refund structure. Multiple examples were presented to show the different scenarios of the refund structure. At the end of the presentation, Mr. Fernandez provided two options for a potential refund structure for the Tier 1 obligation option. If resources with a Tier 1 estimate incur an obligation, a refund structure will need to be determined in order to penalize resources that fall short in providing the MW obligation during a spin event.

Design Component & Solution Option Development

Ms. Velasco reviewed the components and options in the matrix. Any changes from the previous meeting were in bold print. Ms. Rebecca Carroll and Mr. Fernandez discussed the changes in further detail. A request to have each option explained further in writing was made. The details will be added to the matrix. Mr. Michael Olaleye provided a presentation on the data that participants currently provide to PJM in order to calculate the Tier 1 estimate value. Mr. Olaleye indicated that the data that is already being provided should suffice when determining the Tier 1 estimate on a resource, therefore a feedback loop for participants to indicate whether they could meet the Tier 1 obligation calculated for their resources would not be necessary. However, the group was asked to consider whether there are additional data points or flexibility in data submission timing that could help further improve the Tier 1 estimates calculated by PJM. For the next meeting, a request was made for a process diagram or timeline for how the opting in and out procedure would work. Also, a request was made for indicating which manuals would be affected with the proposed changes. For the next meeting, PJM hopes to present a package to the group.

Future Agenda Items

- A. Review/Revise the Workplan as needed
- B. Provide additional education, if necessary
- C. Solution Component Development
- D. Solution Option Development

In Attendance (In Person):

Anders, David

PJM Interconnection, LLC

Not Applicable

Blair, Tom	Monitoring Analytics, LLC	Not Applicable
Borradaile, Michael	PJM Interconnection	None
Brodbeck, John	Potomac Electric Power Company	Electric Distributor
Carroll, Rebecca	PJM Interconnection, LLC	Not Applicable
Fabiano, Janell	PJM Interconnection, LLC	Not Applicable
Fernandez, Ray	PJM Interconnection	Not Applicable
Foladare, Kenneth	IMG Midstream LLC	Generation Owner
Hagaman, Derek	GT Power Group	Transmission Owner
Hauske, Thomas	PJM Interconnection, LLC	Not Applicable
Keech, Adam	PJM Interconnection, LLC	Not Applicable
Li, Kanning	PJM Interconnection	None
Lieberman, Steven	Old Dominion Electric Cooperative	Electric Distributor
Morelli, Lisa	PJM Interconnection, LLC	Not Applicable
O'Connell, Robert	Main Line Electricity Market Consultants	None
Olaleye, Michael	PJM Interconnection, LLC	Not Applicable
Pratzon, David	GT Power Group	Not Applicable
Sasser, Jonathan	Customized Energy Solutions, Ltd.*	Not Applicable
Tribulski, Jennifer	PJM Interconnection, LLC	Not Applicable
Velasco, Cheryl Mae	PJM Interconnection, LLC	Not Applicable
Weathers, Brian	PJM Interconnection, LLC	Not Applicable

In Attendance (Teleconference):

Ainspan, Malcolm	Energy Curtailment Specialists, Inc.	Other Supplier
Benckek, Jim	FirstEnergy Solutions Corporation	Transmission Owner
Bolan, Martin	FirstEnergy Solutions Corporation	Transmission Owner
Bonner (ES), Charles	Dominion Virginia Power	Not Applicable
Bryson, Mike	PJM Interconnection, LLC	Not Applicable
Campbell, Bruce	EnergyConnect, Inc.	Other Supplier
Carro, Dan	Dominion Virginia Power	Not Applicable
Citrolo, John	PSEG Energy Resources and Trade LLC	Transmission Owner
Dessender, Harry	Customized Energy Solutions, Ltd.*	Not Applicable
Dugan, Chuck	East Kentucky Power Cooperative, Inc.	Transmission Owner
Filomena, Guy	Customized Energy Solutions, Ltd.*	Not Applicable
Fitch, Neal	NRG Power Marketing LLC	Generation Owner
Gates, Terry	Appalachian Power Company	Transmission Owner
Griffiths, Dan	Consumer Advocates of PJM States	Not Applicable
Haynes, Greg	Energy Authority, Inc. (The)	Other Supplier
Hoatson, Tom	Riverside Generating, LLC	Other Supplier
Hopkins (ES), Sandra	Dominion Virginia Power	Not Applicable
Horowitz, Shira	PJM Interconnection, LLC	Not Applicable
Horstmann, John	Dayton Power & Light Company (The)	Transmission Owner
Johnson, Carl	Customized Energy Solutions, Ltd.*	Not Applicable
Kelly, Stephen	Brookfield Energy Marketing LP	Other Supplier
Kimmel, David	PJM Interconnection, LLC	Not Applicable
Lacy, Catharine	Dominion Virginia Power	Not Applicable
Liang-Nicol, Cecilia	Allegheny Power (MonPwr Gen)	None
Libbos, Robin	Allegheny Power	Transmission Owner
Mabry, David	McNees Wallace & Nurick LLC	Not Applicable



Draft Meeting Minutes

Mancuso, Melanie
Markiewicz, Cindy
Marton, David
Ondayko, Brock
Owens, Christina
Patten, Kevin
Peoples, John
Price, Ruth
Rainey, John
Scarpignato, Dave
Summers, Theodore
Trayers, Barry
Weghorst (pplep), Bradley
Wetzel, Ray
Yu, Joel
Budney, Dave
Ciabattoni, Joe
DiNicola, Laura
Martini, Danielle
Phillips, Amanda
Rajan, Abhijit
Sock, Bryan
Stadelmeyer, Rebecca
Weghorst, Brad

Allegheny Power
Allegheny Power
FirstEnergy Solutions Corporation
Appalachain Power Company
North Carolina Electric Membership Corporation
Appalachain Power Company
Duquesne Light Company
Division of the Public Advocate of the State of Delaware
Northern Virginia Electric Cooperative
Direct Energy Business, LLC
PSEG Energy Resources and Trade LLC
Citigroup Energy, Inc.
PPL EnergyPlus, L.L.C.
Constellation Energy Commodities Group, Inc.
Rockland Electric Company
PJM Interconnection, LLC
PJM Interconnection, LLC
FirstEnergy Solutions Corporation
PJM Interconnection, LLC
Southern Maryland Electric Cooperative
Dominion Virginia Power
PSEG Energy Resources and Trade LLC
Exelon Business Services Company, LLC
PPL EnergyPlus, L.L.C.

Transmission Owner
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Transmission Owner
Transmission Owner
Electric Distributor
Transmission Owner
Transmission Owner
End User Customer
Electric Distributor
Other Supplier
Transmission Owner
Other Supplier
Transmission Owner
Other Supplier
Transmission Owner
Not Applicable
Not Applicable
Transmission Owner
Not Applicable
Electric Distributor
Not Applicable
Transmission Owner
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