



DRAFT
Minutes
PJM Interconnection
Markets and Reliability Committee
The Chase Center on the Riverfront, Wilmington, DE
August 17, 2011
9:30 a.m. – 3:00 p.m.

Chair/Secretary:

Kormos	Michael	PJM Interconnection, LLC	Not Applicable
Anders	David	PJM Interconnection, LLC	Not Applicable

Voting Members Present:

Last Name	First Name	Company Name	Sector
Ainspan	Malcolm	Energy Curtailment Specialists, Inc.	Other Supplier
Barker	Jason	Constellation NewEnergy, Inc.	Transmission Owner
Bassett	Jeffrey	BP Energy Company	Other Supplier
Batta	Mike	Virginia Electric & Power Company	Transmission Owner
Berg	William	PECO Energy Company	Transmission Owner
Breidenbaugh	Aaron	EnerNOC, Inc.	Other Supplier
Bruce	Susan	Rep.'g Letterkenny Industrial Development Authority-PA	Electric Distributor
Bruce	Susan	Rep.'g Wellsboro Electric Company	Electric Distributor
Bruce	Susan	Rep.'g Air Liquide Industrials US, L.P.	End-Use Customer
Bruce	Susan	Rep.'g Air Products & Chemicals, Inc.	End-Use Customer
Bruce	Susan	Rep.'g Lehigh Portland Cement Company	End-Use Customer
Bruce	Susan	Rep.'g Linde, Inc.	End-Use Customer
Bruce	Susan	Rep.'g MeadWestvaco Corporation	End-Use Customer
Bruce	Susan	Rep.'g Praxair, Inc.	End-Use Customer
Bruce	Susan	Rep.'g Procter and Gamble Paper Products Company	End-Use Customer
Bruce	Susan	Rep.'g RG Steel Sparrows Point LLC	End-Use Customer
Bruce	Susan	Rep.'g Sunoco, Inc. (R&M)	End-Use Customer
Bruce	Susan	Rep.'g Kimberly-Clark Corporation	Generation Owner
Bruce	Susan	Rep.'g Castlebridge Energy Group, LLC	Other Supplier
Bruce	Susan	Rep.'g Gerdau Ameristeel Energy, Inc.	Other Supplier
Bruce	Susan	Rep.'g Industrial Energy Users-Ohio (IEU-Ohio)	Other Supplier
Burner	Bob	Duke Energy Carolinas, LLC	Generation Owner
Campbell	Bruce	Rep.'g Comperio Energy LLC dba Clear Choice Energy	Other Supplier
Campbell	Bruce	EnergyConnect, Inc.	Other Supplier
Citrolo	John	Calpine Energy Services, L.P.	Generation Owner
Coulbeck	Rob	ENBALA Power Networks Inc.	Other Supplier
Esposito	Pati	NRG Power Marketing, L.L.C.	Generation Owner
Evrard	David	Pennsylvania Office of Consumer Advocate	End Use Customer
Fahey	Reem	Edison Mission Marketing and Trading, Inc.	Generation Owner



Fitch	Neal	GenOn Energy Management, LLC	Generation Owner
Flaherty	Dale	Duquesne Light Company	Transmission Owner
Fuess	Jay	Rep.'g PBF Power Marketing LLC	Generation Owner
Fuess	Jay	Rep.'g Premcor Refining Group, Inc. (The)	Generation Owner
Fuess	Jay	Rep.'g Evraz Claymont Steel	Other Supplier
Fuess	Jay	Rep.'g Ictec.com, Inc.	Other Supplier
Fuess	Jay	Rep.'g Kuehne Chemical Company, Inc.	Other Supplier
Gates	Ken	Atlantic Grid Operations A, LLC	Other Supplier
Gates	Ken	Primary Power LLC	Other Supplier
Gill	Richard	UGI Development Company	Transmission Owner
Greening	Michele	PPL Energy Plus, LLC	Transmission Owner
Hebert	Damase	Rep.'g Covanta Energy Group, Inc.	Generation Owner
Hebert	Damase	Rep.'g RC Cape May Holdings, L.L.C.	Generation Owner
Hebert	Damase	Rep.'g NAEA Rock Springs, LLC	Transmission Owner
Horstmann	John	Dayton Power & Light Company (The)	Transmission Owner
Horton	Dana	Appalachian Power Company	Transmission Owner
Jeremko	Steve	New York State Electric & Gas Corporation	Other Supplier
Johnson	Carl	Long Island Lighting Company dba LIPA	Other Supplier
LaFalce	Michael	PSEG Energy Resources and Trade LLC	Transmission Owner
Maye	Shelly-Ann	North America Power Partners LLC	Other Supplier
McDonald	Steve	Southern Maryland Electric Cooperative, Inc.	Electric Distributor
Miller	Don	FirstEnergy Solutions Corp.	Transmission Owner
Miller	Richard	Rockland Electric Company	Transmission Owner
Minalga	Jason	Rep.'g E.ON Climate & Renewables North America Inc.	Generation Owner
Minalga	Jason	Rep.'g EverPower Wind Holdings Inc.	Generation Owner
Minalga	Jason	Rep.'g IBERDROLA RENEWABLES, Inc.	Generation Owner
Minalga	Jason	Invenergy LLC	Generation Owner
Minalga	Jason	Rep.'g Tenaska Power Services Co.	Generation Owner
Norton	Chris	American Municipal Power, Inc.	Generation Owner
O'Connell	Robert	J.P. Morgan Ventures Energy Corporation	Other Supplier
Orzel	Chris	NextEra Energy Power Marketing, LLC	Generation Owner
Pakela	Gregg	DTE Energy Trading, Inc.	Other Supplier
Philips	Marji	Hess Corporation	Other Supplier
Rainey	Frank	PEI Power Corporation	Generation Owner
Razze	Scott	Potomac Electric Power Company	Electric Distributor
Scarpignato	Dave	Direct Energy Business, LLC	Other Supplier
Schofield	William	Rep.'g Blue Ridge Power Agency, Inc.	Electric Distributor
Schofield	William	Rep.'g Borough of Chambersburg	Electric Distributor
Schofield	William	Rep.'g Buckeye Power, Inc.	Electric Distributor
Schofield	William	Rep.'g Central Virginia Electric Cooperative	Electric Distributor
Schofield	William	Rep.'g City of Dover, Delaware	Electric Distributor
Schofield	William	Rep.'g Delaware Municipal Electric Corporation	Electric Distributor
Schofield	William	Rep.'g Easton Utilities Commission	Electric Distributor
Schofield	William	Rep.'g Hagerstown Light Department	Electric Distributor
Schofield	William	Rep.'g Illinois Municipal Electric Agency	Electric Distributor
Schofield	William	Rep.'g Town of Williamsport	Electric Distributor
Schofield	William	Rep.'g Indiana Municipal Power Agency	Generation Owner
Schofield	William	Rep.'g Energy Cooperative Association of Pennsylvania	Other Supplier



Schofield	William	Rep.'g WPPI Energy	Other Supplier
Schofield	William	Rep.'g Allegheny Electric Cooperative, Inc.	Transmission Owner
Scoglietti	Barbara	Enerwise Global Technologies, Inc.	Other Supplier
Siegrist	Hal	GenOn Energy Management, LLC	Generation Owner
Stewart	Courtney	Delaware Public Service Commission	Not Applicable
Tatum	Ed	Old Dominion Electric Cooperative	Electric Distributor
Trayers	Barry	Citigroup Energy, Inc.	Other Supplier
Wadsworth	Joe	Vitol Inc.	Other Supplier
Ward	Melissa	Acciona Energy North America Corporation	Generation Owner
Williams	Paul	ArcelorMittal USA LLC	End Use Customer
Williams	Paul	Energy Consulting Services, LLC	Other Supplier
Wolfe	Samuel	Viridity Energy, Inc.	Other Supplier

Non - Voting Members Present:

Last Name	First Name	Company Name	Sector
Ondayko	Brock	Appalachian Power Company	Transmission Owner
McCoy	Paul	Atlantic Grid Operations A, LLC	Other Supplier
Bloom	David	Baltimore Gas and Electric Company	Transmission Owner
Fernandes	John	Baltimore Gas and Electric Company	Transmission Owner
Schleimer	Steven	Calpine Energy Services, L.P.	Generation Owner
Miller	John	Commonwealth Edison Company	Transmission Owner
Gilani	Rehan	ConEdison Energy, Inc.	Other Supplier
Dellorto	Ken	CPV Maryland, LLC	Generation Owner
Shamash	Hertzel	Dayton Power & Light Company (The)	Transmission Owner
Marmon	Gregory	Dominion Resources	Generation Owner
Tarrant	Daniel	Easton Utilities Commission	Electric Distributor
Kerecman	Joe	EcoGen Advisors, LLC	Not Applicable
Ellis	Jeff	Edison Mission Marketing and Trading, Inc.	Generation Owner
Biden	Douglas	Electric Power Generation Association	Not Applicable
Stadelmeyer	Rebecca	Exelon Generation Co., LLC	Transmission Owner
Cohen	Tristan	Federal Energy Regulatory Commission	Not Applicable
Fernandez	Jonathan	Federal Energy Regulatory Commission	Not Applicable
Logan	Sharon	Federal Energy Regulatory Commission	Not Applicable
Ramlatchan	Deepak	Federal Energy Regulatory Commission	Not Applicable
Sillin	John	Federal Energy Regulatory Commission	Not Applicable
Tackett	Nicholas	Federal Energy Regulatory Commission	Not Applicable
Everngam	Scott	FERC	Not Applicable
White	John	FERC	Not Applicable
Fuerst	Gary	FirstEnergy Solutions Corp.	Transmission Owner
Galligan	Craig	FirstEnergy Solutions Corp.	Transmission Owner
Marton	Dave	FirstEnergy Solutions Corp.	Transmission Owner
Palmer	Randall	FirstEnergy Solutions Corp.	Transmission Owner
Ruch	Roger	FirstEnergy Solutions Corp.	Transmission Owner
Stuchell	Jeff	FirstEnergy Solutions Corp.	Transmission Owner
Shanker	Roy	H.Q. Energy Services (U.S.), Inc.	Other Supplier
Joshi	Aniruddha	Horizon Wind Energy LLC	Generation Owner
Patrylo	Bob	HP Energy Resources	Other Supplier



Hanson	Mark	Illinois Commerce Commission	Not Applicable
Kimmel	Elizabeth	Kimmel Energy Associates*	Other Supplier
Liao	Huaiwei	Louis Dreyfus Energy Services, L.P.	Other Supplier
Wisersky	Megan	Madison Gas & Electric	Other Supplier
Krauthamer	Michael	Maryland PSC	Not Applicable
Freeman	Al	Michigan Public Service Commission	Not Applicable
Burcat	Bruce	Mid-Atlantic Renewable Energy Coalition	Not Applicable
Bowring	Joseph	Monitoring Analytics, LLC	Not Applicable
Riding	M.Q.	NAEA Rock Springs, LLC	Transmission Owner
Huntoon	Steve	NextEra Energy Power Marketing, LLC	Generation Owner
Huis	Diane	North Carolina Electric Membership Corporation	Electric Distributor
Mariam	Yohannes	Office of the People's Counsel for the District of Columbia	Not Applicable
Heizer	Fred	Ohio Public Utilities Commission	Other Supplier
Lieberman	Steven	Old Dominion Electric Cooperative	Electric Distributor
Barua	Raj	OPSI	Not Applicable
Chu	Ron	PECO Energy Company	Transmission Owner
Levin	John	Pennsylvania PUC	Not Applicable
Slifer	Diane	PJM Power Providers (P3)	Not Applicable
Hamilton	T.L.	Platts	Not Applicable
Godson	Gloria	Potomac Electric Power Company	Electric Distributor
Glass	Ephram	PPL Energy Plus, LLC	Transmission Owner
Hyzinski	Tom	PPL Energy Plus, LLC	Transmission Owner
De Geeter	Ralph	PSC Of Maryland	Not Applicable
Carretta	Kenneth	Public Service Electric & Gas Company	Transmission Owner
Marinelli	Richard	Public Service Electric & Gas Company	Transmission Owner
Moran	Terrence	Public Service Electric & Gas Company	Transmission Owner
Jain	Ardash	Rockland Electric Company	Transmission Owner
Schwartz	Desiree	Rockland Electric Company	Transmission Owner
Lepchenske	Herb	RTP Controls, Inc.	Other Supplier
Vanderhelm	Kyle	Tenaska Power Services Co.	Generation Owner
Crystle	Gil	UGI Development Company	Transmission Owner
Dupeire	Michael	Ventyx	Other Supplier
Slade	Louis	Virginia Electric & Power Company	Transmission Owner
Wilson	James	Wilson Energy Economics	Not Applicable

PJM Present:

Last Name	First Name	Company Name	Sector
Alesius	Alan	PJM Interconnection	Not Applicable
Coyne	Suzanne	PJM Interconnection	Not Applicable
Daugherty	Suzanne	PJM Interconnection	Not Applicable
Dessender	Harry	PJM Interconnection	Not Applicable
Eichorn	Sarah	PJM Interconnection	Not Applicable
Foley	Pauline	PJM Interconnection	Not Applicable
Ford	Adrien	PJM Interconnection	Not Applicable
Hartung	Dean	PJM Interconnection	Not Applicable
Herling	Steven	PJM Interconnection	Not Applicable
Hugee	Jacqui	PJM Interconnection	Not Applicable



Kuras	Mark	PJM Interconnection	Not Applicable
Langbein	Pete	PJM Interconnection	Not Applicable
Ma	Alex	PJM Interconnection	Not Applicable
Manion	Evelyn	PJM Interconnection	Not Applicable
McGlynn	Paul	PJM Interconnection	Not Applicable
O'Neill	Jack	PJM Interconnection	Not Applicable
Ott	Andy	PJM Interconnection	Not Applicable
Ritchie	Sandra	PJM Interconnection	Not Applicable
Schleiden	Jeanine	PJM Interconnection	Not Applicable
Schweizer	David	PJM Interconnection	Not Applicable
Souder	Rich	PJM Interconnection	Not Applicable
Stotesbury	Christina	PJM Interconnection	Not Applicable
Tribulski	Jennifer	PJM Interconnection	Not Applicable
Weiss	Glenn	PJM Interconnection	Not Applicable
Williams	Jeff	PJM Interconnection	Not Applicable
Williams	Stan	PJM Interconnection	Not Applicable
Withrow	David	PJM Interconnection	Not Applicable

1. ADMINISTRATION

Minutes of the June 22, 2011 Markets and Reliability Committee (MRC) meeting were **approved** by acclamation with no objections and one abstention.

2. PJM MANUALS

- A. Mr. Dessender discussed proposed Manual 27: Open Access Transmission Tariff Accounting and Manual 28: Operating Agreement Accounting updates identified through PJM's Quality Project. He indicated that there are no significant changes impacting members. The committee will be asked to endorse the proposed revisions at its next meeting.
- B. Mr. R. Souder reviewed proposed revisions to Manual 36: System Restoration resulting from annual review and updates for Duke Energy Integration. The committee **endorsed** by acclamation the proposed revisions with no objections or abstentions.
- C. Mr. Kuras presented the new draft PJM Manual XX – PJM Protection Standards. He described the purpose of the new manual and the Planning Committee and Operating Committee review. The committee will be asked to endorse the proposed revisions at its next meeting.



3. **RPM RELATED ISSUES**

Ms. Ford discussed the status of the stakeholder process and future work plan regarding the various RPM related issues before the stakeholders and PJM. She noted the content of the problem statements and Tariff required assessment and triennial review, the work completed in education, interest identification and matrix development, as well as planned meetings for the purpose of developing solution packages. In addition she discussed the pending Brattle report on the Tariff required assessment and triennial review.

4. **FERC ORDER 1000 COMPLIANCE FILING**

Ms. P. Foley discussed the content of FERC Order 1000, describing the content of each section of the Order including compliance requirements and timelines. Ms. Foley presented a preliminary matrix of compliance requirements, committee assignments and timelines. The committee was asked to consider this presentation to be the stakeholder notification of compliance requirements required by Manual 34 Appendix I. Mr. Kormos noted that the matrix would be further refined and presented at the next meeting of the committee.

5. **LOAD MANAGEMENT TASK FORCE ITEMS**

Mr. Langbein reviewed final LMTF recommended changes to implement a change to DR registration timeline and to change the bill timing for Limited DR emergency event penalties (to make more consistent with current test penalty timing). Mr. Campbell discussed concerns regarding the revisions to the registration timeline, requested that votes on these issues be separated, and that the vote on the registration timeline be taken as a sector-weighted vote. The committee **endorsed** the proposed revisions to the registration timeline in a sector-weighted vote with 4.43 in favor. The committee **endorsed** the proposed revisions to the event penalty timeline by acclamation with no objections or abstentions.



6. **LOST OPPORTUNITY FOR WIND**

Mr. Ma reviewed a proposal regarding Lost Opportunity Cost (LOC) for wind resources resulting from discussions at the Intermittent Resource Task Force. He discussed current LOC methodology, forecasting for wind resources and the proposed revision to the LOC methodology. Following discussion of changes to the draft OA revisions which were made after Market Implementation Committee (MIC) endorsement, the issue was referred to the MIC for further [review and](#) clarification.

7. **DUKE ENERGY INTEGRATION OA AND TARIFF REVISIONS**

Ms. Tribulski discussed ministerial Operating Agreement (OA) and Tariff revisions needed for the Duke Energy integration filing due on September 1, 2011. Following discussion, the committee **endorsed** the proposed revisions by acclamation with no objections or abstentions.

8. **MISCELLANEOUS OA, TARIFF AND RAA REVISIONS**

Ms. Hугee presented proposed OA, Tariff and RAA revisions resulting from PJM's Quality Project and review of the documents. The committee will be asked to endorse the proposed revisions at its next meeting.

9. **RESIDUAL ZONE PRICING**

Mr. Dessender reviewed the proposed Residual Zone Pricing business rules and associated manual, Tariff and Operating Agreement changes. The committee discussed the specifics of the problem being resolved, and the required timing of the proposed changes. The committee will be asked to endorse the proposed business rules and revisions at a future meeting.

10. **BROADER REGIONAL MARKETS SOLUTIONS TO LAKE ERIE LOOP FLOW**

Mr. Williams provided an informational update on Inter-Regional Coordination and Broader



Regional Markets efforts to develop solutions to address seams issues and Lake Erie Loop Flows. He discussed pending updates to the PJM/NYISO Joint Operating Agreement, pending NYISO Tariff revisions regarding Interface Pricing, the July 21, 2011 NYISO Joint Technical Stakeholder Conference, expected presentation at the next MRC meeting by MISO representatives regarding Interchange Scheduling Optimization and Capacity Portability, and developing plans for an October 2011 Joint Stakeholder Conference.

11. AC2 IMPLEMENTATION PLAN

Mr. D. Souder presented the current status of implementation of the AC2 Migration and Go-Live Communication Plan. He discussed the detailed AC2 go-live plan and timeline, the details of the communications plan, member impacts and go-live support.

12. PRELIMINARY 2012 PROJECTS

Ms. Daugherty reviewed the list of preliminary 2012 projects. She noted that the project list had been reviewed by the Operating Committee and will be reviewed by the various other committees in advance of a recommendation by the Finance Committee to the PJM Board of Managers on the proposed 2012 operating and capital budgets.

13. STARTUP & NOTIFICATION TIME

The committee discussed the posted update on the activities of the MIC with respect to the MRC's charge related to startup and notification times. An MIC subgroup had performed education, problem investigation and matrix development activities, and proposed package solutions were requested to be submitted by September 6, 2011 in advance of the group's next meeting scheduled for September 20, 2011.

14. REPORTS



The following reports were posted for information and will not be presented at the meeting. There was opportunity for questions on the reports.

- A. Eastern Interconnection Planning Collaborative (EIPC)
- B. Duke Energy Integration Report
- C. Transmission Expansion Projects
- D. Regional Planning Process Task Force (RPPTF)
- E. Interconnection Process Sr. Task Force (IPSTF)
- F. Cost Development Subcommittee (CDS)
- G. Operating Committee (OC)
- H. Market Implementation (MIC)
- I. Planning Committee (PC)
- J. Regulation Performance Sr. Task Force (RPSTF)
- K. Browser Compatibility Report

15. **FUTURE AGENDA ITEMS**

16. **FUTURE MEETINGS**

2011

September 15, 2011	9:30 AM	Wilmington, DE
October 12, 2011	9:30 AM	Wilmington, DE
November 16, 2011	9:30 AM	Wilmington, DE
December 22, 2011	9:30 AM	Wilmington, DE

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