

Markets and Reliability Committee
PJM Conference and Training Center, Audubon, PA
November 17, 2016
9:00 a.m. – 2:30 p.m. EPT

Administration (9:00-9:05)

Welcome, announcements and Anti-trust and Code of Conduct announcement – Mr. Dave Anders

Endorsements/Approvals (9:05-12:15)

1. Draft Minutes (9:05-9:10)

Approve minutes of the October 27, 2016 meeting of the Markets and Reliability Committee (MRC).

2. PJM Manuals (9:10-10:10)

- A. Ms. Nicole Scott will review proposed changes to Manual 03: Transmission Operations resulting from the periodic review of the manual. **The committee will be asked to endorse these proposed revisions.**
- B. Mr. Aaron Berner will present updates to the Tariff and Manual 14A: Generation and Transmission Interconnection Process that are a result of discussions at Special Planning Committee sessions regarding New Service Request Cost Allocation & Study Methods. **The committee will be asked to endorse these proposed revisions.**
- C. Mr. Mike Herman will present modifications to PJM Manual 14B: PJM Region Transmission Planning Process regarding the Capacity Import Limit calculation procedure. The procedure resides in Attachment G.11 of Manual 14B. **The committee will be asked to endorse these proposed revisions.**
- D. Mr. Jeff Schmitt will review proposed revisions to Manual 15: Cost Development Guidelines regarding Fuel Cost Policies contingent upon FERC approval of PJM's related compliance filing. **The committee will be asked to endorse these proposed revisions pending FERC approval of the related filing.**
- E. Ms. Terri Esterly will present proposed revisions to Manual 18B: Energy Efficiency Measurement & Verification identified through the periodic review of the manual. **The committee will be asked to endorse these proposed revisions.**
- F. Mr. Jerry Bell will review proposed draft changes to Manual 21: Rules and Procedures for Determination of Generating Capability related to generator testing requirements. **The committee will be asked to endorse these proposed revisions.**
- G. Mr. Ray Fernandez will review proposed revisions to Manual 28: Operating Agreement Accounting to better describe a fully metered EDC. **The committee will be asked to endorse these proposed revisions.**

3. Day Ahead Scheduling Reserve (DASR) Requirement (10:10-10:25)

Mr. Tom Hauske will review the preliminary 2017 DASR Requirement. This reserve requirement will be incorporated into Manual 13: Emergency Operations, and become effective on January 1, 2017. **The committee will be asked to endorse the 2017 DASR Requirement.**

4. Glossary of Terms (10:25-10:35)

Ms. Janell Fabiano will provide an update on the new [Glossary available on PJM's website](#), as well as the pending retirement of Manual 35: Definitions and Acronyms. **The committee will be asked to endorse the retirement of Manual 35.**

5. Underperformance Risk Management Sr. Task Force (URMSTF) (10:35-10:50)

Ms. Rebecca Carroll will present a proposal regarding underperformance risk management in Capacity Performance. **The committee will be asked to endorse these proposed revisions.**

6. Seasonal Capacity Resources Sr. Task Force (SCRSTF) (10:50-11:05)

Mr. Jeff Whitehead, Direct Energy, will propose extension of Base Capacity. **The committee will be asked to endorse this proposal.**

7. Sell Back of Excess Capacity (11:05-11:20)

Mr. Jeff Whitehead, Direct Energy, will present a proposed problem statement / issue charge regarding PJM's sell back of excess capacity in Reliability Pricing Model (RPM) Incremental Auctions. **The committee will be asked to approve the proposed problem statement / issue charge.**

8. Combined Cycle Modelling Problem Statement (11:20-11:35)

Mr. Bob O'Connell, PPGI Fund A/B Development, LLC, will discuss the activities of the Combined Cycle User Group, and will present a proposed problem statement / issue charge regarding Combined Cycle unit modelling. **The committee will be asked to approve the proposed problem statement / issue charge.**

9. Winter Season Resource Adequacy and Capacity Requirements (11:35-11:50)

Mr. Jim Wilson, on behalf of The MD Office of the Peoples' Counsel, will present a proposed problem statement / issue charge regarding Winter Season Resource Adequacy and Capacity Requirements. **The committee will be asked to approve the proposed problem statement / issue charge.**

10. Pumped Hydro Storage (11:50-12:00)

Mr. Steve Shparber will present proposed Tariff, and Operating Agreement revisions related to pumped hydro storage developed by the GDECS. **The Committee will be asked to endorse these proposed revisions.**

11. Replacement of Capacity Obligations (12:00-12:15)

Mr. Barry Trayers, CitiGroup Energy Inc., will present proposed revisions to Manual 18: Capacity Market regarding the immediate replacement of capacity obligations. **The committee will be asked to endorse these proposed revisions.**

First Readings (1:00-2:00)

12. Residual ARR Enhancements (1:00-1:15)

Mr. Brian Chmielewski will present the proposed solution to the Residual ARR Enhancements issue. The committee will be asked to endorse this package at its next meeting.

13. Distributed Energy Resources (1:15-1:25)

Mr. Dave Anders will provide an update on the progress of the Special MRC meetings on Distributed Energy Resources.

14. FTR Undiversified Credit Adder (1:25-1:35)

Mr. Hal Loomis will present proposed revisions to the FTR undiversified credit adder. The committee will be asked to endorse the proposed revisions at its next meeting.

15. PJM Manuals (1:35-2:00)

- A. Mr. Augustine Caven will review proposed revisions to Manual 10: Pre-Scheduling Operations regarding the periodic review of the manual, end of outage reporting and the 72-hour maintenance outage recall process. The committee will be asked to endorse the proposed revisions at its next meeting.
- B. Mr. Chris Pilong will review proposed changes to Manual 13: Emergency Operations. The committee will be asked to endorse the proposed revisions at its next meeting.
- C. Ms. Sue Glatz will present proposed revisions to Section 6.1.6 of Manual 14C: Generation and Transmission Interconnection Facility Construction. The committee will be asked to endorse the proposed revisions at its next meeting.
- D. Mr. Augustine Caven will review proposed revisions to Manual 14D: Generator Operational Requirements regarding fuel limitation reporting. The committee will be asked to endorse the proposed revisions at its next meeting.

Informational Updates (2:00-2:00)

None

Future Agenda Items (2:00)

Future Meeting Dates

December 22, 2016	9:00 a.m.	Wilmington, DE	Wilmington, DE
January 26, 2017	9:00 a.m.	Wilmington, DE	Wilmington, DE
February 23, 2017	9:00 a.m.	Wilmington, DE	Wilmington, DE
March 23, 2017	9:00 a.m.	Wilmington, DE	Wilmington, DE
April 27, 2017	9:00 a.m.	Wilmington, DE	Wilmington, DE
May 25, 2017	9:00 a.m.	Cambridge, MD	Cambridge, MD
June 22, 2017	9:00 a.m.	Wilmington, DE	Wilmington, DE
July 27, 2017	9:00 a.m.	Wilmington, DE	Wilmington, DE
August 24, 2017	9:00 a.m.	Wilmington, DE	Wilmington, DE
September 28, 2017	9:00 a.m.	Wilmington, DE	Wilmington, DE
October 26, 2017	9:00 a.m.	Wilmington, DE	Wilmington, DE
November 30, 2017	9:00 a.m.	Wilmington, DE	Wilmington, DE
December 21, 2017	9:00 a.m.	Wilmington, DE	Wilmington, DE

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Antitrust:

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.

Public Meetings/Media Participation:

Unless otherwise noted, PJM stakeholder meetings are open to the public and to members of the media. Members of the media are asked to announce their attendance at all PJM stakeholder meetings at the beginning of the meeting or at the point they join a meeting already in progress. Members of the Media are reminded that speakers at PJM meetings cannot be quoted without explicit permission from the speaker. PJM Members are reminded that "detailed transcriptional meeting notes" and white board notes from "brainstorming sessions" shall not be disseminated. Stakeholders are also not allowed to create audio, video or online recordings of PJM meetings.

During a Meeting	During an Acclamation Vote
<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> <p>*1</p> <p>To enter the question queue (does not work during a vote)</p> </div> <div style="text-align: center;"> <p>*2</p> <p>To be removed from the question queue</p> </div> </div> <div style="text-align: center; margin-top: 20px;"> <p>*0</p> <p>To signal for PJM support staff assistance</p> </div>	<p>Please log-in to the voting application at voting.pjm.com, so that you can be registered as the active voter prior to the start of the meeting.</p> <div style="display: flex; justify-content: space-around; margin-top: 20px;"> <div style="text-align: center;"> <p>*7</p> <p>Yes</p> </div> <div style="text-align: center;"> <p>*8</p> <p>No</p> </div> </div> <div style="display: flex; justify-content: space-around; margin-top: 20px;"> <div style="text-align: center;"> <p>*9</p> <p>Abstain</p> </div> <div style="text-align: center;"> <p>*0</p> <p>To signal for PJM support staff assistance</p> </div> </div>
<p>Asking Question</p> <ul style="list-style-type: none"> • Entering *1 enters you into the question queue, the three dial tones are an auditory indication that you have successfully been placed in the queue. • Questions are taken during the meeting when natural breaks occur and are asked in the order they are received. 	
<p>Linking Teleconference Connection to WebEx</p> <p>To link your teleconference connection (audio presence) to your WebEx presence, please dial *29 and enter your Personal Identification Number. Once you are logged in to the WebEx, this PIN can be found under the "Meeting Info" tab of your WebEx window.</p>	

Provide feedback on the progress of this group: [Facilitator Feedback Form](#)
 Visit learn.pjm.com, an easy-to-understand resource about the power industry and PJM's role.