

**Markets and Reliability Committee**  
**The Chase Center on the Riverfront, Wilmington, DE**  
**March 23, 2017**  
**9:00 a.m. – 12:50 p.m. EPT**

## Administration (9:00-9:05)

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

## Endorsements/Approvals (9:05-11:40)

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

**Approve** minutes of the February 23, 2017 meeting of the Markets and Reliability Committee (MRC).

### 2. PJM Manuals (9:10-9:25)

- A. Mr. Chris Pilog will review proposed changes to Manual 13: Emergency Operations. **The committee will be asked to endorse these proposed revisions.**
- B. Mr. Phil D'Antonio will present proposed revisions to Manual 37: Reliability Coordination. **The committee will be asked to endorse these proposed revisions.**
- C. Mr. Phil D'Antonio will review proposed revisions to Manual 01: Control Center and Data Exchange Requirements. **The committee will be asked to endorse the proposed revisions.**

### 3. FERC Order 825 – Shortage Pricing (9:25-9:45)

Mr. Adam Keech will review the proposed Shortage Pricing / Operating Reserve Demand Curve solution and associated manual revisions. **The committee will be asked to endorse the solution.**

### 4. Draft Pseudo-Tie Agreements (9:45-10:05)

Ms. Jacqui Hugue will review two pseudo-tie agreements and Tariff and OA revisions shown below. **The committee will be asked to endorse the proposed agreements and Tariff and OA revisions.**

- Pro forma pseudo-tie agreement
- Pseudo-tie reimbursement agreement for pseudo-tie into PJM
- Associated Tariff and OA revisions

### 5. Cost Development Manual Revisions (10:05-10:35)

Mr. Jeff Schmitt will present proposed revisions to Manual 15: Cost Development Guidelines and the OA regarding hourly offers and fuel cost policies. **The committee will be asked to endorse the proposed revisions.**

6. Opportunity Cost Calculation (10:35-10:50)

Mr. Bob O'Connell, Panda Power Funds, will present a proposed problem statement /issue charge regarding calculation of opportunity cost for units with less than three years of historical LMPs, and to address Capacity Performance non-performance charges. **The committee will be asked to approve the proposed problem statement / issue charge.**

7. Modelling Generation Sr. Task Force (MGSTF) (10:50-11:00)

Mr. Stan Williams will present the draft charter for the MGSTF. **The committee will be asked to approve the draft charter.**

8. Incremental Auction Sr. Task Force (IASTF) (11:00-11:10)

Mr. Brian Chmielewski will present the draft charter for the IASTF. **The committee will be asked to approve the draft charter.**

9. Replacement Capacity (11:10-11:40)

Mr. Neal Fitch, NRG Power Marketing, will present a motion to reconsider the previously rejected problem statement /issue charge regarding procurement of replacement capacity in RPM Incremental Auctions. **The committee will be asked to approve the motion to reconsider and approve the proposed problem statement / issue charge.**

**First Readings (11:40-12:40)**

10. Energy Market Uplift Sr. Task Force (EMUSTF) (11:40-12:00)

Mr. David Anders will present the proposed Phase 3 solution endorsed by the EMUSTF. The committee will be asked to endorse the proposed solution at its next meeting.

11. Regulation Market Issues Sr. Task Force (RMISTF) (12:00-12:20)

Mr. Eric Hsia will present the proposed regulation market enhancements endorsed by the RMISTF. The committee will be asked to endorse the proposed solution at its next meeting.

12. Capacity Construct / Public Policy Sr. Task Force (CCPPSTF) (12:20-12:30)

Mr. David Anders will present the draft charter for the CCPPSTF. The committee will be asked to approve the charter at its next meeting.

13. PJM Manuals (12:30-12:40)

A. Mr. Michael Herman will provide a first read on administrative updates to PJM Manual 14B: PJM Region Transmission Planning Process. Updates include: correcting wording in the Baseline Thermal Analysis section to match analytical procedures and changing all occurrences of "Special Protection System" to "Remedial Action Scheme" per a change to the NERC glossary of terms. The committee will be asked to endorse the proposed revisions at its next meeting.

- B. Mr. Herman will present a first read of the DRAFT PJM Manual 14F: Competitive Planning Process, including the decisional diagram. The committee will be asked to endorse the proposed revisions at its next meeting.

## Informational Updates (12:40-12:50)

### 14. Transmission Replacement Process Sr. Task Force (TRPSTF) (12:45-12:55)

Mr. Barrett will provide an update to the MRC on TRPSTF activities not subject to the task force's hiatus related to the FERC Show Cause Order in Docket EL-16-71-000.

## Future Agenda Items (12:50)

### Future Meeting Dates

April 27, 2017	9:00 a.m.	Wilmington, DE
May 25, 2017	9:30 a.m.	Wilmington, DE
June 22, 2017	9:00 a.m.	Wilmington, DE
July 27, 2017	9:00 a.m.	Wilmington, DE
August 24, 2017	9:30 a.m.	Wilmington, DE
September 28, 2017	9:00 a.m.	Wilmington, DE
October 26, 2017	9:00 a.m.	Wilmington, DE
November 30, 2017	9:00 a.m.	Wilmington, DE
December 21, 2017	9:30 a.m.	Wilmington, DE

Author: D. A. Anders

#### 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
<p><b>*1</b> To enter the question queue (does not work during a vote)</p> <p><b>*2</b> To be removed from the question queue</p> <p><b>*0</b> To signal for PJM support staff assistance</p>	<p>Please log-in to the voting application at <a href="http://voting.pjm.com">voting.pjm.com</a>, so that you can be registered as the active voter prior to the start of the meeting.</p> <p><b>*7</b> Yes</p> <p><b>*8</b> No</p> <p><b>*9</b> Abstain</p> <p><b>*0</b> To signal for PJM support staff assistance</p>
<p><b>Asking Question</b></p> <ul style="list-style-type: none"><li>• 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.</li><li>• Questions are taken during the meeting when natural breaks occur and are asked in the order they are received.</li></ul>	
<p><b>Linking Teleconference Connection to WebEx</b></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>	

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