



DRAFT Meeting Minutes
PJM Interconnection
Black Start Service Task Force Meeting
Meeting / Conference Call / WEBEX
July 25, 2011
1:00 PM EDT

Members Present:

Tom Hauske	PJM Interconnection
Rob Eckenrod	PJM Interconnection
Liem Hoang	PJM Interconnection
David Schweizer, Chair	PJM Interconnection

Members Present via Conference Call:

Julie Penwell	Appalachian Power Company
Nitin Sem	Baltimore Gas and Electric Co.
Bob Pleiss	Constellation Energy Commodities Group, Inc.
John Horstmann	Dayton Power & Light Company
Jacob Barlow	Delmarva Power & Light Company
Ken Jennings	Duke Energy Business Services LLC
Guy Filomena	Customized Energy Solutions, Inc.
David Pratzon	Exelon Generation Co., LLC
Richard Hoag	First Energy Solutions Corp.
Tony Lindeman	First Energy Solutions Corp.
Ron Palcic	First Energy Transmission
Hal Seigrist	GenOn Mid Atlantic
Bill Dugan	Monitoring Analytics
Jeff Mayes	Monitoring Analytics
Rob Dropkin	PJM Interconnection
Rod Miller	PPL Generation, LLC
Tom Piascik	Tangibl, LLC
Beth Martin	Wisconsin Electric Power Company

1. ADMINISTRATION

- A. BSSTF approved agenda for this meeting.
- B. BSSTF approved minutes from 6/21/11 BSSTF Meeting.



2. JAN 2010 CHARTER ITEMS STATUS:

A. CIP Costs Additive to Existing Rates (item 1c):

1. R. Eckenrod (PJM) provided summary update on status of tariff language filing based on approval at March MC Meeting – PJM will review minor edits for information at 8/25/11 MC meeting and then proceed with FERC filing.

3. AUG 2010 CHARTER ITEMS:

A. Blackstart Refurbishment Process - Develop RFP process similar to Blackstart Replacement Process to accommodate unit refurbishments.

1. Continued discussions on development of RFP process similar to Blackstart Replacement Process to accommodate unit refurbishments.

2. Steps completed:

- a. Initiation and RFP process development for:
 - i. Refurbishment of unit solely for the purpose of black start.
 - ii. Unit that needs major refurbishment for black start or would otherwise retire.

3. Cost Recovery

- a. Ongoing discussion on alternative proposals for units that need major refurbishment for black start or would otherwise retire.

Proposal A: Refurbishment costs that will be recovered through schedule 6A shall not be included in APIR for RPM or VOM. The unit will receive the greater of black start revenues (per Schedule 6A) or any cleared RPM auction revenues during the recovery period.

Proposal B: Refurbishment costs that will be recovered through schedule 6A shall not be included in APIR for RPM or VOM.

- b. BSSTF finalized the list of “pros” and “cons” for both Proposal A and Proposal B cost recovery alternatives.

- c. BSSTF stakeholders proposed two additional proposals to consider:

Proposal C: RMR driven by Black Start (PJM files at FERC)

Proposal D: Cost of Service (Supplier files at FERC)



d. Next steps:

- i. Based on BSSTF questions raised about business rules for RMR alternative (Proposal C) PJM to provide clarifications for RMR business rule clarifications at next BSSTF meeting.
- ii. BSSTF to finalize cost recovery alternatives at next BSSTF meeting, then take black start refurbishment process with alternate cost recovery proposals to MIC in Sept-Oct meeting cycle.

B. Fuel storage costs and lost opportunity cost for pumped storage units - Develop guidelines to address the opportunity cost incurred by pumped storage units that maintain water levels in order for units to be able to provide black start service.

1. No longer BSSTF Charter item

4. FUTURE MEETINGS:

1. Next meeting – 8/18/11, 2:00pm-4:00pm

2. Subsequent meetings:

TBD

<http://www.pjm.com/committees/meeting-advisor.html>

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