



MEETING MINUTES

PJM Interconnection

Energy/Reserve Pricing & Interchange Volatility MIC Special Session

PJM Conference and Training Center / WebEx

February 26, 2014 (9:00am – 3:00pm)

In-Person Participants:

Last Name	First Name	Company Name	Sector
Anders	David	PJM Interconnection, LLC	Not Applicable
Beck	David	Duke Energy Business Services LLC	Generation Owner
Blair	Tom	Monitoring Analytics, LLC	Not Applicable
Borgatti	Michael	Gable and Associates	Not Applicable
Carroll	Rebecca	PJM Interconnection, LLC	Not Applicable
Ciabattoni	Joseph	PJM Interconnection, LLC	Not Applicable
Dugan	Bill	Customized Energy Solutions, Ltd.*	Not Applicable
Fitch	Neal	GenOn Energy Management, LLC	Generation Owner
Gresh	Kevin	PJM Interconnection, LLC	Not Applicable
Jennings	Kenneth	Duke Energy Business Services LLC	Generation Owner
Johnson	Carl	Customized Energy Solutions, Ltd.*	Not Applicable
Keech	Adam	PJM Interconnection, LLC	Not Applicable
Kogut	George	New York Power Authority	Other Supplier
Luna	Joel	Monitoring Analytics, LLC	Not Applicable
Mabry	David	McNees Wallace & Nurick LLC	Not Applicable
Marcino	Angelo	PJM Interconnection, LLC	Not Applicable
Morelli	Lisa	PJM Interconnection, LLC	Not Applicable
O'Connell	Robert	JPMorgan Ventures Energy Corporation	Other Supplier
Olaleye	Michael	PJM Interconnection, LLC	Not Applicable
Pacella	Chris	PJM Interconnection, LLC	Not Applicable
Perera	Asanga	PJM Interconnection, LLC	Not Applicable
Pratzon	David	GT Power Group	Not Applicable
Souder	Rich	PJM Interconnection, LLC	Not Applicable
Stadelmeyer	Rebecca	Exelon Business Services Company, LLC	Transmission Owner



Thiemann	Tom	Duke Energy Business Services LLC	Generation Owner
Velasco	Cheryl Mae	PJM Interconnection, LLC	Not Applicable
Wadsworth	Joseph	Vitol Inc.	Other Supplier
Wharton	Matthew	PJM Interconnection, LLC	Not Applicable

Teleconference Participants:

Last Name	First Name	Company Name	Sector
Ainspan	Malcolm	Energy Curtailment Specialists, Inc.	Other Supplier
Bloom	David	Baltimore Gas and Electric Company	Transmission Owner
Butler	Jim	NiSource	
Buttner	Sarah	Division of the Public Advocate of State of Delaware	End User Customer
Campbell	Bruce	EnergyConnect, Inc.	Other Supplier
Devon	Chris	Michigan Commission staff	
Farber	John	DE Public Service Commission	Not Applicable
Filomena	Guy	Customized Energy Solutions, Ltd.*	Not Applicable
Flaherty	Dale	Duquesne Light Company	Transmission Owner
Gilani	Rehan	ConEdison Energy, Inc.	Other Supplier
Hastings	David	DhastCo, LLC	Not Applicable
Kerecman	Joe	Calpine	
Lieberman	Steven	Old Dominion Electric Cooperative	Electric Distributor
Mabry	David	McNees Wallace & Nurick LLC	Not Applicable
Mancuso	Maria	Baltimore Gas and Electric Company	Transmission Owner
Ondayko	Brock	Appalachain Power Company	Transmission Owner
Slade	Louis	Virginia Electric and Power	
Tsikirayi	Edward	Long Island Lighting Company d/b/a LIPA	Other Supplier

1. Administration

Ms. Lisa Morelli called the meeting to order and welcomed stakeholders. Ms. Morelli reviewed the agenda and called attention to the Anti-trust and Code of Conduct statements. Ms. Cheryl Mae Velasco performed roll call and



reviewed the draft meeting minutes from the 2/6 ERPIV meeting. The draft minutes were approved. Ms. Velasco reviewed the open action items and made mention that all items were to be addressed at the meeting.

2. Review Workplan

Ms. Morelli reviewed the draft workplan. No additional requests for changes were made. A discussion to clarify the goals and purposes of the group took place, with a focus around understanding the Interchange Volatility piece. Discussions naturally led to the interest identification and solution components for Interchange Volatility. A request for education was made surrounding the prices and interchange behavior during min gen events.

3. Interest Identification

Ms. Morelli reviewed the interests that were identified in the previous meeting. Stakeholders were asked for any additional interests to include in the list. Both portions, the Interchange Volatility and Incorporating Operator Actions in Energy/Reserve Pricing were discussed.

4. Interchange Volatility Matrix Development

Ms. Lisa Morelli reviewed the existing solution components that were discussed in the previous meeting. An additional component was added to address the method for calculating the ramp limit adjustment for price volatility. An action item was taken for PJM to discuss this component internally. No other additional solution components were documented.

Ms. Morelli reviewed the existing solution options that were discussed and documented from the previous meeting. The action item for rewording a solution option to include DR was addressed. An additional option for providing monthly reporting of when ramp adjustments were taken was documented. An action item was taken for PJM to discuss internally other real time notification options, including the possibility of having a pre-notification of ramp adjustments.

Ms. Morelli proceeded to present a package that PJM created internally using existing components and options, opening up the discussing for additional package ideas. Stakeholders were encouraged to create packages and provide them at the next meeting or in the interim if possible. Stakeholders were also encouraged to provide additional solution components and solution options as the discussion for these are not considered closed.

Solution components and options for the Long Term matrix were reviewed, however discussions were limited.

5. Energy/Reserve Pricing Matrix Development

Ms. Morelli reviewed the existing solution components from the previous meeting. An additional component to consider the duration of when a reserve requirement is changed was added under the option to increase the reserve



requirement. Another component added was to consider the location when changing the reserve requirement, whether it be MAD or RTO or both.

Ms. Morelli reviewed the existing solution options from the previous meeting. An additional option for a method for incorporating operation action in the energy and reserve pricing was presented, which was to consider the DA market prices and/or DASR obligation when forward unit commitment decisions are made in advance of the DA clearing timeline. An action item was taken for PJM to discuss this option internally. Another option that was brought up which PJM will also take as an action item to discuss internally was to increase the reserve requirement by a MW amount with a possible floor and/or ceiling as opposed to a different metric. PJM was also asked to internally discuss the option of an entry and exit criteria for when the reserve requirement is changed.

Solution components and options for the Long Term matrix were reviewed, however discussions were limited.

No packages were created at this time considering the additional components and options that needed to be discussed further. However, stakeholders were encouraged to create packages if they are able to do so. It is important to note that additional components and options will still be taken at the next meeting.

6. Future Agenda Items

- a. Review and revise the workplan as needed
- b. Review Interest identification, Solution Components, and Solution Options
- c. Narrow down Solution Options
- d. Develop Solution Packages

7. Future Meeting Dates

March 17, 2014	9:00am – 12:00pm	Conference and Training Center / WebEx
April 3, 2014	9:00am – 12:00pm	Conference and Training Center / WebEx

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