

Minutes PJM Interconnection Cost Development Subcommittee (276th Meeting) PJM Conference & Training Center Monday October 15, 2012 10:00 AM

Members in Attendance:

Schmitt, Jeff (Chair)

Walter, Laura (Secretary

PJM Interconnection, LLC

Not Applicable

Not Applicable

Also in Attendance:

Josyula, SivaMonitoring AnalyticsNot ApplicableDugan, WilliamMonitoring Analytics, LLCNot ApplicableHauske, ThomasPJM Interconnection, LLCNot ApplicableZadlo, ThomasPJM Interconnection, LLCNot Applicable

Attended via Teleconference / WebEx:

Ondayko, Brock	AEP	Transmission Owner
DeMoen, Susan	Appalachian Power Company (AEP Generation)	Transmission Owner
Bloom, David	Baltimore Gas and Electric Company	Transmission Owner
Schofield, William	Customized Energy Solutions, Inc.	None
Filomena, Guy	Customized Energy Solutions, Ltd.*	Not Applicable
McDonald, Steve	Customized Energy Solutions, Ltd.*	Not Applicable
Horstmann, John	Dayton Power & Light Company (The)	Transmission Owner
Chen, Mingwei	Dominion Energy Marketing, Inc.	Generation Owner
Keefer, Brian	Dominion Energy Marketing, Inc.	Generation Owner
Via, Troy	Dominion Energy Marketing, Inc.	Generation Owner
Feierabend, Rick	Dominion Virginia Power	Not Applicable
Wilmoth, Emily	Dominion Virginia Power	Not Applicable
Jennings, Kenneth	Duke Energy Business Services LLC	Generation Owner
Gassner, Andy	ENBALA Power Networks Inc.	Other Supplier
Ainspan, Malcolm	Energy Curtailment Specialists, Inc.	Other Supplier
Campbell, Bruce	EnergyConnect, Inc.	Other Supplier
Breidenbaugh, Aaron	EnerNOC, Inc.	Other Supplier
Griffiths, Daniel	Enerwise Global Technologies, Inc.	Other Supplier
Stadelmeyer, Rebecca	Exelon Generation Co., LLC	Transmission Owner
Snow, Robert	Federal Energy Regulatory Commission (The)	Not Applicable
Marton, David	FirstEnergy Corporation	Transmission Owner
Palcic, Ronald	FirstEnergy Solutions Corp.	Transmission Owner
Fitch, Neal	GenOn Energy Management, LLC	Generation Owner
Siegrist, Hal	GenOn Energy Management, LLC	Generation Owner
Seymour, Melissa	IBERDROLA RENEWABLES, Inc.	Generation Owner
Frelich, Jessica	Integrys Energy Services, Inc. (BGS)	Other Supplier
Mabry, David	McNees Wallace & Nurick LLC	Not Applicable
Esposito, Patricia	NRG Power Marketing LLC	Generation Owner
Manion, Evelyn	PJM Interconnection, LLC	Not Applicable

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Sandherr, Robert Diamant, Martin Maucher, Andrea La Falce, Michael Nobile, Joe Hoatson, Tom Quinlan, Pamela Celestine, Kizi Slade, Louis PPL EnergyPlus, L.L.C.
PSEG Energy Resources and Trade LLC
Public Advocate of State of Delaware (Div.of the)
Public Service Electric & Gas Company
Richland-Stryker Generation LLC
Riverside Generating, LLC
Rockland Electric Company
unknown
Virginia Electric and Power Company

Transmission Owner Transmission Owner End User Customer Transmission Owner Generation Owner Other Supplier Transmission Owner unknown Transmission Owner

1. <u>ADMINISTRATION</u>

Mr. Schmitt reviewed the Antitrust, Code of Conduct, and Media Participation Policy. Ms. Walter did a roll call.

CDS endorsed the minutes from the 275th CDS held on September 10, 2012.

CDS endorsed the Agenda for the 276th CDS.

Mr. Schmitt, PJM, I reviewed the status of pending updates to Manual 15 and reminded participants that the next meeting was moved to November 12, 2012. Mr. Schmitt also noted that the Stakeholder Process Meeting being held on October 22, 2012 is expected to discuss voting procedures at subcommittees for those groups that report to senior level committees.

2. DEMAND RESPONSE (DR) SHUTDOWN COSTS ISSUE TRACKING

Ms. Walter, PJM, reviewed the survey results. After discussion, CDS members requested that PJM develop a solution package and manual language with DSR shutdown costs default at zero and manual language explaining an exception process consistent with existing exception processes in Manual 15.

3. WIND COST OFFERS: UNITS NOT ADDRESSED IN MANUAL 15 ISSUE TRACKING

Ms. Walter, PJM, presented drafted manual language for wind unit cost offers derived from the solution package endorsed by CDS at the October meeting. After some changes for clarity CDS endorsed the manual language with no objections. The full package of manual language for unit types not addressed in Manual 15 will be sent to the MRC for approval.

4. ALLOCATION OF REGULATION COST BASED OFFERS

Dr. Haas, MMU, presented a problem statement about cost offers for regulation and the new Performance Based Regulation market structure. CDS endorsed taking up the problem statement with 31 in favor, 2 against and no abstentions.

5. CYCLIC PEAKING FACTORS (1:00 – 2:00) ISSUE TRACKING

Mr. Hauske, PJM, presented educational information on this topic. The CDS then went on to identify interests related to this issue. Discussion will continue next meeting with identification of design components.



FUTURE TOPICS 6.

Fuel Cost Problem

7. **FUTURE MEETINGS**

Monday, November 12, 2012

10:00 am until 3:00 pm

PJM CTC

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