



DRAFT MEETING MINUTES
PJM Interconnection
Credit Subcommittee (CS)
Conference Call
July 18, 2014
9:30 a.m. – 12:00 p.m.

Participants attending/on Teleconference:

Loomis	Hal	Chair – PJM
Babp	Alan	PPL EnergyPlus, LLC
Baloun	James	Commonwealth Edison Company
Benjamin	Jhon	The Dayton Power & Light Company
Bleiweis	Bruce	DC Energy LLC
Brooks	Courtney	Consolidated Edison Company of NY
Bruce	Susan	McNees Wallace & Nurick LLC
Bucci	Cindy	Southern Maryland Electric Cooperative
Case	Nathan	Aces Power
Christian	Adam	Red Wolf Energy Trading, LLC
Cink	Cait	Alliant Energy Corporate Services, Inc.
Daugherty	Suzanne	PJM
DeNavas	Joe	PEPCO
Erbrick	Michael	DhastCo, LLC
Filomena	Guy	Customized Energy Solutions
Gilani	Rehan	Consolidated Edison Energy, Inc.
Gorman	Kevin	The Highlands Energy Group LLC
Hart	Joy	North Carolina Electric Membership Corporation
Holler	Mark	Tenaska
Holstein	Matt	Energy Authority, Inc. (The)
Horstmann	John	The Dayton Power & Light Company
Johnson	Carl	Customized Energy Solutions, Ltd.
Johnson	Ryan	AEP
Kennedy	Beth	Southern Maryland Electric Cooperative
Knies	Heather	LM Power, LLC
Levine	Jeffrey	GDF Suez Energy Marketing NA, Inc.
Marian	Frank	PPL EnergyPlus, LLC
Marton	David	FirstEnergy Solutions Corporation
McIntyre	Ryan	Appalachian Power Company



Million	Mark	PJM
Moerner	Lisa	Virginia Electric & Power Company
Nanjundan	Narmada	East Kentucky Power Cooperative, Inc.
Norton	Chris	American Municipal Power, Inc.
Peoples	John	Duquesne Light Company
Plante	Matthieu	HQ Energy Services (US), Inc.
Pratzon	Dave	GT Power Group
Quinn	Brett	Exelon Generation Co., LLC (Power Team)
Rentko	Marc	American Municipal Power, Inc.
Robinson	Colette	East Kentucky Power Cooperative, Inc.
Robson	Matt	SESCO Enterprises LLC
Sims	Tom	FirstEnergy Solutions Corporation
Stadelmeyer	Rebecca	Exelon Business Services Company
Staska	Stephanie	Twin Cities Power, LLC
Webster	John	Icetec.com, Inc.
Webster	Valerie	IPR-GDF SUEZ Energy Marketing NA

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2. ADMINISTRATION

The Subcommittee approved the minutes of the June 10, 2014 meeting by acclamation with no objections and no abstentions.

3. CREDIT APPLICATION PROGRAMMING INTERFACE (API)

4. Hal Loomis gave an update on the status of PJM providing an API for eCredit data. He stated that an API might possibly be available later this year.

5. RISK POLICIES

Mr. Loomis presented a PJM proposal to allow electronic submission of the Officer Certification form as well eliminating the notary requirement. He presented another PJM proposal that would allow members to certify that no changes of substance were made to the portions of their risk policies related to PJM activities instead of having to submit the risk policies each year. Both proposals were approved by consensus with no objections or abstentions. The proposal will be presented for a first reading at the MIC in August.

6. VIRTUAL TRANSACTIONS CREDIT REQUIREMENT TIMEFRAME

Mr. Loomis presented a stakeholder proposal to reduce the virtual transactions credit requirement from one day of submitted bids plus three days of cleared bids (1+3) to one day of submitted bids plus one day of cleared bids (1+1). The proposal would also exclude billed profits from the credit available for virtual transactions. The proposal was

approved by consensus with no objections or abstentions. The proposal will be presented for endorsement at the MIC in August.

7. DEMAND BID SCREENING

Mr. Loomis presented a PJM proposal to reject Demand Bids if they are 30% greater than and 10 MW above the LSE's calculated peak load reference point for the operating day. Exceptions could be authorized. Members requested that before going live in production that the screening be either available in the training environment for a period of time for member testing or that the peak load reference point be shown in production but not be active. The proposal was approved by consensus with no objections or abstentions. The proposal will be presented for a first reading at the MIC in August.

8. FTR ANALYSIS

Mr. Loomis presented recent analysis on FTR undiversified exposure. He stated that PJM will begin analyzing whether the 3X adder on undiversified portfolios can be replaced by a mechanism based on FTR paths rather than FTR portfolios.

9. PMA CREDIT REQUIREMENTS

Narmada Nanjundan of EKPC made a presentation on her company's proposal for changing the Peak Market Activity (PMA) calculation. Mr. Loomis then led a discussion on the PMA options matrix. Members suggested several items which will be added to the matrix for discussion at the next CS meeting on August 26. A member then made a proposal to move to the MIC the proposal to removal of virtual transaction profits and losses from the PMA calculation. The proposal was approved by consensus with no objections or abstentions. The proposal will be presented for a first reading at the MIC in August.

10. INC/DEC CREDIT REQUIREMENTS ALGORITHM

Mr. Loomis stated that since the current INC/DEC credit requirement appears to be rendering a reasonable balance between exposure and credit requirements, PJM plans to temporarily defer analysis of changes to the INC/DEC credit requirement algorithm in order to pursue other initiatives with the PJM resources available.



11. FUTURE AGENDA ITEMS

12. Members requested that a discussion of the Jan/Feb 2014 market prices and their impacts on Jan/Feb 2015 virtual transactions credit requirements be added to the CS agenda for August 26.

13. NEXT MEETING

14. August 26, 2014	1:30 pm – 4:00 pm	Teleconference
15. September 29, 2014	1:30 pm – 4:00 pm	Teleconference
16. October 29, 2014	1:30 pm – 4:00 pm	Teleconference

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