



**MEETING MINUTES**  
**FTR/ARR SENIOR TASK FORCE (FTRSTF)**  
**TELECONFERENCE / WEBEX**  
July 16, 2014  
9:30 am – 4:00 pm  
Meeting Number (#3)

**1. ADMINISTRATION (9:30-9:45)**

- Mr. Anders opened the meeting and reviewed the agenda.
- Mr. Chmielewski reviewed the meeting guidelines, performed roll call and reviewed the draft minutes. Minutes were approved and posted as final.
- Mr. Chmielewski reviewed the open action items. All current items are closed. Action item responses can be viewed [here](#).

**2. REVIEW POSTED EDUCATION MATERIALS (9:45-4:00)**

- Mr. Horger presented further education material on ARR/FTR Underfunding in response to several additional data requests from the June 25<sup>th</sup> meeting.

**BREAK (10:30-10:45)**

- Mr. Matijasich, Highlands Energy Group, LLC, presented information on the PS NORTH interface. PJM clarified that this interface was included in the Annual Auction in preparation for potential modeling in the DA and RT markets. To date, PJM has not had to utilize the PS North interface in the DA or RT markets.
- Mr. Bresler led a general conversation about the critical role closed loop interfaces play in limiting energy uplift payments by ensuring the actual cost of generation online for maintaining system reliability is reflected in the LMP. The potential trade-off for causing FTR underfunding due to reduced facility ratings was also discussed among the group.

**LUNCH (12:00-12:45)**

- Mr. Singh, J. Aron & Company, presented recent PJM Congestion Metrics and discussed several items impacting FTR Underfunding. A fundamental difference of opinion in regards to FTRs was noted several times. Mr. Singh commented that FTRs are by definition a hedging tool and thus DA congestion should only be included in revenue allocation. Monitoring Analytics holds the view that the FTR is a tool that allows for the allocation of total congestion revenues, which includes DA and balancing congestion.

**BREAK (2:40-2:55)**

- Mr. Hayik and Mr. Haas, Monitoring Analytics, presented eight suggestions for solving the FTR Underfunding problem. Three additional action items were requested in response to this presentation and can be viewed [here](#).



- Monitoring Analytics reiterated that recent FTR Underfunding is caused by the differences in the FTR, DA, and RT Models. Up-to Congestion Transactions are not a root cause to underfunding; however it is the opinion of MA that these transactions exacerbate the modeling differences.

### 3. INTEREST IDENTIFICATION

- It was the group consensus to begin interest identification at the August 4<sup>th</sup> meeting due to time constraints.

### 4. DESIGN COMPONENT DEVELOPMENT

- Design component development will begin at the August 4<sup>th</sup> meeting.

### 5. REVIEW OPEN ACTION ITEMS

- Open Actions can be viewed [here](#).

### 6. FUTURE MEETING DATES

#### 2014

August 4 <sup>th</sup>	9:30am – 4:00pm	Conference and Training Center / WebEx
August 27 <sup>th</sup>	9:30am – 4:00pm	Conference and Training Center / WebEx
September 17 <sup>th</sup>	9:30am – 4:00pm	Conference and Training Center / WebEx
October 2 <sup>nd</sup>	9:30am – 4:00pm	Conference and Training Center / WebEx
October 23 <sup>rd</sup>	9:30am – 4:00pm	Conference and Training Center / WebEx

Author: B. Chmielewski

#### Anti-trust:

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.

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**In-Person Attendees:**

LAST NAME	FIRST NAME	COMPANY	SECTOR
Anders	Dave	PJM Interconnection, LLC	Not Applicable
Borgatti	Michael	Gable and Associates	Not Applicable
Benchek	Jim	FirstEnergy Solutions Corporation	Transmission Owner
Bleiweis	Bruce	DC Energy LLC	Other Supplier
Bresler	Stu	PJM Interconnection, LLC	Not Applicable
Brodbeck	John	Potomac Electric Power Company	Electric Distributor
Chmielewski	Brian	PJM Interconnection, LLC	Not Applicable
Haas	Howard	Monitoring Analytics, LLC	Not Applicable
Hayik	Seth	Monitoring Analytics, LLC	Not Applicable
Horger	Tim	PJM Interconnection, LLC	Not Applicable
Hyzinski	Tom	PPL EnergyPlus, L.L.C	Transmission Owner
Johnson	Carl	Customized Energy Solutions, Ltd.*	Not Applicable
Keech	Adam	PJM Interconnection, LLC	Not Applicable
Kogut	George	New York Power Authority	Other Supplier
Maher	Mollie	PPL EnergyPlus, L.L.C.	Transmission Owner
Murphy	Shaun	PJM Interconnection, LLC	Not Applicable
O'Connell	Robert	JPMorgan Ventures Energy Corporation	Other Supplier
Pratzon	David	GT Power Group	Not Applicable
Reeping	Robert	Allegheny Power	Transmission Owner
Rohrbach	John	Southern Maryland Electric Corporation	Electric Distributor
Scott	Mark	Monument Energy, LLC	Not Applicable
Singh	Harry	J. Aron & Company	Other Supplier
Stadelmeyer	Rebecca	Exelon Business Services Company, LLC	Transmission Owner



Trayers	Barry	Citigroup Energy, Inc.	Other Supplier
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**WebEx/Teleconference Attendees:**

LAST NAME	FIRST NAME	COMPANY	Sector
Binder	Gerry	SESCO Enterprises LLC	Other Supplier
Brint	Juliana	Platts Megawatt Daily	Not Applicable
Bruce	Susan	McNees Wallace & Nurick LLC	Not Applicable
Brunner	Markus	Customized Energy Solutions, Ltd.*	Not Applicable
Canter	David	Appalachian Power Company (AEP Generation)	Transmission Owner
Citrolo	John	PSEG Energy Resources and Trade LLC	Transmission Owner
Dean	Evan	FirstEnergy Solutions Corporation	Transmission Owner
Erickson	Bruce	Allegheny Electric Cooperative, Inc.	Electric Distributor
Hastings	David	Market Interconnection, LLC	Not Applicable
Gorman	Kevin	Highlands Energy Group LLC (The)	Other Supplier
Greening	Michele	PPL EnergyPlus, L.L.C.	Transmission Owner
Griffiths	Dan	Consumer Advocates of PJM States	Not Applicable
Guo	J.J.	Appalachian Power Company	Transmission Owner
Horstmann	John	Dayton Power & Light Company (The)	Transmission Owner
Hurwich	Mark	Elliot Bay Trading, LLC	Not Applicable
Jones	Ryan	Allegheny Electric Cooperative, Inc.	Electric Distributor
Lieberman	Steven	Old Dominion Electric Corporation	Electric Distributor
Martin	Claude	North Carolina Electric Membership Corp	Electric Distributor
Matijasich	Martin	Highlands Energy Group, LLC (The)	Other Supplier
McAllister	Lisa	American Municipal Power, Inc.	Electric Distributor



McNally	Stephen	Long Island Lighting Company d/b/a LIPA	Other Supplier
Merola	Becky	Noble Americas Energy Solutions LLC	Other Supplier
Norton	Chris	American Municipal Power, Inc.	Electric Distributor
Ondayko	Brock	Appalachian Power Company	Transmission Owner
Pakela	Greg	DTE Energy Trading, Inc.	Other Supplier
Peebles	Andy	Shell Energy North America (US), LP	Other Supplier
Peoples	John	Duquesne Light Company	Transmission Owner
Quinlan	Pamela	Rockland Electric Company	Transmission Owner
Saini	Ishwar	Macquarie Energy LLC	Other Supplier
Shanker	Roy	H.Q. Energy Services (US), Inc.	Other Supplier
Sillin	John	The Federal Energy Regulatory Commission	Not Applicable
Sidhom	Noha	Pierce Atwood	Not Applicable
Sims	Paul	NAPG	Not Applicable
Skucas	Ruta	Pierce Atwood	Not Applicable
Suh	Jung	Noble Americas Energy Solutions LLC	Other Supplier
Ward	Roxanna	Kincaid Generation	Other Supplier
Zhang	Yi	Appalachian Power Company	Transmission Owner