

Markets and Reliability Committee
PJM, Conference and Training Center, Audubon, PA
August 23, 2018
9:00 a.m. –3:00 p.m. EPT

Administration (9:00-9:05)

Welcome, announcements and Anti-trust and Code of Conduct announcement – Ms. Suzanne Daugherty and Mr. Dave Anders

Endorsements/Approvals (9:05-11:40)

1. Draft Minutes (9:05-9:10)

Approve minutes of the July 26, 2018 meeting of the Markets and Reliability Committee (MRC).

2. PJM Manuals (9:10-9:20)

A. Mr. Art Wolfe will present general changes being made to Manual 14C: Generation & Transmission Interconnection Facility Construction. **The committee will be asked to endorse these manual revisions.**

3. Market Efficiency Process Enhancement Proposal (9:20-9:50)

A. Mr. Nicolae Dumitriu will present the Market Efficiency phase 1 proposal developed at the Market Efficiency Process Enhancement Task Force (MEPETF), and the associated Manual 14B and OA revisions. **The committee will be requested to endorse the proposal and Tariff revisions.**

B. Mr. Nicolae Dumitriu will present proposed Market Efficiency changes to Manual 14F: Competitive Planning Process. **The committee will be asked to endorse these manual revisions.**

4. Order 1000 Transmission Project Cost Containment Provisions (9:50-10:20)

Ms. Sharon Segner, LS Power, will move, and Ms. Susan Bruce, McNees Wallace & Nurick LLC on behalf of the PJM ICC, will second the motion to extend the deadlines for development of cost containment frameworks approved at the May 2018 MRC meeting. **The committee will be asked to endorse this item at its first reading.**

5. Financial Transmission Right (FTR) Liquidation Process (10:20-11:00)

A. Ms. Suzanne Daugherty will present a draft problem statement and issue charge related to the FTR liquidation process for which the first read was completed at the August 10, 2018 Special MRC on this topic. **The committee will be asked to approve this problem statement and issue charge.**

B. If this problem statement and issue charge are approved, Mr. Jason Barker, Exelon, will move and Ms. Adrien Ford, Old Dominion Electric Cooperative, will second a motion requesting PJM to file appropriate document(s) at FERC to discontinue offering any positions in the defaulted portfolio for

liquidation effective August 24, 2018 through November 30, 2018 in order for the committee to complete the work in the issue charge and submit any resulting governing document revisions to FERC for its consideration. **The committee will be asked to endorse this motion. If this motion passes, it will be presented for approval in a single agenda item August 23, 2018 Members Committee meeting to facilitate timely filing by PJM.**

6. Transmission Replacement Process (11:00-11:40)

- A. Mr. Ed Tatum, American Municipal Power (AMP), will present a proposal for addressing End of Life facilities in the PJM planning process, including revisions to Manual 14B: Regional Transmission Planning Process. **Based on the changes in this proposal compared with the proposal presented at the July 26, 2018 MRC meeting, this presentation will be considered the first read of AMP's current proposal.**
- B. Mr. Ken Seiler will discuss PJM's perspective on Manual 14B: Regional Transmission Planning Process to address End of Life facilities in the PJM planning process.

First Readings (11:40-1:55)

7. Behind-the-Meter Generation (11:40-12:00)

Mr. Pete Langbein will provide a first read of a proposal and associated manual revisions developed by the Distributed Energy Resources Subcommittee (DERS) that would give PJM and Transmission Owners better observability of Behind the Meter Generation resources. The committee will be asked to endorse this proposal and the associated manual revisions at its next meeting.

8. Market Seller Offer Cap Balancing Ratio Proposal (12:00-12:20)

Mr. Pat Bruno will present a first read of the market seller offer cap balancing ratio proposal approved by the Market Implementation Committee. The committee will be asked to endorse this proposal at its next meeting.

9. Quadrennial Review (12:20-12:40)

Mr. Gary Helm will present a first read of the Quadrennial Review packages and the voting results from the Market Implementation Committee meeting of August 8, 2018. An update of the PJM package will be discussed. The committee will be asked to endorse a package proposal at its next meeting.

10. Opportunity Cost Calculator (12:40-1:00)

Mr. Bob O'Connell, Panda, will present a first read of proposed Operating Agreement (OA) Schedule 2 revisions related to Opportunity Cost Calculators. The committee will be asked to endorse a package proposal at its next meeting.

Lunch (1:00-1:30)

11. Governing Documents Enhancement & Clarification Subcommittee (GDECS) (1:30-1:40)

Mr. Rami Dirani will present proposed Tariff and OA revisions developed by the GDECS. The Committee will be asked to endorse these proposed revisions at its next meeting.

12. PJM Manuals (1:40-1:55)

- A. Ms. Bilge Derin will present revisions to Manual 01: Control Center and Data Exchange Requirements. The committee will be asked to endorse the manual revisions at its next meeting.
- B. Ms. Gabrielle Genuario will review updates to Manual 15: Cost Development Guidelines as part of the Biennial Review. The committee will be asked to endorse these revisions at its next meeting.
- C. Mr. Jerry Bell will present the proposed changes to Manual 21: Rules & Procedures for Determination of Generating Capability. The committee will be asked to endorse these revisions at the next meeting.

Informational Updates (1:55-3:00)

13. FERC Order 844: Uplift Cost Allocation and Transparency (1:55-2:10)

Mr. Rami Dirani will provide an overview of OA revisions to comply with Order 844 to be filed on September 7.

14. Regulation Market Issues (2:10-2:25)

Mr. Adam Keech will discuss recent regulation market clearing price issues including a draft problem statement and issue charge.

15. Variable Operations and Maintenance (2:25-2:45)

Ms. Melissa Piong will provide stakeholders with an update on the feedback staff has received from stakeholders since the July MRC meeting. Ms. Piong will also review an updated proposal for stakeholder consideration which is documented in draft revisions to Manual 15: Cost Development Guidelines, the Operating Agreement and Tariff. The committee may be asked to endorse these proposed revisions at its next meeting, should a Member make such a motion.

16. Preliminary 2019 PJM Project Budget (2:45-3:00)

Mr. Jim Snow will review PJM's preliminary 2019 project budget.

Future Agenda Items (3:00)

Future Meeting Dates

September 27, 2018	9:00 a.m.	Valley Forge, PA
October 25, 2018	9:00 a.m.	Wilmington, DE
December 6, 2018	9:00 a.m.	Wilmington, DE
December 20, 2018	9:30 a.m.	Valley Forge, PA

Author: A. Egan

Antitrust:

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.

Public Meetings/Media Participation:

Unless otherwise noted, PJM stakeholder meetings are open to the public and to members of the media. Members of the media are asked to announce their attendance at all PJM stakeholder meetings at the beginning of the meeting or at the point they join a meeting already in progress. Members of the Media are reminded that speakers at PJM meetings cannot be quoted without explicit permission from the speaker. PJM Members are reminded that "detailed transcriptional meeting notes" and white board notes from "brainstorming sessions" shall not be disseminated. Stakeholders are also not allowed to create audio, video or online recordings of PJM meetings. PJM may create audio, video or online recordings of stakeholder meetings for internal and training purposes, and your participation at such meetings indicates your consent to the same.

Participant Identification in WebEx:

When logging into the WebEx desktop client, please enter your real first and last name as well as a valid email address. Be sure to select the "call me" option. PJM support staff continuously monitors WebEx connections during stakeholder meetings. Anonymous users or those using false usernames or emails will be dropped from the teleconference.

During a Meeting	During an Acclamation Vote
<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> <p>*1</p> <p>To enter the question queue (does not work during a vote)</p> </div> <div style="text-align: center;"> <p>*2</p> <p>To be removed from the question queue</p> </div> </div> <div style="text-align: center; margin-top: 20px;"> <p>*0</p> <p>To signal for PJM support staff assistance</p> </div>	<p>Please log-in to the voting application at voting.pjm.com, so that you can be registered as the active voter prior to the start of the meeting.</p> <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <div style="text-align: center;"> <p>*7</p> <p>Yes</p> </div> <div style="text-align: center;"> <p>*8</p> <p>No</p> </div> </div> <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <div style="text-align: center;"> <p>*9</p> <p>Abstain</p> </div> <div style="text-align: center;"> <p>*0</p> <p>To signal for PJM support staff assistance</p> </div> </div>
<p>Asking Question</p> <ul style="list-style-type: none"> • Entering *1 enters you into the question queue, the three dial tones are an auditory indication that you have successfully been placed in the queue. • Questions are taken during the meeting when natural breaks occur and are asked in the order they are received. 	
<p>Linking Teleconference Connection to WebEx</p> <p>To link your teleconference connection (audio presence) to your WebEx presence, please dial *29 and enter your Personal Identification Number. Once you are logged in to the WebEx, this PIN can be found under the "Meeting Info" tab of your WebEx window.</p>	

Join a Meeting	<ol style="list-style-type: none"> 1. Join meeting in the WebEx desktop client 2. Enter name (<i>First and Last*</i>) and corporate email 3. Under "Select Audio Option" select "Call Me" option from the dropdown menu
-----------------------	--

**Note: Anonymous users or those using false usernames or emails will be dropped from the teleconference.*

Provide feedback on the progress of this group: [Facilitator Feedback Form](#)
 Visit eam.pjm.com, an easy-to-understand resource about the power industry and PJM's role.