

Underperformance Risk Management Senior Task Force (URMSTF)

PJM Conference and Training Center

July 15, 2016

9:30 a.m. – 4:00 p.m. EPT

Administration

1. Ms. Rebecca Carroll, PJM, and Ms. Susan Kenney, PJM, provided administrative updates, performed roll call, and reviewed the Anti-trust, Code of Conduct, and Public Meetings/Media Participation Guidelines.
2. Minutes from the June 28, 2016 Underperformance Risk Management Senior Task Force meeting were approved with **0 objections and 0 abstentions**.

Underperformance Risk Management Education

3. Mr. Andy Gillespie and Dr. Matthew White, ISO New England, presented education on key design features of ISO-NE's Pay for Performance construct, including the opportunities for bilateral supply and the stop-loss mechanics. A clarification was received from ISO New England after the meeting that slide 11 of the posted meeting materials is outdated. In the third bullet, the stop-loss limit does not apply to the net capacity payments, it applies to the performance charge.

Underperformance Risk Management CBIR Process

4. Ms. Carroll led a discussion to review the design components and solution options developed for the Underperformance Risk Management topic. In addition, the supporting details that were added to the Design Component Details and Option Details tabs of the matrix were reviewed to provide clarity on previous items of discussion.
5. Ms. Carroll led a discussion to review the various proposed solution packages received from stakeholders prior to the meeting. After discussion, it was determined that Package B and Package C were proposing the same solution options; therefore, Package C was removed from consideration. Additional supporting details were requested regarding both Packages E and F. Both packages will be discussed further at the next meeting along with any additional packages that are submitted.

External Capacity Performance Enhancements Education

6. Ms. Jennifer Tribulski, PJM, presented education regarding the newly added Pro-Forma Pseudo-Tie Agreement design component and described how other ISOs have implemented similar agreements.

ECPE CBIR Process

7. Ms. Carroll led a discussion to review the design components and solution options developed for the External Capacity Performance Enhancements topic. Mr. Tim Horger, PJM, provided information regarding PJM's intent to develop a solution separately for future Delivery Years where an RPM Auction has not yet been run and a solution for existing pseudo tied units with long term firm external

service with roll over rights for uncommitted RPM years. More details supporting the solution for the latter will be discussed at the July 29th meeting.

8. PJM Staff reviewed their proposed solution package and answered member questions. Stakeholders were asked to send any solution options or packages for discussion at the next meeting to Susan Kenney (Susan.Kenney@pjm.com).

Meeting Recap and Future Agenda Items

Future Meeting Dates

July 29, 2016	9:30 a.m. – 4:00 p.m.	PJM Conference & Training Center/ WebEx
August 17, 2016	9:30 a.m. – 4:00 p.m.	PJM Conference & Training Center/ WebEx
August 31, 2016	9:30 a.m. – 4:00 p.m.	PJM Conference & Training Center/ WebEx
September 12, 2016	9:30 a.m. – 4:00 p.m.	PJM Conference & Training Center/ WebEx
September 19, 2016	9:30 a.m. – 4:00 p.m.	PJM Conference & Training Center/ WebEx
October 13, 2016	9:00 a.m. – 12:00 p.m.	PJM Conference & Training Center/ WebEx
October 19, 2016	9:30 a.m. – 4:00 p.m.	PJM Conference & Training Center/ WebEx
November 10, 2016	9:00 a.m. – 12:00 p.m.	PJM Conference & Training Center/ WebEx
November 21, 2016	9:30 a.m. – 4:00 p.m.	PJM Conference & Training Center/ WebEx
December 7, 2016	9:30 a.m. – 4:00 p.m.	PJM Conference & Training Center/ WebEx
December 21, 2016	9:30 a.m. – 4:00 p.m.	PJM Conference & Training Center/ WebEx

In Attendance

Carroll, Rebecca (Facilitator)	PJM Interconnection, LLC	Not Applicable
Kenney, Susan (Secretary)	PJM Interconnection, LLC	Not Applicable
Barker, Jason	Exelon Business Services Company, LLC	Transmission Owner
Bastian, Jeff	PJM Interconnection, LLC	Not Applicable
Berner, Aaron	PJM Interconnection, LLC	Not Applicable
Bruno, Patrick	PJM Interconnection, LLC	Not Applicable
Canchi, Devendra	Monitoring Analytics, LLC	Not Applicable
Dadourian, John	Monitoring Analytics, LLC	Not Applicable
Del Viscio, Michael	PJM Interconnection, LLC	Not Applicable
Esterly, Terri	PJM Interconnection, LLC	Not Applicable
Fitch, Neal	NRG Power Marketing LLC	Generation Owner
Greiner, Gary	PSEG Energy Resources and Trade LLC	Other Supplier
Horger, Tim	PJM Interconnection, LLC	Not Applicable
Horstmann, John	Dayton Power & Light Company (The)	Transmission Owner
Johnson, Carl	Customized Energy Solutions, Ltd.*	Not Applicable
Josyula, Siva	Monitoring Analytics, LLC	Not Applicable
Keech, Adam	PJM Interconnection, LLC	Not Applicable
Kilgallen, Kevin	Iberdrola	Generation Owner
Kogut, George	New York Power Authority	Other Supplier
Manning, James	North Carolina Electric Membership Corporation	Electric Distributor
Mielhke, Tracy	PJM Interconnection, LLC	Not Applicable
Militello, Nicole	PJM Interconnection, LLC	Not Applicable
O'Connell, Robert	Main Line Electricity Market Consultants	Not Applicable
Pratzon, David	GT Power Group	Not Applicable
Scarpignato, David	Calpine Energy Services, L.P.	Generation Owner
Stadelmeyer, Rebecca	PJM Interconnection, LLC	Not Applicable



Draft Minutes

In Attendance via WebEx/Conference Call

Ainspan, Malcolm	Energy Curtailment Specialists, Inc.	Other Supplier
Austin, Larry	PJM Interconnection, LLC	Not Applicable
Benчек, Jim	FirstEnergy Solutions Corp.	Other Supplier
Bhavaraju, Murty	PJM Interconnection, LLC	Not Applicable
Bolan, Martin	FirstEnergy Solutions Corp.	Transmission Owner
Bruce, Susan	McNees, Wallace and Nurick LLC	Not Applicable
Campbell, Bruce	EnergyConnect, Inc.	Other Supplier
Carmean, Gregory	Organization of PJM States, Inc	Not Applicable
Coyle, Billy	Dominion Virginia Power	Not Applicable
Davis, Connie	City of Cleveland, DPU, Div of Cleveland Public Pwr	Electric Distributor
DeLosa, Joseph	DE Public Service Commission	Not Applicable
DiNicola, Laura	FirstEnergy Corporation	Not Applicable
Dugan, Chuck	East Kentucky Power Cooperative, Inc.	Transmission Owner
Erbrick, Michael	DHASTCo, LLC	Not Applicable
Esposito, Pati	TransCanada Power Marketing Ltd.	Other Supplier
Farber, John	DE Public Service Commission	Not Applicable
Filomena, Guy	Customized Energy Solutions, Ltd.*	Not Applicable
Garnett, Bryan	Duke Energy Ohio, Inc.	Transmission Owner
Gebolys, Debbie	Public Utilities Commission of Ohio (The)	Not Applicable
Gillespie, Andrew	ISO New England	Not Applicable
Griffiths, Dan	Consumer Advocates of PJM States	Not Applicable
Hastings, David	DHASTCo, LLC	Not Applicable
Helms, Joseph	Rainbow Energy Marketing Corporation	Other Supplier
Hoatson, Tom	Riverside Generating, LLC	Other Supplier
Horton, Dana	Appalachian Power Company	Transmission Owner
Hsia, Eric	PJM Interconnection, LLC	Not Applicable
Hyzinski, Tom	Talen Energy Marketing, LLC	Generation Owner
Johnson, Nick	Tenaska Power Services Co.	Generation Owner
Jones, Ryan	Allegheny Electric Cooperative, Inc.	Electric Distributor
Kelly, Stephen	Brookfield Energy Marketing LP	Other Supplier
Kothakapu, Rakesh	Illinois Municipal Electric Agency	Electric Distributor
Lacy, Catharine	Dominion Virginia Power	Not Applicable
Liang-Nicol, Cecilia	Monongahela Power Company d/b/a Allegheny Power	Transmission Owner
McAlister, Lisa	American Municipal Power, Inc.	Electric Distributor
Midgley, Sharon	Exelon Business Services Company, LLC	Transmission Owner
Norton, Chris	American Municipal Power, Inc.	Electric Distributor
Ondayko, Brock	Appalachian Power Company	Transmission Owner
O'Neill, Jack	PJM Interconnection, LLC	Not Applicable
Patten, Kevin	Appalachian Power Company	Transmission Owner
Riding, MQ	Essential Power OPP, LLC	Transmission Owner
Sasser, Jonathan	Customized Energy Solutions, Ltd.*	Not Applicable
Shanker, Roy	H.Q. Energy Services (U.S.), Inc.	Other Supplier
Singer, Chad	Fellon McCord	Not Applicable
Snyder, John	Energy Authority (The)	Other Supplier
Walter, Laura	PJM Interconnection, LLC	Not Applicable
Weiss, Glenn	PJM Interconnection, LLC	Not Applicable
White, Dr. Matthew	ISO New England	Not Applicable
Whitehead, Jeffrey	Direct Energy Business Marketing, LLC	Other Supplier
Wilson, Rob	Illinois Municipal Electric Agency	Electric Distributor
Wisersky, Megan	Madison Gas & Electric Co.	Other Supplier
Yu, Joel	Rockland Electric Company	Transmission Owner