



**MINUTES**  
PJM Interconnection  
Capacity Senior Task Force (CSTF)  
PJM Conference and Training Center  
May 24, 2012 (meeting #5); 9:30 – 3:00

Attendees – In Person

Last Name	First Name	Company Name	Sector
Baker	Scott	PJM Interconnection, LLC	Not Applicable
Brodbeck	John	Shell Energy North America (US), LP	Other Supplier
Burlew	Sarah	PJM Interconnection, LLC	Not Applicable
Carretta	Kenneth	Public Service Electric & Gas Company	Transmission Owner
DeGeeter	Ralph	Maryland Public Service Commission	Not Applicable
Ellis	Jeffrey	Edison Mission Marketing & Trading, Inc.	Generation Owner
Esposito	Patricia	NRG Power Marketing LLC	Generation Owner
Fabiano	Janell	PJM Interconnection, LLC	Not Applicable
Fitch	Neal	GenOn Energy Management, LLC	Generation Owner
Ford	Adrien	PJM Interconnection, LLC	Not Applicable
Horstmann	John	Dayton Power & Light Company (The)	Transmission Owner
Hugee	Jacquelyn	PJM Interconnection, LLC	Not Applicable
Kerecman	Joseph	Calpine Energy Services	Generation Owner
Keshavamurthy	Bhavana	PJM Interconnection, LLC	Not Applicable
Loomis	Harold	PJM Interconnection, LLC	Not Applicable
Mabry	David	McNees Wallace & Nurick LLC	Not Applicable
McDonald	Steve	Customized Energy Solutions, Ltd.	Not Applicable
Miller	Don	FirstEnergy Solutions Corporation	Transmission Owner
O'Connell	Robert	JPMorgan Ventures Energy Corporation	Other Supplier
Pratzon	David	Exelon Generation Co., LLC	Transmission Owner
Riding	M.Q.	NAEA Ocean Peaking Power, LLC	Generation Owner
Schofield	William	Customized Energy Solutions, Inc.	Not Applicable
Stadlmeyer	Rebecca	Exelon Generation Co., LLC	Transmission Owner
Stuchell	Jeff	FirstEnergy Solutions Corporation	Transmission Owner
Weber	Sharon	PPL EnergyPlus, L.L.C.	Transmission Owner
Wilson	James	Wilson Energy Economics	Not Applicable

Attendees – Teleconference

Last Name	First Name	Company Name	Sector
Anders	Dave	PJM Interconnection, LLC	Not Applicable
Barker	Jason	Baltimore Gas and Electric Company	Transmission Owner
Bhavaraju	Murty	PJM Interconnection, LLC	Not Applicable
Burner	Robert	Duke Energy Business Services, Inc.	Generation Owner
Campbell	Bruce	EnergyConnect, Inc.	Other Supplier
Carmean	Gregory	Maryland Public Service Commission	Not Applicable
Citrolo	John	PSEG Energy Resources and Trade LLC	Transmission Owner



Clover	Bernita	Duquesne Light Company	Transmission Owner
Consoli	Dannine	Energy Curtailment Specialists, Inc.	Other Supplier
Filomena	Guy	Customized Energy Solutions, Ltd.	Not Applicable
Freeman	Al	Michigan Public Service Commission	Not Applicable
Gil	David	NextEra Energy Power Marketing, LLC	Generation Owner
Gilani	Rehan	ConEdison Energy, Inc.	Other Supplier
Hamilton	T.L.	North American Electricity, Platts (Media)	Not Applicable
hanson	Mark	Illinois Commerce Commission	Not Applicable
Hoatson	Tom	Riverside Generating, LLC	Other Supplier
Howatt	Bob	Maryland Energy Administration	Not Applicable
Huntoon	Stephen	NextEra Energy Power Marketing, LLC	Generation Owner
Jennings	Ken	Duke Energy Commercial Asset Mgmt (CGE)	Generation Owner
Jeremko	Steven	New York State Electric & Gas Corporation	Other Supplier
Kogut	George	FirstEnergy Solutions Corporation	Transmission Owner
Lee	Michael	Federal Energy Regulatory Commission	Not Applicable
Leimann (ES)	John	Dominion Virginia Power	Not Applicable
Lieberman	Steven	Old Dominion Electric Cooperative	Electric Distributor
Marton	David	FirstEnergy Corporation	Transmission Owner
Maye	Shelly-Ann	North American Power Partners LLC	Other Supplier
Moore	John	The Sustainable FERC Project	Not Applicable
Pakela	Gregory	DTE Energy Trading, Inc.	Other Supplier
Ragsdale	Lee	North Carolina Electric Membership Corporation	Electric Distributor
Siegrist	Hal	GenOn Energy Management, LLC	Generation Owner

**1. Administration**

Ms. Burlew called the meeting to order and Mr. Baker called roll. Mr. Baker reviewed the minutes from 05.04.2012 (meeting #4), which were approved without changes.

**2. Issue Work Plan**

Mr. Schofield expressed concern over the timeline the group is following and commented that he did not feel an urgent need to establish a LTCA prior to the next BRA. Mr. Liebermann seconded that comment and asked to poll the group to see if there was support for slowing down the market development process. Ms. Burlew asked that we revisit the timeline at the end of the meeting.

Mr. Horstmann commented on whether or not there was still a need for the LTCA given the recent results of the BRA.

**3. Long-term Capacity Auction – Non-binding Survey**

Ms. Burlew led a discussion of the results of the non-binding survey. Results are posted in the 05.24.2012 meeting materials on the CSTF webpage.

Mr. Schofield commented on the possible confusion of respondents given conflicting results of design components #1 and #19. This may represent the need for more education on the design component options.

Mr. Horstmann commented that we don't have a feel for the credit requirements associated with design component #19. This comment led to a discussion on credit.



**4. Overview of Credit Implications**

Mr. Loomis led a discussion of credit implications of different market design solution options and walked through the credit scenarios of auction results previously used by Mr. Bastian in the education presentation for solution package #1. Mr. Loomis also directly addressed Mr. Horstmann’s comment by walking through a generator default example and the credit implications thereof. Mr. Loomis’ slides are posted on the CSTF website under the 05.24.2012 meeting materials

**5. Long-term Capacity Auction Matrix – Reduce Solution Packages**

Ms. Burlew reviewed the current status of the Matrix and led a discussion on design components ID #1, #2, #6, #10, and #16 – which are some of the more critical features the market design. Because the poll results indicate decent support for packages #1 and #3, the suggestion was made to create new packages that were slight modifications to packages #1 and #3, rather than create whole new packages from scratch. One suggestion was to label these packages “1a” and “3a”. The beginnings of a package “1a” started to be filled out in the Matrix.

**6. Task Force Timeline**

Ms. Burlew led a discussion regarding the timeline to address concerns raised at the start of the meeting. The group decided not to meet on May 31<sup>st</sup> to allow for more discussion between stakeholders on the solution packages. In addition, the sentiment from the group is that the process is moving too quickly to develop a viable auction design and format with broad support. A discussion topic for the next meeting will be the FERC filing to be made on August 1<sup>st</sup>.

**7. Future meeting dates**

June 6, 2012	9:30 – 3:00	In-person & WebEx
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Author: Scott Baker  
DM #: #7000621

**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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