

# ***JCM and Market-to-Market Initiatives***



## **October 2006 Report**



# Joint and Common Market Initiatives

Complete	Cost 3 Year Gross Benefit		
Implementation	Cost 3 Year Gross Benefit	New Evaluation	Cost N/A
Evaluation	Cost 3 Year Gross Benefit	Not Recommended	Cost 3 Year Gross Benefit

Commercial	1	FTR Market Convergence	Alignment of FTR Timelines and Products (Note: All MISO cost)	\$600,000 \$3,008,657			Cross Border FTRs in the allocations	\$4,000,000 Analyzing
							Cross border FTRs in auctions	\$8,000,000 \$4,374,524
	2	Price Rationalization and Convergence at the Border			PJM implementation of marginal losses	\$600,000 N/A		
					Alternative Border Pricing Point Calculation	\$200,000 Analyzing		
	3	Reduce Hurdle Rate	Alignment of PJM Operating Reserves and MISO Revenue Sufficiency Guarantee (Note: All MISO cost)	\$600,000 \$3,764,432	Depancaking of PTP ancillary services (Control Area Services, T.O. Control Center Services, Reactive, Black Start)	\$400,000 (\$2,505,757)		
	4	Broader Price Transparency and Common Reporting	Existing MISO & PJM Websites Linking of sites Data Available at Both Sites (LMPs, Tie Flows, Loads)	\$500,000 \$1,952,165	Standard Data Exchange (Web Services) LMPs, Contingencies, Loads, Dispatch Signals, Outages, Emergency Event/Notifications	\$3,000,000 \$2,547,477	Implementation of single MISO & PJM Website (Individual Websites go away)	\$750,000 N/A
			Common Search Capabilities	\$200,000 \$1,125,000			Standard Data Visualization and Reporting Portal Create a single MISO & PJM Data and Report Portal	\$8,500,000 \$4,158,174
			Enhanced Joint Website to Host Joint meeting and Events Calendar, Joint Documents and	\$600,000 \$1,125,000				
	5	Increased Market Opportunities	Moving JOUs between markets	\$100,000 \$156,851			Shared Regulation Market	\$8,000,000 Analyzing
	6	Operational Consistency	Common Long Term Transmission Queue	\$200,000 \$1,091,108	Common Time Zones (Note: All PJM cost)	\$5,000,000 N/A	Single Resource Adequacy Solution	\$8,000,000 N/A
			MISO Ramp Viewer	\$150,000 \$913,703	Central location to view both ramp viewers	\$100,000 \$1,527,405	Common Ramp Portal	\$750,000 \$2,091,108
			Alignment of OASIS Business Practices	\$500,000 \$1,365,867	Coordinated OASIS	\$1,200,000 Analyzing		
			Single OASIS	\$8,000,000 \$6,168,760	Reserve Sharing	\$8,000,000 N/A		
			Common Treatment of Dynamic Schedules/Pseudo-Ties	\$200,000 \$382,934	Market to Market Relaxation of Constraints	\$80,000 Analyzing		
			Investigation of Loop Flow Across the Combined Footprint	Analyzing Analyzing	Dynamic Dispatchable Transactions and Schedules	Analyzing Analyzing		
			Market Flow Threshold	Analyzing Analyzing	Netting in the IDC	Analyzing Analyzing		
	7	Single Market	Year 1 - Rule Alignment & Market Portal Design	\$15,000,000 \$5,000,000	Year 2 - Initial Market Portal Implementation	\$40,000,000 \$27,000,000	Year 3-5 - Implementation of Single Market	\$50,000,000 \$34,700,000
Reliability	1	Emergency Energy Agreement	Alignment of Agreements and Practices	\$100,000 Reliability				
	2	Black Start and Restoration			Alignment of Agreements and Practices	\$500,000 \$936,000		
Plan	1	Joint Expansion Planning and Common Deliverability Studies	Joint Expansion Planning (Coordinated System Plan)	\$20,000 Reliability				
	2		Common Deliverability Studies	\$100,000 Reliability				
	3		Cross Border Cost Sharing of Expansions	Reliability				
Total		Costs 3-Year Gross Benefit	2006	\$3,870,000 \$14,885,717	2007	\$1,200,000 \$2,463,405	2008	\$750,000 \$2,091,108



# ***JCM Committed Initiatives***



# FTR Alignment

## Milestone Summary

C	Analyze Product
C	Stakeholder Review
G	Develop System Requirements
G	Modify Applications
G	Conduct Testing
G	Implement Changes

**G** Overall Status

## JCM Leads

- Midwest ISO: R. Doying
- PJM: S. Bresler

## Legend

C	Completed
G	On Target – No Issues
Y	Need to watch – Some Issues
R	In Jeopardy – Significant Issues

## KEY ACCOMPLISHMENTS

- Completed product analysis.
- Midwest ISO stakeholders have approved alignment of some aspects of FTR products, i.e., adoption of ARR for annual allocation and continuance of annual and monthly FTR auctions.
- Midwest ISO Transmission Rights Task Force (TRTF) has formally approved changes for consideration by the Market Subcommittee.
- September 12, 2006, Market Subcommittee approved TRTF recommendation.

## UPCOMING ACTIVITIES

- Tariff changes will be bundled with Long Term Transmission Rights Order Compliance filing due January 29, 2007.
- Development of implementation timeline.
- Continued TRTF meetings to evaluate PJM Long-Term FTR proposal and develop Midwest ISO proposal.

## ISSUES & CONCERNS

- Midwest ISO stakeholders have voted to maintain seasonal peak and off-peak nature of products.
- Further product and timeline alignment will require additional stakeholder efforts. Midwest ISO stakeholders recommended a new joint-stakeholder initiative after completion of current Midwest ISO effort.

# OR & RSG Alignment

## Milestone Summary

C	Analyze Product
R	Stakeholder Review
R	Develop System Requirements
G	Modify Applications
G	Conduct Testing
G	Implement Changes

**R** Overall Status

## JCM Leads

- Midwest ISO: R. Doying
- PJM: S. Bresler

## Legend

C	Completed
G	On Target – No Issues
Y	Need to watch – Some Issues
R	In Jeopardy – Significant Issues

## KEY ACCOMPLISHMENTS

- FERC issued tolling order granting request for rehearing and allowed the Commission more time to consider whether to modify the order.
- Midwest ISO cancelled July RSG Task Force Meeting pending further action by FERC.
- Significant reductions in PJM OR and the Midwest IOS RSG charges have occurred since in November 2005.

## UPCOMING ACTIVITIES

- Continued RSG Task Force meetings.
- Continued PJM Stakeholder meetings.
- Planned joint meeting of RSG Task Force and Reserves Market Working Group.

## ISSUES & CONCERNS

- FERC Order re: Midwest ISO RSG filing may impact timeline for RSG Task Force and subsequent filing of changes to EMT.
- Clearly different camps in terms of causation versus predictability (unclear that we will get to common rules).
- PJM is also considering changes (moving targets for both organizations) making close coordination imperative. PJM stakeholders have not been able to reach consensus on changes considered to date within the PJM process.

# PJM Marginal Losses

## Milestone Summary

C	Stakeholder Review
C	Complete FERC Filings
G	Develop System Requirements
G	Modify Applications
G	Conduct Testing
G	Implement Changes

**G** Overall Status

## KEY ACCOMPLISHMENTS

- June 2, 2006, PJM filed motion with FERC to postpone October 2, 2006 implement date.
- June 23, 2006, FERC issued an order granting delay of implementation to June 1, 2007.
- August 3, 2006, PJM filed with FERC agreement changes required to implement marginal losses.

## UPCOMING ACTIVITIES

- Potential order from FERC on PJM's August 3, 2006, compliance filing.

## JCM Leads

- Midwest ISO: E. Skiba
- PJM: S. Bresler

## Legend

C	Completed
G	On Target – No Issues
Y	Need to watch – Some Issues
R	In Jeopardy – Significant Issues

## ISSUES & CONCERNS

- No issues at this time.

# Price Transparency – Link PTP & eData

## Milestone Summary

C	Identify Data for Display / Download
C	Evaluate Technical Alternatives
Y	Modify System
Y	Conduct Testing
Y	Implement Changes to Link eData & PTP

**Y** Overall Status

## JCM Leads

- Midwest ISO: E. Skiba
- PJM: C. Hendrzak

## Legend

C	Completed
G	On Target – No Issues
Y	Need to watch – Some Issues
R	In Jeopardy – Significant Issues

## KEY ACCOMPLISHMENTS

- Vendor contour map coding changes complete
- Midwest ISO connection to eData has been established
- PJM connection to Midwest ISO site has been established

## UPCOMING ACTIVITIES

- Complete internal coding changes.
- Complete testing of data exchanges.

## ISSUES & CONCERNS

- RTOs need to identify differences in the synchronization of data delivery timeframes and calculations and develop approaches for those differences.
- Completion date, which was November 1<sup>st</sup> will be delayed. Anticipating completion by no later than the end of November.



# Common Long Term Transmission Queue

## Milestone Summary

C	Identify Differences Between Midwest ISO & PJM
C	Develop Common LT Trans. Queue Process
C	Determine if FERC Filing is Required
G	Develop Business Practices and Manuals
G	Conduct Stakeholder Reviews
G	Roll Out Business Practices and Manuals

**G** Overall Status

## JCM Leads

- Midwest ISO: E. Skiba
- PJM: M. Bryson

## Legend

C	Completed
G	On Target – No Issues
Y	Need to watch – Some Issues
R	In Jeopardy – Significant Issues

## KEY ACCOMPLISHMENTS

- Midwest ISO and PJM have outlined a process flow for managing the work of a common study.
- RTOs have determined that a FERC filing will not be required for this initiative.
- October 5, 2006 Midwest ISO conducted stakeholder review.

## UPCOMING ACTIVITIES

- Revise/develop business practices and manuals.

## ISSUES & CONCERNS

- PJM is investigating how the Ad Hoc Study group could be incorporated into the PJM process and if there would be any Tariff implications.



# Alignment of OASIS Business Practices

## Milestone Summary

C	Analyze Midwest ISO & PJM Business Practices
C	Stakeholder Review
C	Develop Tariff Language Changes
C	Stakeholder Review – Tariff Language
G	Develop Business Practices
G	Stakeholder Review – Business Practices
G	Develop System Requirements
G	Modify Applications
G	Conduct Testing
G	Implement Changes

**G** Overall Status

## JCM Leads

- Midwest ISO: E. Skiba
- PJM: M. Bryson

## Legend

C	Completed
G	On Target – No Issues
Y	Need to watch – Some Issues
R	In Jeopardy – Significant Issues

## KEY ACCOMPLISHMENTS

- Midwest ISO changes will be limited to configuration changes.
- Midwest ISO filed tariff changes on September 29, 2006.
- PJM filed tariff changes on October 6, 2006.

## UPCOMING ACTIVITIES

- Revise business practices and take through stakeholder process.
- Confirm system/configuration changes can be completed and implemented by the end of year.

## ISSUES & CONCERNS

- No issues at this time

# Common Treatment Dynamic Sched./Pseudo-Ties

## Milestone Summary

C	Develop System Requirements
C	Modify Applications
Y	Conduct Testing
Y	Implement Changes

**Y** Overall Status

## KEY ACCOMPLISHMENTS

- Software delivered and installed in integration environment.
- User Acceptance Testing began on September 29, 2006

## UPCOMING ACTIVITIES

- Midwest ISO testing to continue through October with an expected November implementation date.

## JCM Leads

- Midwest ISO: E. Skiba
- PJM: M. Bryson

## Legend

C	Completed
G	On Target – No Issues
Y	Need to watch – Some Issues
R	In Jeopardy – Significant Issues

## ISSUES & CONCERNS

- Software was delivered later than originally planned.

# Market Flow Threshold

## Milestone Summary

C	Conduct Analysis
C	Develop Draft Recommendation
C	Review Recommendation with CMPWG
C	Review Recommendation with CMPC
C	Finalize Recommendation to ORS
C	Present Recommendation to ORS
C	ORS Action on Recommendation
G	Submit SAR/Waivers to NERC
G	Obtain Approval SAR/Waivers
G	Modify Systems
G	Test Changes
G	Implement Changes
G	Overall Status

## JCM Leads

- Midwest ISO: T. Mallinger
- PJM: J. Burlew

## Legend

C	Completed
G	On Target – No Issues
Y	Need to watch – Some Issues
R	In Jeopardy – Significant Issues

## KEY ACCOMPLISHMENTS

- ORS task force met on August 8, 2006, and in a split vote approved recommendation to take to the ORS which requests a temporary change in market flow threshold from 0% to 3% for a period of 12 months.
- ORS approved Task Force recommendation.
- ORS agreed the CMPWG/ORS Task Force should continue working on the Netting in IDC issue.
- Split Market Flow Threshold and Netting in the IDC into two separate JCM initiatives.

## UPCOMING ACTIVITIES

- Submit SAR to NERC to change the threshold in the standard and seek waivers for the period of time until the market flow threshold is changed.

## ISSUES & CONCERNS

- MAPP wants to continue with analysis of data related to changing the market flow threshold.

# Relaxation of Constraints

## Milestone Summary

C	Tech. Software Design Document
C	Obtain Estimates from Vendor
G	Modify Applications
G	Conduct Testing
G	Implement Changes

**G** Overall Status

## KEY ACCOMPLISHMENTS

- Technical software design document developed.
- Midwest ISO and PJM have received preliminary estimates from AREVA.

## UPCOMING ACTIVITIES

- Establish implementation timeline.
- Prioritize initiative and obtain funding for effort.

## JCM Leads

- Midwest ISO: T. Mallinger
- PJM: S. Bresler

## Legend

C	Completed
G	On Target – No Issues
Y	Need to watch – Some Issues
R	In Jeopardy – Significant Issues

## ISSUES & CONCERNS

- Need to coordinate with the Independent Market Monitor.

# Emergency Energy – Align Agreements & Practices

## Milestone Summary

C	Identify Agreements to be Replaced
C	Doc. Legal, Regulatory, Corp. Structure Issues
Y	Draft Tariff Changes
Y	Review Tariff Changes with Tariff WG
Y	Review Tariff Changes with Market Sub-Comm.
Y	Review Tariff Changes with Advisory Comm.
Y	Make Appropriate Regulatory Filings
Y	Draft New Emergency Energy Agreements
Y	Implement New Emergency Energy Agreements

Y

**Overall Status**

## JCM Leads

- Midwest ISO: E. Skiba
- PJM: M. Bryson

## Legend

C	Completed
G	On Target – No Issues
Y	Need to watch – Some Issues
R	In Jeopardy – Significant Issues

## KEY ACCOMPLISHMENTS

- Midwest ISO completed draft language for Schedule E: Emergency Energy Transactions, which is currently under review by PJM.
- Draft tariff changes were reviewed with Midwest ISO Market Sub-Committee (MSC)

## UPCOMING ACTIVITIES

- Second review of tariff changes with the Midwest ISO Market Sub-Committee.
- Review tariff changes with the Midwest ISO Advisory Committee.
- Midwest ISO to file Emergency Energy Tariff changes.
- Midwest ISO and PJM to complete Emergency Energy Transaction agreement.

## ISSUES & CONCERNS

- Tariff changes will not be filed until December due to Midwest ISO sixty day freeze on filing tariff changes starting October 1, 2006.
- RTOs cannot take title to energy, so agreements must state that RTOs will buy on behalf of market participants.
- Based on feedback from stakeholder Midwest ISO Executives have requested a reassessment on approach to Emergency Energy.



# Joint Expansion Planning (Coordinated System Plan)

## Milestone Summary

C	Develop Common Model
C	Initial Analysis
C	Stakeholder Appr. Interim Results (IPSAC)
G	Complete Analysis & Prelim. Report
G	Stakeholder Input on Draft Report (IPSAC)
G	Complete & Publish CSP Report

**G** Overall Status

## KEY ACCOMPLISHMENTS

- IPSAC stakeholder meeting to review interim results July 25th.
- Completed initial analysis of N-2 Contingencies for 345kV and greater.

## UPCOMING ACTIVITIES

- Complete Joint Expansion Plan Analysis - joint generator deliverability, n-2 and common market analysis.

## JCM Leads

- Midwest ISO: E. Skiba
- PJM: M. Bryson

## Legend

C	Completed
G	On Target – No Issues
Y	Need to watch – Some Issues
R	In Jeopardy – Significant Issues

## ISSUES & CONCERNS

- No issues at this time.



# Common Deliverability Studies

## Milestone Summary

C	Complete Initial Analysis in CSP
C	Initial Analysis
C	Stakeholder Appr. Interim Results (IPSAC)
G	Complete Analysis & Prelim. Report
G	Stakeholder Input on Draft Report (IPSAC)
G	Identification of Common Deliverability Impacts on System

**G** Overall Status

## JCM Leads

- Midwest ISO: E. Skiba
- PJM: M. Bryson

## Legend

C	Completed
G	On Target – No Issues
Y	Need to watch – Some Issues
R	In Jeopardy – Significant Issues

## KEY ACCOMPLISHMENTS

- IPSAC stakeholder meeting held July 25, 2006.
- Development of 2011 joint planning base system model.

## UPCOMING ACTIVITIES

- RTOs review results of preliminary common deliverability study with stakeholders at November 16, 2006 IPSAC meeting.
- Begin planning Phase 2 (identifying potential policy, procedures, and tariff changes)

## ISSUES & CONCERNS

- No issues at this time.

# Cross Border Cost Sharing of Expansion

## Milestone Summary

C	File Policy Baseline Reliability Projects
C	Order on Reliability Filing
C	Compliance Filing on Reliability Filing
C	File Extensions with FERC
C	FERC issues Order for Technical Conference
R	Conduct Technical Conference
R	File 2 <sup>nd</sup> Extension for Econ X Border Allocation
R	FERC Staff submit findings to Commission
R	FERC Issues Order
R	Continue Stakeholder discussions
R	File Policy Cross Border Alloc. Econ. Project Costs

**R** Overall Status

## JCM Leads

- Midwest ISO: E. Skiba
- PJM: M. Bryson

## Legend

C	Completed
G	On Target – No Issues
Y	Need to watch – Some Issues
R	In Jeopardy – Significant Issues

## KEY ACCOMPLISHMENTS

- September 21 FERC issued order for technical conference call to discuss cross-border cost allocation sharing.

## UPCOMING ACTIVITIES

- Cross-Border Reliability Cost Allocation Technical Conference.
- Request extension to Cross-Border Cost Sharing for Economic Expansion pending clarification from FERC.
- Milestones for this project will need to be reset based on the Technical Conference ordered by FERC.

## ISSUES & CONCERNS

- Additional activities ordered by FERC on September 21, 2007 will impact completing this initiative by the end of 2006.
- FERC staff has 150 days from September 17, 2006 to report to the Commission on information developed from the technical conference.

# Black Start and Restoration

## Milestone Summary

G	Compare Midwest ISO/PJM Processes
G	Identify Tariff, Regulatory, Reliability Issues
G	Obtain Stakeholder Approval to Proceed
G	Make Regulatory Filings
G	Modify Policies, Procedures, Applications, etc.
G	Provide Training and Implement Changes

**G** Overall Status

## JCM Leads

- Midwest ISO: T. Mallinger
- PJM: M. Bryson

## Legend

C	Completed
G	On Target – No Issues
Y	Need to watch – Some Issues
R	In Jeopardy – Significant Issues

## KEY ACCOMPLISHMENTS

## UPCOMING ACTIVITIES

- Note: This initiative is scheduled to start in 2007.

## ISSUES & CONCERNS

# Central Location to View Both Ramp Viewers

## Milestone Summary

G	Develop Business Requirements
G	Design Central Location & Select Appropriate Technology
G	Build and Test Central Location
G	Provide Training and Implement Changes

**G** Overall Status

## JCM Leads

- Midwest ISO: E. Skiba
- PJM: M. Bryson

## Legend

C	Completed
G	On Target – No Issues
Y	Need to watch – Some Issues
R	In Jeopardy – Significant Issues

## KEY ACCOMPLISHMENTS

- RTO staffs have met to discuss requirements for this initiative

## UPCOMING ACTIVITIES

- Note: This initiative is scheduled to start in 2007.

## ISSUES & CONCERNS

# ***JCM Further Analysis Initiatives***

# Alt. Border Pricing Point Calculation

## Milestone Summary

Y	Perform Analysis
G	Identify Changes
G	Stakeholder Review
G	Decision Point on Cost Benefit Analysis

**G** Overall Status

## JCM Leads

- Midwest ISO: T. Mallinger
- PJM: S. Bresler

## Legend

C	Completed
G	On Target – No Issues
Y	Need to watch – Some Issues
R	In Jeopardy – Significant Issues

## KEY ACCOMPLISHMENTS

- PJM and the Midwest ISO are conducting internal review of options with the intent of producing a white paper.
- PJM provided data to Midwest ISO to conduct proxy bus analysis

## UPCOMING ACTIVITIES

- Continuing analysis of Alternative Border Pricing Point Calculation Options.

## ISSUES & CONCERNS

- Initiative is on hold pending completion of analysis on proxy bus prices.



# Coordinated OASIS

## Milestone Summary

G	Perform Analysis
G	Stakeholder Review
G	Decision Point on Cost Benefit Analysis

**G** Overall Status

## JCM Leads

- Midwest ISO: E. Skiba
- PJM: M. Bryson

## Legend

C	Completed
G	On Target – No Issues
Y	Need to watch – Some Issues
R	In Jeopardy – Significant Issues

## KEY ACCOMPLISHMENTS

- PJM and Midwest ISO met on September 18, 2006 to define goals and objectives for this initiative.
- Midwest ISO developing preliminary scope and estimates for proposed options 1 & 2.

## UPCOMING ACTIVITIES

- The Midwest ISO and PJM will look at additional alternatives for a coordinated OASIS.
- The Midwest ISO and PJM will conduct internal analysis on the proposed initiatives.
- Joint review of analysis is scheduled for October 25, 2006.

## ISSUES & CONCERNS

- No issues at this time.

# Dynamic Dispatch. Sched/Dispatch. Trans

## Milestone Summary



Review Analysis with Stakeholders

Determine Next Steps



Overall Status

## JCM Leads

- Midwest ISO: T. Mallinger
- PJM: S. Bresler

## Legend



Completed

On Target – No Issues

Need to watch – Some Issues

In Jeopardy – Significant Issues

## KEY ACCOMPLISHMENTS

## UPCOMING ACTIVITIES

## ISSUES & CONCERNS

- Initiative is on hold pending completion of analysis on proxy bus prices.

# Investigate Loop Flow Across Combined Footprint

## Milestone Summary

C	Obtain Tag Data
C	Obtain Midwest ISO/PJM Market Flow Data
G	Obtain Non-Market Gen-to Load Data
G	Conduct Analysis – Tag Data
G	Conduct Analysis Market Flow Data
G	Conduct Additional Analysis
G	Produce Loop Flow Final Report

**G** Overall Status

## JCM Leads

- Midwest ISO: Tom Mallinger
- PJM: M. Bryson

## Legend

C	Completed
G	On Target – No Issues
Y	Need to watch – Some Issues
R	In Jeopardy – Significant Issues

## KEY ACCOMPLISHMENTS

- Midwest ISO and PJM have exchanged tag data.
- IESO and TVA tag data received from OATI.
- Received approval to obtain New York ISO tag data.
- Obtained market flow data for Midwest ISO and PJM.
- PJM created single interface pricing point for Southeast and Southwest transactions effective October 1, 2006.

## UPCOMING ACTIVITIES

- Determine whether non-market gen-to-load data is available from OATI.
- Quantify contributors to loop flows on selected interfaces (MECS-PJM, TVA-PJM, & Michigan-Ontario).
- Next steps to be determined after study is complete.

## ISSUES & CONCERNS

- No issues at this time.

# Netting in the IDC

## Milestone Summary

G	Conduct Analysis
G	Develop Draft Recommendation
G	Review Preliminary Recommendation with ORS
G	Conduct Detail Analysis/Cost Estimates
G	Prepare Final Recommendation to ORS
G	Present Recommendation to ORS
G	ORS Action on Recommendation



Overall Status

## KEY ACCOMPLISHMENTS

- ORS agreed the CMPWG/ORS task force should continue its analysis of netting in the IDC.
- This initiative has been split from the Market Flow Threshold since it is on a separate path.

## UPCOMING ACTIVITIES

- Develop milestones for completing analysis on netting in the IDC.

## JCM Leads

- Midwest ISO: T. Mallinger
- PJM: J. Burlew

## Legend

C	Completed
G	On Target – No Issues
Y	Need to watch – Some Issues
R	In Jeopardy – Significant Issues

## ISSUES & CONCERNS

- Participation in task force of people who express concern about the netting in the IDC.

# Shared Regulation Market

## Milestone Summary

G	Resolve CA Consolidation Issues
G	Analyze Options Shared Reg. Mkt.
G	Perform Detail Study
G	Identify Changes Policies, Procedures, applications, etc.
G	Review Results with Stakeholders
G	Go/No Go Decision

**G** Overall Status

## JCM Lead

- Midwest ISO: D. Taylor
- PJM: S. Bresler

## Legend

C	Completed
G	On Target – No Issues
Y	Need to watch – Some Issues
R	In Jeopardy – Significant Issues

## KEY ACCOMPLISHMENTS

- Midwest ISO version 1 Ancillary Services Market Business Rules were completed and released to stakeholders.
- Midwest ISO Contingency Reserve Sharing Agreement, Schedules and Operating Protocols were filed with the FERC on August 25, 2006.

## UPCOMING ACTIVITIES

- Note: The analysis for this initiative is to be completed in 2007.
- Expand scope to include ancillary services market.
- Midwest ISO proofs of concepts are in progress to confirm ability of current and future environments to meet business requirements.
- Midwest ISO white paper on demand curves, scarcity pricing, contingency reserve deliverability clearing and pricing issues to supplement the Market Rules is under development.
- Midwest ISO Contingency Reserve Sharing Business Rules are being defined.

## ISSUES & CONCERNS

- Before this initiative can be evaluated and implemented, it is necessary for control area consolidation and reserve market issues in the Midwest ISO need to be resolved.



# Cross Border FTRs in the Allocations

## Milestone Summary

G	Determine allocation process changes to create alignment
G	Define business rules for resolving differences
G	Perform Detail Cost/Benefit Analysis
G	Review Results with Stakeholders
G	Go/No Go Decision

**G** Overall Status

## JCM Lead

- Midwest ISO: R. Doying
- PJM: S. Bresler

## Legend

C	Completed
G	On Target – No Issues
Y	Need to watch – Some Issues
R	In Jeopardy – Significant Issues

## KEY ACCOMPLISHMENTS

## UPCOMING ACTIVITIES

## ISSUES & CONCERNS

- Additional effort on allocation timeline and product alignment must occur prior to initiation of Cross Border FTR analysis.



# ***Completed Initiatives***

# Completed Initiatives

## Committed Initiatives

- Midwest ISO Ramp Viewer
- Moving JOUs Between Markets
- Broader Price Transparency – Common Search Engine
- Broader Price Transparency – Enhanced Joint Website

## Require Further Analysis

- Production Cost Study
- Common Time Zones – PJM Move to EST (Decision not to proceed with initiative)