

JCM Initiatives Review



**Joint Stakeholder Meeting
Carmel, IN
June 1, 2007**



Joint and Common Market Initiatives



Complete	Cost 3 Year Gross Benefit	Evaluation	Cost 3 Year Gross Benefit
Implementation	Cost 3 Year Gross Benefit	Not Recommended	Cost 3 Year Gross Benefit

		2006		2007		2008	
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 Analyzing	\$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 \$8,500,000
			Enhanced Joint Website to Host Joint meeting and Events Calendar, Joint Documents and Reports	\$600,000 \$1,125,000			Create a single MISO & PJM Data and Report Portal \$4,158,174
	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 \$1,000,000	
			Investigation of Loop Flow Across the Combined Footprint	N/A Analyzing	Dynamic Dispatchable Transactions and Schedules	Analyzing Analyzing	Netting in the IDC Analyzing Analyzing
			Market Flow Threshold Assessment	N/A Reliability	Market Flow Threshold Reported to IDC	\$300,000 Reliability	
					Outage Coordination	N/A Reliability	
	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			Super Regional Reserve Sharing Analyzing Analyzing
	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	Cross Border Cost Sharing of Expansions	Reliability	
	2		Common Deliverability Studies	\$100,000 Reliability			
Total			Costs 3-Year Gross Benefit	2006 \$3,770,000 \$14,885,717	2007 \$1,580,000 \$3,463,405	2008 \$750,000 \$2,091,108	



JCM Overarching Objectives

A group of initiatives that are intended to result in achievement of the following objectives have been identified in a series of stakeholder sessions:

- *Provide the highest level of inter-regional reliability.*
- *Deliver the lowest cost energy and ancillary services to load across the combined Midwest ISO and PJM regions.*
- *Plan, build and operate the combined Midwest ISO and PJM transmission facilities for maximum joint benefit across the region.*

Initiatives have been, or will be, assessed in a cost / benefit analysis and the results presented back to stakeholders for implementation decisions.

Committed Initiatives: PJM and Midwest ISO have committed to initiating the stakeholder processes and other tasks necessary for implementing these initiatives.



JCM 2006/2007 Initiatives

1) Alignment of FTR Timelines and Products

- Align Midwest ISO FTR products with PJM FTR products.
- Align Midwest ISO FTR allocation and auction timeframes with PJM FTR allocation and auction timeframes.

2) PJM Implementation of Marginal Losses (Complete)

- Achieve a greater level of price convergence and rationalization at the RTO border.

3) Alignment of Operating Reserves/Revenue Sufficiency Guarantee Products

- Allocate Operating Reserves (OR) and Revenue Sufficiency Guarantee (RSG) charges similarly to reduce the hourly volatility of these charges in the Midwest ISO market.

4) Website Common Search Capabilities (Complete)

- Implement one search engine that searches both the PJM and Midwest ISO public websites.

5) Existing Midwest ISO Price Transparency Portal and PJM eData Websites – Linking of Sites (Complete)

- Link the existing PJM eData and Midwest ISO Price Transparency Portal sites together.
- Exchange a subset of data (LMP, Instantaneous Load, Tie Flows) and make available for display and download.

6) Enhanced Joint Website (Complete)

- Create one new joint website that hosts PJM and Midwest ISO common information (e.g. joint meeting and event calendars, joint documents and reports).

Committed Initiatives: PJM and Midwest ISO have committed to initiating the stakeholder processes and other tasks necessary for implementing these initiatives.



JCM 2006/2007 Initiatives (cont.)

7) Moving Joint Owned Units Between Markets (Complete)

- Allow selection of PJM or Midwest ISO Markets to sell output of certain Joint Owned Units.

8) Common Long Term Transmission Queue (Complete)

- Create a common long-term transmission queue that facilitates easier scheduling of annual, cross-border firm transmission service requests.

9) Midwest ISO Ramp Viewer (Complete)

- Provide the Midwest ISO Market Participants with the ability to view ramp.

10) Central Location to View Both Ramp Viewers

- Develop a central location where both Midwest ISO and PJM ramp viewers can be accessed.

11) Alignment of OASIS Business Practices (Complete)

- Align timing requirements between PJM and the Midwest ISO associated with transmission service requests.

12) Common Treatment of Dynamic Schedules/Pseudo Ties (Complete)

- In general, participants desire the flexibility to allow their generating units to participate directly in the RTO of their primary interest, even if those units are not physically located in that RTO. Providing this flexibility means implementing dynamic schedules the same way in each RTO.

Committed Initiatives: PJM and Midwest ISO have committed to initiating the stakeholder processes and other tasks necessary for implementing these initiatives.



JCM 2006/2007 Initiatives (cont.)

13) Market to Market Relaxation of Constraints

- Further the convergence of shadow prices (under certain conditions) calculated on Reciprocal Coordinated Flowgates.

14) Black Start and Restoration - Align Agreements and Practices

- Coordinate system restoration plans and jointly evaluate critical black start resources.

15) Emergency Energy Agreement - Alignment of Agreements and Practices (No Action)

- Former Control Area Operators of PJM and Midwest ISO had emergency energy agreements in place to facilitate the sale of energy during emergency conditions. While these agreements existed prior to RTO development, Midwest ISO and PJM may not be a legal party to the agreement. Midwest ISO and PJM would need to replace these existing agreements with emergency energy agreements between the RTOs.
- **Midwest ISO decision to not move forward with this initiative.**

16) Joint Expansion Planning - Coordinated System Plan (Complete)

- Regional expansion plans will include coordinated planning to incorporate evaluation of impacts on other RTO facilities and required facility upgrades.

17) Common Deliverability Studies (Complete)

- Generation deliverability studies will include common criteria and study to obtain results, which demonstrate if units are deliverable in both RTOs and if they are not deliverable in both RTOs what system constraints limit the deliverability.

18) Cross Border Cost Sharing of Expansions

- Cross-border allocation of cost sharing for reliability and for economic expansions.

Further Action Needed Initiatives: Certain initiatives have been identified as potential additional elements to the joint and common market; however, further evaluation of these initiatives is required to determine if they will be recommended for implementation.



JCM 2006/2007 Initiatives (cont.)

1) Alternative Border Pricing Cost-Benefit Analysis

- Perform an analysis to determine whether alternate methods for calculating RTO Interface Pricing Points would more effectively indicate the impact of RTO to RTO transactions on transmission constraints impacting both RTOs.

2) Common Time Zones – PJM Move to EST (No Action)

- Perform a cost-benefit analysis to determine the benefits Midwest ISO and PJM participants would receive from implementing the use of a common time zone across the entire footprint. Midwest ISO's systems are currently on EST. PJM currently operates on EPT. The recommendation would be to move PJM's system to EST to align with the Midwest ISO system.

3) Coordinated OASIS Cost-Benefit Analysis

- Perform a cost-benefit analysis to determine the benefits Midwest ISO and PJM participants would receive from coordinating the evaluation of short term transmission service on the RTO OASIS nodes.

4) Single Market Production Cost Study (Complete)

- Perform a production cost study to determine the benefits to the participants of Midwest ISO and PJM becoming a single market.

5) Dynamic Dispatchable Transactions/Dynamic Dispatchable Schedules

- Perform a study to determine the viability of implementing dynamic dispatchable transactions or dynamic dispatchable schedules to further drive the convergence of proxy bus prices.

Further Action Needed Initiatives: Certain initiatives have been identified as potential additional elements to the joint and common market; however, further evaluation of these initiatives is required to determine if they will be recommended for implementation.

JCM 2006/2007 Initiatives (cont.)

6) Market Flow Threshold Analysis (Complete)

- Develop recommendation for the ORS on reporting a change in market flow threshold reported to the IDC to be used when assigning TLR relief obligation. The outcome of this analysis generated the Market Flow Threshold Reported to the IDC Initiative.

7) Market Flow Threshold Reported to the IDC

- The Midwest ISO and PJM will participate in a 12-month field test where the market flow threshold will be changed from down to zero percent to down to three percent for use by the IDC to request relief when a TLR is called.

8) Netting in the IDC

- Develop recommendation for the ORS on netting in the IDC.

9) Investigation of Loop Flow Across the Combined Footprint (Complete)

- Analysis of loop flow impacts on the Midwest ISO and PJM Markets and Operations. The results of this initiative may create additional initiatives.

10) Super Regional Reserve Sharing (No Action)

- Create a Super-Regional Reserve Sharing (SRRS) arrangement consisting of existing Reserve Sharing Groups and/or Reserve Markets that would voluntarily participation in emergency energy transactions.

Further Action Needed Initiatives: Certain initiatives have been identified as potential additional elements to the joint and common market; however, further evaluation of these initiatives is required to determine if they will be recommended for implementation.



JCM 2006/2007 Initiatives (cont.)

11) Cross Border FTRs in the Allocations

- Align the process by which FTRs/ARRs are allocated in the two markets.

Note: This analysis will be conducted in late 2007.

12) Shared Regulation Market

- A larger market operated over both RTO footprints would result in more efficient procurement of the Regulation service by the RTOs. PJM and Midwest ISO to evaluate feasibility.

Note: This analysis will be conducted in late 2007.

13) Outage Coordination (Complete)

- Reliability Coordinators to develop enhanced process for sharing and coordination of planned outage information.

JCM Committed Initiatives



FTR Alignment

Milestone Summary

C	Analyze Product
C	Stakeholder Review
C	Submit Filings to FERC
C	Develop Business Rules
C	Finalize Functional Requirements
G	Design and Development
G	Build and Test
G	Update Process and Procedures
G	Customer Training
G	Cutover to Production Phase 1
G	Cutover to Production Phase 2

G Overall Status

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

KEY ACCOMPLISHMENTS

- Midwest ISO has begun Design and Development phase of project.
- PJM Markets and Reliability Committee has approved an intra-planning year transmission rights allocation similar to the current Midwest ISO process.
- FERC on May 17, 2007:
 - Approved PJM's compliance filing on Long Term Transmission Rights (LTTR).
 - Accepted the Midwest ISO LTTR proposal subject to modifications.

UPCOMING ACTIVITIES

- Midwest ISO to submit compliance filings on June 18, 2007 and July 17, 2007.
- PJM to submit status report regarding continued stakeholder discussion on potential uplift mechanisms to FERC by November 30, 2007.
- Midwest ISO stakeholder discussion concerning FTR under funding uplift mechanism.

ISSUES & CONCERNS

- None at this time.

OR & RSG Alignment

Milestone Summary

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

R Overall Status

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

KEY ACCOMPLISHMENTS

- FERC issued Midwest ISO RSG Order on Rehearing – October 26, 2006.
- Midwest ISO submitted Compliance filings to October 26, 2006, Order on November 27, 2006, and December 26, 2006.
- Significant reductions in PJM OR and the Midwest ISO RSG charges have occurred since in November 2005.
- Midwest ISO received two FERC orders related to RSG on March 15, 2007.

UPCOMING ACTIVITIES

- Continued PJM Stakeholder meetings.
- Midwest ISO is anticipating a FERC Order with regards to virtual transactions by end of first quarter 2007.
- Midwest ISO will develop project plan based on requirements in the FERC Order.

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

C Overall Status

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

KEY ACCOMPLISHMENTS

- PJM implemented marginal losses on June 1, 2007.

UPCOMING ACTIVITIES

ISSUES & CONCERNS

- No issues at this time.

Relaxation of Constraints

Milestone Summary

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

Y 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

- Midwest ISO and PJM agreed to scope of initiative.
- Estimates have been provided by vendor.
- Milestones have been revised based on the Spring 2008 implementation.

UPCOMING ACTIVITIES

- Agreement changes will be taken through the RTOs stakeholder processes.
- RTOs to explore potential of partial implementation of initiative before Spring 2008.
- RTOs will explore options for a manual interim process until software modifications can be implemented.

ISSUES & CONCERNS

- Based on Midwest ISO's software priority and to avoid duplicative effort required to implement this initiative in the current production environment and the new ASM software, the project has been scheduled for Spring 2008.

Central Location to View Both Ramp Viewers

Milestone Summary

C	Develop Business Requirements
C	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: C. Advena

Legend

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

KEY ACCOMPLISHMENTS

- RTO's will exchange 48 hours of Ramp information for display in each RTO's Ramp Viewer applications.
- Midwest ISO and PJM will exchange data for display in their internal applications.
- Midwest ISO has developed revised estimates for project.

UPCOMING ACTIVITIES

- Revise timeline based on estimates from Midwest ISO and PJM.

ISSUES & CONCERNS

- No issues at this time.

Black Start and Restoration

Milestone Summary

C	Midwest ISO Technical Whitepaper
C	Determine Tariff, Regulatory, Reliability Issues
Y	Obtain Midwest ISO Stakeholder Approval
Y	Compare Midwest ISO & PJM Processes
Y	Midwest ISO Develop Tariff Changes
G	Submit Regulatory Filings
G	Modify Policies, Procedures, Applications, Systems
G	Provide Training and Implement Changes

G **Overall Status**

JCM Leads

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

Legend

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

KEY ACCOMPLISHMENTS

- Midwest ISO Market Subcommittee and Reliability Subcommittee identified four areas that will require additional work: Selection of Black Start Units, Compensation, Cost and Self Supply.
- Ad hoc group consisting of MSC and RSC members have met to address remaining outstanding items.

UPCOMING ACTIVITIES

- Ad hoc group has targeted July Midwest ISO MSC meeting to obtain approval on pricing mechanism.
- Compare Midwest ISO and PJM processes.
- Begin work on developing tariff language.

ISSUES & CONCERNS

- None 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
C	Conduct Technical Conference
C	File 2 nd 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: S. Pincus

Legend

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

KEY ACCOMPLISHMENTS

- FERC granted indefinite extension for economic cross border cost allocation sharing compliance filing.
- FERC issued order on PJM rate design on April 19th (Docket EL05-121-000).

UPCOMING ACTIVITIES

- FERC decisions on Midwest ISO and PJM latest filings, on the methodology for reliability project cross-border cost allocation methodology.
- FERC Order establishing a schedule for completing stakeholder processes and filing proposed economic project cross-border cost allocation methodology.

ISSUES & CONCERNS

- None at this time.

JCM Further Analysis Initiatives



Market Flow Threshold Reported to IDC

Milestone Summary

C	Develop Detail Project Plan
C	Vendor Requirement Specifications
Y	System Development
Y	Test System Changes
G	Mock Production Run
G	Cutover to Production

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

- Obtained 12-month field test approval from NERC Standards Committee.
- IDC, NNL Impact Calculator, and NNL Allocation Engine modifications to support this initiative are nearly complete.
- Midwest ISO reviewed its seams agreements and Energy Market Tariff (EMT) to determine changes required to support this initiative.
- Finalized revised implementation plan.

UPCOMING ACTIVITIES

- Complete testing to support PJM implementation.
- PJM to begin 12-month Field Test by June 1, 2007.
- Midwest ISO to begin Field Test in Fall 2007. (NERC requested field test start by June 1, 2007 or in the fall 2007.)

ISSUES & CONCERNS

- None 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

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

- Decision was made to place this initiative on hold until the market flow threshold field test has started for Midwest ISO, PJM, and SPP.

UPCOMING ACTIVITIES

ISSUES & CONCERNS

- No issues at this time.

Investigate Loop Flow Across Combined Footprint

Milestone Summary

C	Obtain Tag Data
C	Obtain Midwest ISO/PJM Market Flow Data
C	Obtain Non-Market Gen-to Load Data
C	Conduct Analysis – Tag Data
C	Conduct Analysis Market Flow Data
C	Quantify Contributors – Selected Interfaces
C	Generate Final Report – Selected Interfaces
C	Identify Next Steps

C Overall Status

JCM Leads

- Midwest ISO: T. Mallinger
- PJM: C. Advena

Legend

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

KEY ACCOMPLISHMENTS

- Final report has been posted on the joint website.

UPCOMING ACTIVITIES

- New JCM initiative will be created for Phase 2 Loop Flow Study of flowgates within the Combined Footprint.

ISSUES & CONCERNS

- None at this time.

Coordinated OASIS

Milestone Summary

C	Perform Analysis
C	Stakeholder Review
G	Develop Cost Benefits/Estimate
G	Conduct Internal Stakeholder Reviews
G	Review Results at Joint Stakeholder Meetings

G Overall Status

JCM Leads

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

Legend

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

KEY ACCOMPLISHMENTS

- Midwest ISO has completed its cost estimate for Coordinated OASIS.

UPCOMING ACTIVITIES

- NASEB and NERC to submit to FERC work plan for Order No. 890 activities by June 13, 2007.
- Midwest ISO and PJM to review Coordinated OASIS JCM initiative in light of other OASIS changes required by Order No. 890.

ISSUES & CONCERNS

- A number of OASIS changes will be required by FERC Order No. 890.
- Work Plan for designing and implementing FERC Order 890 OASIS changes is unknown.
- It is unknown to what extent the Order No. 890 will require changes to or supersede the design developed for the Coordinated OASIS.
- Midwest ISO and PJM recommend further work on this initiative be temporarily suspended until:
 - The NAESB work plan is filed at FERC.
 - The RTOs have a clear understanding of the OASIS changes which will be required by Order 890.
 - A timeline has been established for implementing OASIS changes to meet the Order 890 requirements.

Outage Coordination

Milestone Summary

C	Develop Inter-regional Outage Coordination White Paper
C	Conduct Internal RTO Reviews
C	Stakeholder Review
C	Implement Inter-regional Outage Coordination White Paper

C Overall Status

JCM Lead

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

Legend

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

KEY ACCOMPLISHMENTS

- Midwest ISO, PJM, TVA, and SPP have implemented the inter-regional Outage Coordination White Paper.

UPCOMING ACTIVITIES

ISSUES & CONCERNS

- None at this time.

Alt. Border Pricing Point Calculation

Milestone Summary

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

Y 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

- Midwest ISO and PJM have completed initial analysis on proxy bus prices. When differences occur in proxy bus prices the differences generally converged within relatively short time frames.

UPCOMING ACTIVITIES

- Results of analysis on proxy bus prices will be presented at the June 1, 2007, Joint Stakeholder Meeting.

ISSUES & CONCERNS

- None 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

- Midwest ISO and PJM have completed initial analysis on proxy bus prices. When differences occur in proxy bus prices the differences generally converged within relatively short time frames.

UPCOMING ACTIVITIES

- Results of analysis on proxy bus prices will be presented at the June 1, 2007, Joint Stakeholder Meeting.
- RTOs to continue analysis of border price differentials as upcoming implementations of other JCM initiatives occur.
- RTOs are conducting preliminary analysis to determine if initiative should be taken off “hold” status.

ISSUES & CONCERNS

- None at this time.

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: 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

UPCOMING ACTIVITIES

- Analysis on this initiative will begin in late 2007.

ISSUES & CONCERNS

- None at this time.

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

- Analysis on this initiative will begin in late 2007.

ISSUES & CONCERNS

- None at this time.

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
- Broader Price Transparency – Link Midwest ISO PTP and PJM eData sites
- Common Long-Term Transmission Queue
- Alignment of OASIS Business Practices
- Emergency Energy Agreements – Alignment of Agreements and Practices (Decision not to proceed with initiative)
- Joint Expansion Planning (Coordinated System Plan)
- Common Deliverability Studies
- Common Treatment of Dynamic Schedules and Pseudo Ties
- PJM Marginal Losses

Require Further Analysis

- Production Cost Study
- Common Time Zones – PJM Move to EST (Decision not to proceed with initiative)
- Market Flow Threshold Assessment (Decision to move forward with 12-month field test)
- Super Regional Reserve Sharing (Decision not to proceed with this initiative)
- Investigation of Loop Flow Across the Combined Footprint
- Outage Coordination