JCM Initiatives Update

March 2009





Projects Remaining for Completion

Complete

Implementation

Evaluation

			Project	Completion Date
Commercial	1	FTR Market Convergence	Cross Border FTRs in the allocations	On Hold
	2	Reduce Hurdle Rate	Alignment of PJM Operating Reserves and MISO Revenue Sufficiency Guarantee (Note: All Midwest ISO cost)	2010
	3	Increased Market Opportunities	Shared Regulation Market	On Hold
	4	Operational Consistency	Market to Market Relaxation of Constraints	2009
			Common Ramp Portal	2009
			Coordinated OASIS	On Hold
			Netting in the IDC	On Hold
			Dynamic Dispatchable Transactions and Schedules	2010
Reliability	1	Black Start and Restoration	Alignment of Agreements and Practices	2009
Plan	1	Joint Expansion Planning and Common Deliverability Studies	Cross Border Cost Sharing of Expansions	2009





JCM Committed





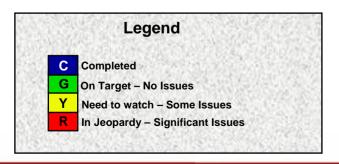
OR & RSG Alignment



Overall Status

JCM Leads

- Midwest ISO: M. Robinson
- PJM: S. Bresler



KEY ACCOMPLISHMENTS

- On August 21, 2008, the FERC issued an Order Commencing Paper Hearing regarding the allocation of RSG charges to Market Participants. Briefs were filed by Complainants on September 22, 2008, with Reply Briefs filed October 10, 2008.
- On October 7, 2008, the Midwest ISO Market Subcommittee passed motions recommending that the Midwest ISO make a 205 filing using the RSG Redesign Proposal, with additional approved changes.
- On November 10, 2008, FERC issued an Order that required Midwest ISO to remove language restricting Real Time RSG allocation to Market Participants that "actually withdraw energy." The Midwest ISO is currently in the process of resettling the market.
- On February 23, 2009, Midwest ISO filed a Section 205 filing outlining its RSG Re-Design Proposal and associated tariff language. Currently awaiting a FERC decision.
- PJM Members Committee endorsed package of Balancing Operating Reserves credit and allocation changes at its November, 2007 meeting. The package of changes was implemented December 1, 2008.

UPCOMING ACTIVITIES

• The original scope of this initiative has been superseded by actions taken by the FERC. Stakeholders may revisit it at some future point in time.

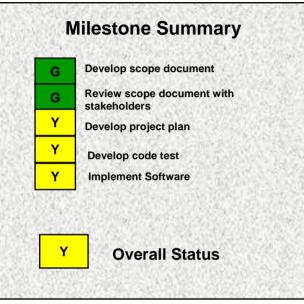
ISSUES & CONCERNS

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None.

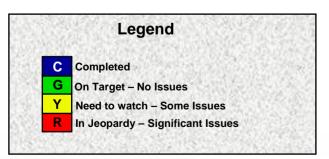


Common Ramp Portal



JCM Leads

- Midwest ISO: J. Marshall
- PJM: C. Advena



KEY ACCOMPLISHMENTS

• Midwest ISO and PJM agreed to high-level detail design.

UPCOMING ACTIVITIES

• Develop detailed design.

ISSUES & CONCERNS

• Implementation of this initiative has been delayed until resources become available. Anticipated implementation by December 31, 2009.



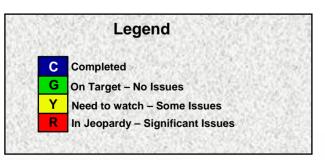


Black Start and Restoration



JCM Leads

- Midwest ISO: D. Subatki
- PJM: C. Advena



KEY ACCOMPLISHMENTS

- Midwest ISO made a compliance filing regarding Blackstart Service Compensation November 26, 2008.
- Initial draft of BPM 19 for Blackstart and System Restoration Service complete.

UPCOMING ACTIVITIES

- Midwest ISO will present draft BPM 19 for Blackstart and System Restoration Service for review at the May 12, 2009, Emergency Preparedness/Power System Restoration Working Group Meeting (EP/PSRWG) with finalization expected in July.
- Completion of training anticipated by October 2009.

ISSUES & CONCERNS



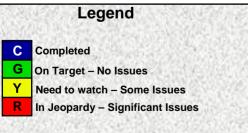
• None.



Cross Border Cost Sharing of Expansion



- Midwest ISO: J. Webb
- PJM: S. Pincus



KEY ACCOMPLISHMENTS

- On January 28, 2009, Midwest ISO and PJM submitted revisions to the Joint Operating Agreement to address cross border cost allocation for economic projects.
- Midwest ISO and PJM filed response to protests and comments on March 5, 2009.

UPCOMING ACTIVITIES

- Order from FERC on Midwest ISO and PJM revisions to the Joint Operating Agreement and responses to comments if needed.
- Initial order received on March 24, 2009.
- FERC to issue a second order on the proposed changes to the Joint Operating Agreement.

ISSUES & CONCERNS

None





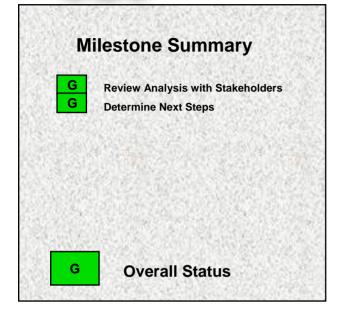
JCM Further Analysis





Dynamic Dispatch. Sched./Dispatch. Trans.

None.



JCM Leads

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



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

• Analysis started, projected completion anticipated in 2010.

ISSUES & CONCERNS

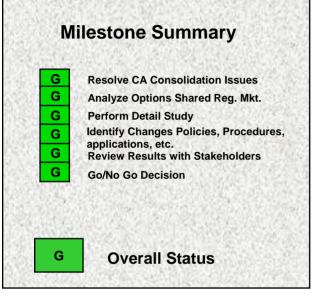


JCM Hold



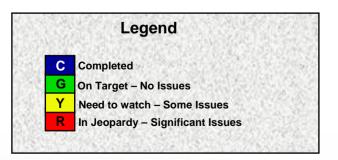


Shared Regulation Market



JCM Lead

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



KEY ACCOMPLISHMENTS

• Midwest ISO commenced its Ancillary Services Market January 6, 2009.

UPCOMING ACTIVITIES

• 2009 will be focused on data collection. The decision on whether to move forward with implementation will not occur until 2010.

ISSUES & CONCERNS

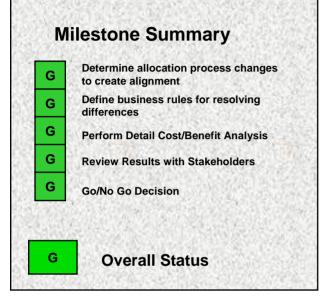


None.



Cross Border FTRs in the Allocations

None.



JCM Lead

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



KEY ACCOMPLISHMENTS

• The 2008-2010 FTR Projects Survey results were discussed at the March 4, 2008, Midwest ISO Market Subcommittee Meeting. The Cross Border FTRs in the Allocations Project was ranked as the third priority and will not be targeted for completion in 2009.

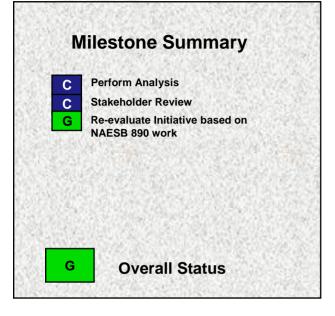
UPCOMING ACTIVITIES

• The Market Subcommittee is setting the priority for this initiative.

ISSUES & CONCERNS



Coordinated OASIS



JCM Leads

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



KEY ACCOMPLISHMENTS

• At the June 1, 2007, JCM Joint Stakeholder meeting it was agreed to place this initiative on hold pending definition of NAESB OASIS changes resulting from FERC Order Number 890.

UPCOMING ACTIVITIES

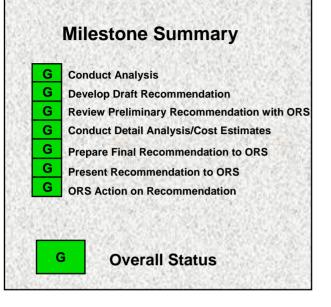
• NAESB work on Coordinated OASIS will not be completed until 2010. Decision will be made if additional coordination is needed at that time.

ISSUES & CONCERNS



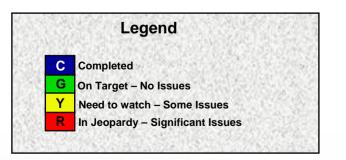


Netting in the IDC



JCM Leads

- Midwest ISO: T. Mallinger
- PJM: F. Koza



KEY ACCOMPLISHMENTS

UPCOMING ACTIVITIES

• Initiation of analysis will not begin until 2010.

ISSUES & CONCERNS



• None.



Completed





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
- Joint Expansion Planning (Coordinated System Plan)
- Common Deliverability Studies
- Common Treatment of Dynamic Schedules and Pseudo Ties
- PJM Marginal Losses
- Central Location to View Both Ramp Viewers
- Alignment of FTR Timelines and Products
- Market to Market Relaxation of Constraints

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 Phase I
- Investigation of Loop Flow Across the Combined Footprint Phase II
- Outage Coordination
- Alternative Border Pricing Point Calculation (Decision not to proceed based on Midwest ISO and PJM analysis of proxy bus prices)
- Market Flow Threshold Reported to the IDC



