

# ***JCM Initiatives Review***



**Joint Stakeholder Meeting  
Web Cast  
February 1, 2008**



# Joint and Common Market Initiatives

|                |                              |
|----------------|------------------------------|
| Complete       | Cost<br>3 Year Gross Benefit |
| Implementation | Cost<br>3 Year Gross Benefit |

|                 |                              |
|-----------------|------------------------------|
| Evaluation      | Cost<br>3 Year Gross Benefit |
| Not Recommended | Cost<br>3 Year Gross Benefit |

|             |  | 2006   |   | 2007  |   | 2008                                       |  |  |                          |
|-------------|--|--|---|---|---|--|--|--|--------------------------|
| Commercial  | 1  | FTR Market Convergence                                     | Alignment of FTR Timelines and Products<br>(Note: All MISO cost)  | \$600,000<br>\$3,008,657                        |   |  | Cross Border FTRs in the allocations<br>\$4,000,000<br>Analyzing             | \$8,000,000<br>\$4,374,524                           |                          |
|             | 2  | Price Rationalization and Convergence at the Border        |   |   | PJM implementation of marginal losses<br>\$600,000<br>N/A   |  |  |  |                          |
|             | 3  | Reduce Hurdle Rate   | Alignment of PJM Operating Reserves and MISO Revenue Sufficiency Guarantee<br>(Note: All MISO cost)       | \$600,000<br>\$3,764,432                        | Depancaking of PTP ancillary services<br>(Control Area Services, T.O. Control Center Services, Reactive, Black Start)         | \$400,000<br>(\$2,505,757)                 |  |  |                          |
|             | 4  | Broader Price Transparency and Common Reporting            | Existing MISO & PJM Websites<br>Linking of sites Data Available at Both Sites<br>(LMPs, Tie Flows, Loads) | \$500,000<br>\$1,952,165                        | Standard Data Exchange (Web Services)<br>LMPs, Contingencies, Loads, Dispatch Signals, Outages, Emergency Event/Notifications | \$3,000,000<br>\$2,547,477                 | Implementation of single MISO & PJM Website<br>(Individual Websites go away) | \$750,000<br>N/A                                     |                          |
|             | 5  |  | Increased Market Opportunities  | Moving JOUs between markets                     | \$100,000<br>\$156,851  |  |  | Shared Regulation Market<br>\$8,000,000<br>Analyzing |                          |
|             | 6  |  | Operational Consistency   | Common Long Term Transmission Queue             | \$200,000<br>\$1,091,108  | Common Time Zones<br>(Note: All PJM cost)  | \$5,000,000<br>N/A   | Single Resource Adequacy Solution                    | \$8,000,000<br>N/A       |
|             |  |  |   | MISO Ramp Viewer                                | \$150,000<br>\$913,703  | Central location to view both ramp viewers | \$100,000<br>\$1,527,405   | Common Ramp Portal                                   | \$750,000<br>\$2,091,108 |
|             |  | Alignment of OASIS Business Practices                      |   | \$500,000<br>\$1,365,867                        | Coordinated OASIS   | \$1,200,000<br>Analyzing                   |  |  |                          |
|             |  | Single OASIS   |   | \$8,000,000<br>\$6,168,760                      | Reserve Sharing   | \$8,000,000<br>N/A                         |  |  |                          |
|             |  | Common Treatment of Dynamic Schedules/Pseudo-Ties          |   | \$200,000<br>\$382,934                          | Market to Market Relaxation of Constraints  | \$80,000<br>\$1,000,000                    |  |  |                          |
|             | Investigation of Loop Flow Across the Combined Footprint | N/A<br>Analyzing   |   | Dynamic Dispatchable Transactions and Schedules | Analyzing<br>Analyzing  | Loop Flow Study Phase II                   | Analyzing<br>Analyzing   |  |                          |
|             | Market Flow Threshold Assessment                         | N/A<br>Reliability   |   | Market Flow Threshold Reported to IDC           | \$300,000<br>Reliability  | Netting in the IDC                         | Analyzing<br>Analyzing   |  |                          |
|             |  |  |   | Outage Coordination                             | N/A<br>Reliability  |  |  |  |                          |
| 7           | Single Market  | Year 1 - Rule Alignment & Market Portal Design             | \$15,000,000<br>\$5,000,000   | Year 2 - Initial Market Portal Implementation   | \$40,000,000<br>\$27,000,000  | Year 3.5 - Implementation of Single Market | \$50,000,000<br>\$34,700,000   |  |                          |
| Reliability | 1  | Emergency Energy Agreement                                 | Alignment of Agreements and Practices   | \$100,000<br>Reliability                        |   |  | Super Regional Reserve Sharing<br>Analyzing<br>Analyzing                     |  |                          |
|             | 2  | Black Start and Restoration                                |   | Alignment of Agreements and Practices           | \$500,000<br>\$936,000  |  |  |  |                          |
| Plan        | 1  | Joint Expansion Planning and Common Deliverability Studies | Joint Expansion Planning<br>(Coordinated System Plan)   | \$20,000<br>Reliability                         | Cross Border Cost Sharing of Expansions   | Reliability                                |  |  |                          |
|             | 2  |  | Common Deliverability Studies   | \$100,000<br>Reliability                        |   |  |  |  |                          |
| Total       |  | Costs<br>3-Year Gross Benefit                              | 2006<br>\$3,770,000<br>\$14,885,717   | 2007<br>\$1,580,000<br>\$3,463,405              | 2008<br>\$750,000<br>\$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 - 2008 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 - 2008 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 (Complete)

- 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.

### 13) Market to Market Relaxation of Constraints

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

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



## JCM 2006 - 2008 Initiatives (cont.)

### 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.

### 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.

### 19) Common Ramp Portal

- Develop a common portal to allow market participants to view and reserve ramp in both RTOs simultaneously.

**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 - 2008 Initiatives (cont.)

### 1) Alternative Border Pricing Cost-Benefit Analysis (No Action)

- 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 (Hold)

- 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 - 2008 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 (Complete)

- 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 (Hold)

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

### 9) Investigation of Loop Flow Across the Combined Footprint Phase I (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 - 2008 Initiatives (cont.)

### 11) Cross Border FTRs in the Allocations (Hold)

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

### 12) Shared Regulation Market (Hold)

- 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.

### 13) Outage Coordination (Complete)

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

### 14) Loop Flow Study Phase II

- Develop mechanism to identify and gain a deeper understanding of loop flows on key flowgates; which are a result of transmission tags, market flows and generation-to-load flows.

***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 |
| C | Design and Development           |
| G | Build and Test                   |
| G | Update Process and Procedures    |
| G | Customer Training                |
| C | 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:
  - ARR Registration through Markets Portal was launched on schedule.
  - Allocation tool enhancements were delivered by vendor on schedule
  - Finalized Business Practice Manual.
  - FERC approval to accelerate the March-May monthly true-up allocation and auctions for transition to the new ARR/LTTR process.
  - Filed answers to protests submitted against November LTTR filings.
- PJM:
  - PJM Members Committee endorsed a long-term, three-year FTR auction process at its November meeting. The construct will be filed with FERC in the Spring.
  - Submitted status report regarding stakeholder discussion FTR full funding uplift mechanisms to FERC on November 30, 2007. PJM stakeholders were unable to reach the required 2/3 majority on an alternative to the currently-filed and approved FTR Target Allocation mechanism.

## UPCOMING ACTIVITIES

- Midwest ISO:
  - Continue with ARR Registration through Market Portal expected to be completed in February.
  - Continue testing of new ARR Allocation tool.
  - Initiate stakeholder discussion on prioritization of 2008 initiatives.
- PJM:
  - Stakeholders have rejected the possibility of implementing a seasonal ARR/FTR process similar to the Midwest ISO process, however have confirmed continuing interest in developing a cross-border transmission right product.

## 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: M. Robinson
- 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 RSG Task Force met on December 18, 2007, January 7 & 18, 2008, to review final whitepaper, consider various stakeholder motions and review draft tariff language
- FERC issued Order on November 28, 2007, on complaints filed regarding Midwest ISO current RSG methodology.
- PJM Members Committee endorsed package of Balancing Operating Reserves credit and allocation changes at its November meeting. The package of changes will be filed with FERC and if approved, implemented in the Fall 2008.

## UPCOMING ACTIVITIES

- Midwest ISO files with FERC an informational filing on February 1, 2008, in compliance with latest FERC RSG Order and addressing RSG task force progress to date.
- Midwest ISO RSG Task Force to meet on February 4, 2008, and February 21, 2008, to review final draft tariff language and consider motions to accept sections of the draft tariff.
- Midwest ISO Market Subcommittee special conference on or about February 25, 2008, to review proposed RSG tariff compliance language.
- Midwest ISO files draft tariff language with FERC addressing RSG cost allocation re-design on or about February-end.

## ISSUES & CONCERNS

- Clearly different camps in terms of causation versus predictability (unclear that we will get to common rules).

# 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

- PJM Markets and Reliability Committee endorsed the PJM Tariff change required for a June 1, 2008, implementation date at their September 26, 2007, meeting.
- The PJM Members Committee passed the Constraint Relaxation change at their January 24, 2008 meeting.
- Finalized functional specifications and detail design.
- PJM has received software from vendor and is currently testing the software.

## UPCOMING ACTIVITIES

- Identify JOA changes which will be taken through the RTOs stakeholder processes.
- Midwest ISO software is scheduled to be delivered at the end of February.
- Midwest ISO having internal discussions on possibility of total elimination of constraint relaxation and will have future discussions with PJM.

## ISSUES & CONCERNS

- None at this time.

# Central Location to View Both Ramp Viewers

## Milestone Summary

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

C 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

- Complete

## UPCOMING ACTIVITIES

## ISSUES & CONCERNS

- No issues at this time.

# Common Ramp Portal

## Milestone Summary

|   |   |
|---|---|
| G | Develop scope document                  |
| G | Review scope document with stakeholders |
| G | Develop project plan                    |

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

## UPCOMING ACTIVITIES

- Midwest ISO and PJM will begin analysis on this initiative in late first quarter 2008.

## ISSUES & CONCERNS

# 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                 |
| Y | Submit Regulatory Filings                          |
| Y | Modify Policies, Procedures, Applications, Systems |
| Y | Provide Training and Implement Changes             |

Y **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

- Working group met on November 2, 2007, to develop tariff language.
- Draft Tariff language was presented to the Market Subcommittee at their January 8, 2008, meeting.

## UPCOMING ACTIVITIES

- Tariff language will be presented at the March 4, 2008, Market Subcommittee Meeting for vote.
- Technical comparison between Midwest ISO and PJM current system restoration plan.
- FERC filing for Midwest ISO Tariff changes.

## ISSUES & CONCERNS

# 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 <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: 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 19, 2007 (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*



# Loop Flow Study Phase II

## Milestone Summary

|   |                                    |
|---|------------------------------------|
| C | Define Scope                       |
| C | Finalize Scope                     |
| C | Develop Flowgate Analysis Approach |
| G | Conduct Analysis                   |
| G | Quantify Contributors              |
| G | Identify Mitigating Actions        |
| G | Finalize Report                    |
| G | Present Findings to Stakeholders   |
| G | <b>Overall Status</b>              |

## JCM Lead

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

## 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 identified list of 35 flowgates to be included in study.
- Reviewing use of internal EMS model for loop flow study.
- Investigating the use of PROBE Software to conduct this analysis.
- Identifying time frames to conduct analysis.

## UPCOMING ACTIVITIES

- Review data access requirements to obtain tag data, NNL data, and market flows.

## ISSUES & CONCERNS

- None at this time.

# Dynamic Dispatch. Sched./Dispatch. Trans.

## Milestone Summary

- G** Review Analysis with Stakeholders
- G** Determine Next Steps

**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

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

## UPCOMING ACTIVITIES

- RTOs are continuing analysis of border price differentials since the PJM Marginal Losses initiative was implemented. Continuing analysis will be presented at the February 1, 2008, Joint Stakeholder Meeting.
- RTOs are conducting preliminary analysis to determine if initiative should be taken off “hold” status.

## ISSUES & CONCERNS

- None at this time.



# *JCM Hold Initiatives*



# 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 is dependent on Midwest ISO opening its Ancillary Services Market and then having a period of approximately six to nine months to collect data.

## 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 the second half of 2008.

## ISSUES & CONCERNS

- None at this time.

# Coordinated OASIS

## Milestone Summary

- C** Perform Analysis
- C** Stakeholder Review
- G** Re-evaluate Initiative based on NAESB 890 work

**G** Overall Status

## 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 890 work plan can be found at:  
[http://www.naesb.org/weq/weq\\_order890.asp](http://www.naesb.org/weq/weq_order890.asp)

## 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

## ISSUES & CONCERNS

- NAESB FERC Order Group 5 items which includes “NAESB will develop business practice standards to facilitate coordination across multiple transmission systems” may address this initiative. Group 5 items currently scheduled for membership ratification by end of third quarter 2008.

# 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

## KEY ACCOMPLISHMENTS

## UPCOMING ACTIVITIES

- Work to determine if this can be included as a component under the NAESB Annual Plan Item "Prepare recommendation for future path for TLR in concert with NERC, which may include alternative congestion management procedures."

## 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

- No issues 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
- Central Location to View Both Ramp Viewers

## 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
- 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