

JCM Initiatives Review



**Joint Stakeholder Meeting
Web Cast
October 5, 2007**



Joint and Common Market Initiatives

Complete	Cost 3 Year Gross Benefit
Implementation	Cost 3 Year Gross Benefit

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



	Initiative	Description	2006		2007		2008			
			Cost	3-Year Gross Benefit	Cost	3-Year Gross Benefit	Cost	3-Year Gross Benefit		
Commercial	1	FTR Market Convergence	Alignment of FTR Timelines and Products (Note: All MISO cost)	\$600,000				Cross Border FTRs in the allocations	\$4,000,000 Analyzing	
				\$3,008,657				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			
							N/A			
	3	Reduce Hurdle Rate	Alignment of PJM Operating Reserves and MISO Revenue Sufficiency Guarantee (Note: All MISO cost)	\$600,000		Depancaking of PTP ancillary services (Control Area Services, T.O. Control Center Services, Reactive, Black Start)	\$400,000			
				\$3,764,432			(\$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		Standard Data Exchange (Web Services) LMPs, Contingencies, Loads, Dispatch Signals, Outages, Emergency Event/Notifications	\$3,000,000		Implementation of single MISO & PJM Website (Individual Websites go away)	\$750,000
				\$1,952,165			\$2,547,477			
Common Search Capabilities			\$200,000					Standard Data Visualization and Reporting Portal	\$8,500,000	
			\$1,125,000					Create a single MISO & PJM Data and Report Portal	\$4,158,174	
	Enhanced Joint Website to Host Joint meeting and Events Calendar, Joint Documents and Reports	\$600,000								
			\$1,125,000							
5	Increased Market Opportunities	Moving JOUs between markets	\$100,000				Shared Regulation Market	\$8,000,000		
			\$156,851				Analyzing			
6	Operational Consistency	Common Long Term Transmission Queue	\$200,000		Common Time Zones (Note: All PJM cost)	\$5,000,000		Single Resource Adequacy Solution	\$8,000,000	
			\$1,091,108			N/A			N/A	
		MISO Ramp Viewer	\$150,000		Central location to view both ramp viewers	\$100,000		Common Ramp Portal	\$750,000	
			\$913,703			\$1,527,405			\$2,091,108	
		Alignment of OASIS Business Practices	\$500,000		Coordinated OASIS	\$1,200,000				
			\$1,365,867			Analyzing				
		Single OASIS	\$8,000,000		Reserve Sharing	\$8,000,000				
			\$6,168,760			N/A				
		Common Treatment of Dynamic Schedules/Pseudo-Ties	\$200,000		Market to Market Relaxation of Constraints	\$80,000				
			\$382,934			\$1,000,000				
	Investigation of Loop Flow Across the Combined Footprint	N/A		Dynamic Dispatchable Transactions and Schedules	Analyzing		Loop Flow Study Phase II	Analyzing		
		Analyzing			Analyzing			Analyzing		
	Market Flow Threshold Assessment	N/A		Market Flow Threshold Reported to IDC	\$300,000		Netting in the IDC	Analyzing		
		Reliability			Reliability			Analyzing		
				Outage Coordination	N/A					
					Reliability					
7	Single Market	Year 1 - Rule Alignment & Market Portal Design	\$15,000,000		Year 2 - Initial Market Portal Implementation	\$40,000,000		Year 3-5 - Implementation of Single Market	\$50,000,000	
			\$5,000,000			\$27,000,000			\$34,700,000	
Reliability	1	Emergency Energy Agreement	Alignment of Agreements and Practices	\$100,000				Super Regional Reserve Sharing	Analyzing	
				Reliability					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		Cross Border Cost Sharing of Expansions				
				Reliability			Reliability			
2		Common Deliverability Studies	\$100,000							
				Reliability						
Total		Costs		\$3,770,000		\$1,580,000		\$750,000		
		3-Year Gross Benefit	2006		\$14,885,717	2007	\$3,463,405	2008	\$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

- 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.
- **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.

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

- 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 (Hold)

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

14) Loop Flow Study Phase II (New)

- 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
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:
 - Construction of application enhancements has started.
 - Completed first review of business practice manuals (BPMs) with Midwest ISO Stakeholders.
 - Filed amendment to the 30 day compliance filing to include clarifications related to initial ARR registration.
 - First two phases of initial ARR Registration Data Gathering has been completed.
- PJM:
 - FERC has approved intra-planning year transmission rights similar to the current Midwest ISO Process.

UPCOMING ACTIVITIES

- Midwest ISO:
 - Update BPMs to incorporate stakeholder comments and conduct follow-up reviews.
 - Work on FERC filing related to transition process of ARR-LTTR implementation.
 - Prepare for six month compliance filing.
 - Continue with subsequent phases of ARR Registration Data Gathering.
- PJM:
 - Submit status report regarding continued stakeholder discussion on potential uplift mechanisms to FERC by November 30, 2007.
 - Stakeholders are actively discussing the possibility of implementing a seasonal ARR/FTR process similar to the Midwest ISO process.
 - Markets and Reliability Committee will vote to endorse a 3-year, Long-Term FTR Auction proposal at its October meeting.

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

- On July 25, 2007, PJM Market Implementation Committee approved a package of Balancing Operating Reserve credit and allocation changes, which will be forwarded to the Markets and Reliability Committee.
- Midwest ISO has developed strawman Revenue Sufficiency Guarantee (RSG) Redesign Whitepaper.
- Midwest ISO filed comments at FERC with regards to RSG complaint..

UPCOMING ACTIVITIES

- PJM Markets and Reliability Committee will vote on package of Balancing Operating Reserves credit and allocation changes in October.
- Midwest ISO ongoing review of RSG Redesign with Stakeholders. Two meetings are scheduled for October to address issues raised with proposed cost allocation approach.
- Midwest ISO developing settlement examples to reflect RSG proposal.
- Midwest ISO developing draft tariff language for review in October meetings.

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

- Functional specification has been updated and is under review.
- Initial test plan has been developed by the Midwest ISO.
- Requirements have been turned over for vendor to complete the detail design.
- PJM Markets and Reliability Committee endorsed the PJM Tariff change required for a June 1, 2008, implementation date at their September 26, 2007, meeting.

UPCOMING ACTIVITIES

- Agreement changes will be taken through the RTOs stakeholder processes.
- RTOs to explore potential of partial implementation of initiative before Spring 2008.
- Finalize functional specifications and detail design.
- Finalize vendor software delivery schedule.

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 approved funding release for this initiative.
- PJM has submitted Project Funding Request to release funds for project.

UPCOMING ACTIVITIES

- Revise timeline based on priorities of technical resources.

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 made presentation to its Market Subcommittee on September 11, 2007, that outlined concerns with the Basic Framework for Black Start and Restoration.

UPCOMING ACTIVITIES

- Develop draft tariff language for option A (Basic Framework approach) and Option B which addresses the potential concerns identified by the Midwest ISO and submit to the Market Subcommittee and Reliability Subcommittee for review prior to their October meetings.

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 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.

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

- Note: This initiative is scheduled to start in 2008.

ISSUES & CONCERNS

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
C	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

- PJM began 12-month field test starting on May 30, 2007.
- Midwest ISO and PJM submitted 30-day compliance filing for changes to CMP on August 23, 2007.
- Initial results of Market Flow Threshold Test were reviewed at the NERC Operating Reliability Subcommittee (ORS) Meeting, September 19-20, 2007.

UPCOMING ACTIVITIES

- Midwest ISO to begin Field Test on November 1, 2007.
- Midwest ISO will submit compliance filing 20 days prior to its participation in the 12-month field test.
- Initial results of Market Flow Threshold Test to be reviewed at the NERC TLR Standard Drafting Team Meeting October 4-5, 2007.
- NERC ORS Task Force will conduct detail review of field test results.
- Seeking input from the NERC ORS and TLR Standards Drafting Team on field test termination date.

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.
- Results of analysis on proxy bus prices was 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.
- RTOs are conducting preliminary analysis to determine if initiative should be taken off “hold” status.

ISSUES & CONCERNS

- None at this time.

Loop Flow Study Phase II

Milestone Summary

- G** Define Scope
- G** Develop Project Plan

G Overall Status

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

- Developed Loop Flow Study Phase II Scope Document.
- Tag data for IESO, Midwest ISO, NYISO, PJM and TVA was obtained for Phase I study.

UPCOMING ACTIVITIES

- Review Loop Flow Phase II scope with JCM Stakeholders
- Develop project plan.
- Initiate discussion on receiving updates to the tag data base on previously executed confidentiality agreements.

ISSUES & CONCERNS

- None at this time.



JCM Hold Initiatives



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

- 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.
- NAESB voted their Group 1 changes for FERC Order 890 out of subcommittee on September 25, 2007. Group 1 changes include: Posting of ETC, Annotation for ATC, Load Forecast and Actual Load, Re-bid of Partial Service, Pre-confirmation, and Conditional Firm.

UPCOMING ACTIVITIES

- NAESB Group 1 changes for FERC Order 890 will be posted for 30 day formal comment period.

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.

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 2008 after Midwest ISO opens its Ancillary Services Market.

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
- Alternative Border Pricing Point Calculation (Decision not to proceed based on Midwest ISO and PJM analysis of proxy bus prices)