

## RPM Work Plan

Fall 2011

Updated September 2, 2011



There are three sets of issues related to the Reliability Pricing Model (RPM) on parallel tracks within the PJM stakeholder body:

### 1) Triennial Review (TR)

#### Topics

- \* (1) Review of Variable Resource Requirement (VRR) Curve; (2) Cost of New Entry (CONE) values used in the VRR Curve for each CONE area; and (3) method to calculate the net Energy and Ancillary Services revenue (EAS) offset used in the VRR curve

#### Tariff Required Deadlines - Attachment DD, 5.10(a)

September 1 - PJM proposal delivered (*Brattle presentation, Brattle reports, and August 26 letter from Andy posted under August 18 MRC/Brattle meeting*)

October 31 - Members inform the Board of proposal, provide alternate modifications or recommend no modifications

December 1 - Modifications, if any, approved by Board and filed with FERC

### 2) MRC Charge (MRC)

#### MRC Charges from 1/19/11 and 5/24/11

#### Topics

- \* *Minimum Offer Price Rule (MOPR)* – reduce the administrative burden in the exception process
- \* *New Entry Pricing Adjustment (NEPA)* – (October 1 compliance filing) business rule modifications to provide greater certainty of payment streams to encourage new investment
- \* *Fixed Resource Requirement (FRR)* - identify potential changes that can make the FRR Alternative viable for offering self-supply in RPM auctions
- \* *Self Supply* – identify potential changes to allow assured clearing that is not intended to manipulate clearing prices
- \* *Energy and Ancillary Service Offset* – identify benefits and costs of changing from real-time to day-ahead LMP for the MOPR screen

#### Tariff Required Deadline - Attachment DD, 5.14(c)

October 1 - NEPA Filing - if progress being made it will be informational

**Please Note:** These topics are informed by the Brattle analysis and reports.

### 3) Performance Assessment (PA)

#### Topics

- \* Assessment of the performance of the Reliability Pricing Model
- \* 2015/16 BRA Topics - being informed by PJM recommendations and stakeholder feedback sessions - to be finalized in work plan and filed with FERC
- \* Further Stakeholder Review Topics - being informed by PJM recommendations and stakeholder feedback sessions - appropriate stakeholder body to be determined by topic

#### Tariff Required Deadline - Attachment DD, 17.6

November 30 - File assessment with FERC

### Preliminary Meeting Dates for Work Plan

Date	Time	Location	Topic	Endorsement Sought
September 9, 2011	10:00 a.m. – 12:00 p.m.	Teleconference/WebEx Only	Brattle Feedback Session	
September 12, 2011	9:30 a.m. – 4:00 p.m.	Chase and WebEx	Work Plan Finalization and Begin Discussion of Changes for 2015/16 BRA	
September 14, 2011	9:30 a.m. – 4:00 p.m.	Chase and WebEx	Discussion of Changes for 2015/16 BRA	
September 15, 2011	9:30 a.m. – 3:00 p.m.	Chase and WebEx	Full MRC	
September 22, 2011	9:30 a.m. – 3:00 p.m.	Chase and WebEx	Full MC	
October 12, 2011	9:30 a.m. – 3:00 p.m.	Chase and WebEx	Full MRC	Triennial Review Items
October 20, 2011	9:30 a.m. – 3:00 p.m.	Chase and WebEx	New MC Scheduled	Triennial Review Items
November 16, 2011	9:30 a.m. – 3:00 p.m.	Chase and WebEx	Full MRC	MRC Charges and Performance Assessment 2015/16 BRA Items
November	TBD	TBD	MC Schedule Under Review	MRC Charges and Performance Assessment 2015/16 BRA Items
December 8, 2011	9:30 a.m. – 3:00 p.m.	Chase and WebEx	Full MC	
December 22, 2011	9:30 a.m. – 3:00 p.m.	Chase and WebEx	Full MRC	

**Please Note:** Additional, in-person meetings of the special MRC working sessions are being scheduled to facilitate the work plan. The work plan will be divided into two streams of discussion per planned implementation timelines. Changes for the 2015/16 BRA will be addressed during the fall of 2011. Items for further stakeholder review will be addressed as soon as practicable after the 2015/16 BRA discussions are concluded by the members.