



JENNIFER M. GRANHOLM
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STATE OF MICHIGAN
DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH
PUBLIC SERVICE COMMISSION

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Monica Martinez
COMMISSIONER

Orjiakor N. Isiogu
CHAIRMAN

Greg R. White
COMMISSIONER

November 18, 2010

Edward D. Tatum, Jr.
Chairman, PJM Members Committee
Old Dominion Electric Cooperative
P.O. Box 2310
Glen Allen, Virginia 23058-2310

Dear Mr. Tatum:

The Michigan Public Service Commission (MPSC) hereby supports the position with regard to Price Responsive Demand (PRD) expressed by the Public Utilities Commission of Ohio (PUCO) in its letter of November 12, 2010.

Like the PUCO, the MPSC is exploring options for dynamic pricing, to take advantage of new smart metering technology which is currently being deployed or considered for deployment throughout the State. We feel it is vitally important that wholesale pricing mechanisms be designed to fully compensate retail dynamic pricing for the value it provides in reducing utilities' capacity obligations.

We appreciate the attention to this matter and look forward to working with PJM and the Members Committee on the coordination of wholesale and retail PRD policies.

Sincerely,

Orjiakor N. Isiogu
Chairman

Monica Martinez
Commissioner

Greg R. White
Commissioner

cc: PJM Board of Managers
Mr. Terry Boston, President & CEO
Mr. Andrew L. Ott, Senior Vice President Markets
Mr. F. Stuart Bresler, Vice President Market Operations and Demand Response
Mr. David Anders, Members Committee Secretary
Dr. Paul M. Sotkiewicz, Chief Economist

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