



DRAFT
Notes
PJM Interconnection
Governance Assessment Special Team
Teleconference Call
September 1, 2011, 8:30 – 10:30 a.m.

Members Present:

Batta	Mike	Virginia Electric & Power Company	Transmission Owner
Campbell	Bruce	EnergyConnect, Inc.	Other Supplier
Clover	Bernita	Duquesne Light Company	Transmission Owner
Diamant	Martin	PSEG Energy Resources and Trade LLC	Generation Owner
Flaherty	Dale	Duquesne Light Company	Transmission Owner
Gilani	Rehan	ConEdison Energy, Inc.	Other Supplier
Horstmann	John	Dayton Power & Light Company (The)	Transmission Owner
Horton	Dana	Appalachian Power Company	Transmission Owner
Huis	Diane	North Carolina Electric Membership Corporation	Electric Distributor
Johnson	Carl	Long Island Lighting Company dba LIPA	Other Supplier
Manning	James	North Carolina Electric Membership Corporation	Electric Distributor
Miller	Don	FirstEnergy Solutions Corp.	Transmission Owner
O'Connell	Robert	J.P. Morgan Ventures Energy Corporation	Other Supplier
Palcic	Ron	FirstEnergy Solutions Corp.	Generation Owner
Pratzon	David	Exelon Generation Co., LLC	Transmission Owner
Quinlan	Pamela	Rockland Electric Company	Transmission Owner
Roberts	Jackie	West Virginia Consumer Advocate Division	End Use Customer
Tatum	Ed	Old Dominion Electric Cooperative	Electric Distributor
Weghorst	Brad	PPL Energy Plus, LLC	Transmission Owner
Wisersky	Megan	Madison Gas & Electric Company	Other Supplier

Others Present:

Alesius	Alan	PJM Interconnection	Not Applicable
Field	Pat	Consultant	Not Applicable
Anders	David	PJM Interconnection	Not Applicable
Kirby	Jim	PJM Interconnection	Not Applicable
Mayes	Jeffrey	Monitoring Analytics, LLC	Not Applicable
Raab	Jonathan	Consultant	Not Applicable



Note: Items below are not numbered as per the agenda.

1. REVIEW OF STAKEHOLDER PROCESS ENHANCEMENTS

Mr. Horstmann, GAST Chair, highlighted implementation to-date of GAST Phase IIA enhancements. Among his comments:

- The goal of the changes was to improve the efficiency and effectiveness of the stakeholder process and improve communication between members and with the PJM Board and staff.
- The new Consensus-Based Issue Resolution process was approved in August, 2010. It moved to consensus-based problem solving. CBIR is now applied consistently across all stakeholder groups.
- The new PJM Stakeholder Process Manual (M-34) has been in use for about 6 months. Further clarifications are forthcoming.
- Institutionalizing the new process will take time and commitment.
- The new Collaborative Solution Matrix concept has been implemented for approx. 10 issues thus far.

2. STAKEHOLDER FEEDBACK ON IMPLEMENTATION OF THE PROCESS ENHANCEMENTS

Mr. Horstmann elicited feedback from the group on their experiences with the implementation of the new stakeholder process in all PJM stakeholder groups. Comments captured include:

A. Identification of Issues, Problem Statements, Charging and Chartering

- How should the Sr group prioritize requests to take on new issues? Should some start now, some later?
- Should development of the Problem Stmt be done beforehand in consultation with the group Chair?
- Perhaps greater detail with examples for a good Problem Stmt should be included in M-34.
- The process for Charging/Chartering needs to set high level goals that the solution needs to meet.
- A good, clear Problem Stmt that doesn't propose solutions is needed.

B. Consensus Based Issue Resolution Process

i. Education on issues

- Initial meetings focus on current methods/rules in place, i.e. "here's how it works today."
- Newcomers to PJM find these education sessions extremely helpful. Example: CETO/CETL discussion. Useful to understand the history of an issue.
- For some people it's review. Some people don't want to take time to ask questions. Thus, consider a brief conference call for education for those who want to sit through it can.
- Useful for those who are sitting in for others to learn about the issues.

- “Dedicated” education sessions are helpful.
- ii. Identifying stakeholder, PJM, and MMU interests
- The assumption is everyone has a strong position on the issue. What has not been done in the past was to explore stakeholder interests up front. Exploring interests first helps the Facilitator understand what the parties are seeking.
 - Interest exploration has helped the process. Do we go back to see if the solutions decided on do meet the stakeholder interests initially stated?
 - How does “no change to status quo” fit in with folks who are interested in making a change to the issue?
 - Perhaps developing a better understanding between interests and positions is needed. At PJM Facilitation Training sessions this is being worked on.
 - Need to know “why”, i.e. what is the underlying concern to the problem.
 - A goal to a negotiated solution is to gain understanding of the needs/wants of the parties.
- iii. Matrix development (components, priorities, options, and packages)
- It’s extremely helpful to see all the components proposed, especially if you missed a meeting or two.
 - Continue to have Facilitator and stakeholder training in the future how these elements and the matrix is produced, particularly as new Facilitators/members/stakeholders join.
 - The important thing is that the matrix is developed, not necessarily how it is developed. A package proposal can be brought and broken out in the matrix. This way you can see if a package misses any of the criteria in the left column of the matrix too. It may show that additional criteria may need to be added as well.
 - The matrix is a tool that provides a common document for all the parties to visualize the various proposals.
 - Some of the options in the columns may need to go together, i.e. tied/linked. To accommodate this, groups have noted the linkages in the cell and color-coded them to show linkages.
- iv. Reaching agreement and making recommendations
- Collaborative discussions about possible packages formed using the matrix is desired from the group.
 - The matrix facilitates side-by-side package comparison. You can see where there may be places for consolidation and where convergence is found.
 - What can be done via teleconference vs. in-person in package development? Filling out the matrix can be done over the phone, but face-to-face meetings are desired for decision-making.
 - The PRD agreement that stakeholders achieved might not have been possible without the matrix development.
 - A good understanding of all the options benefits decision-making whereas it’s more challenging if a thorough understanding of the features/costs/etc. are not well-understood, particularly if the group is moving fast.



- A conversation about pros/cons of each package may help decision-making. Also, sometimes additional analysis of options is needed before jumping to packaging.
- The matrix approach allows the group to focus on where the real differences are. You find out where you have agreement and where you do not.
- The Lost Opportunity Cost for Wind may have benefited by going through the CBIR process to prevent it from going back to lower level committees.

C. Other Manual 34 implementation feedback

- Is the process for review and approval working properly?
- One goal was to get meeting notes out in 3 days following the meeting. That is not happening much.
- The use of whiteboard during the meeting to capture member comments has not been used frequently.
- Clarity is needed around compliance filing in the use of CBIR.
- How the new process is used and implemented is important.
- Having information on concerns by certain stakeholders like the Market Monitor is important to have as well.
- We need a way to prioritize our work. We're doing too much in too little time.
- When a new problem stmt is introduced, the annual plan needs to be looked at to see how this new item could fit in or not or be put on hold.
- Perhaps issues could be characterized to see if there's wide interest among stakeholders or if it's of narrow interest to a limited group.
- Scheduling meetings on first come / first serve basis versus those that are more urgent/important should be investigated and given priority.
- Issues related to each other perhaps should be covered by one group and not multiple groups (RPPTF/IPSTF example).

3. FUTURE AGENDA ITEMS

4. FUTURE AGENDA MEETINGS

2011		
September 9	8:30 – 10:00	Teleconference

Prepared By: Alan Alesius
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