

CBIR Implementation: Championing, Sustaining, and Fine Tuning

From CBIR Implementation Team
Chase Center, DE--January 25, 2012

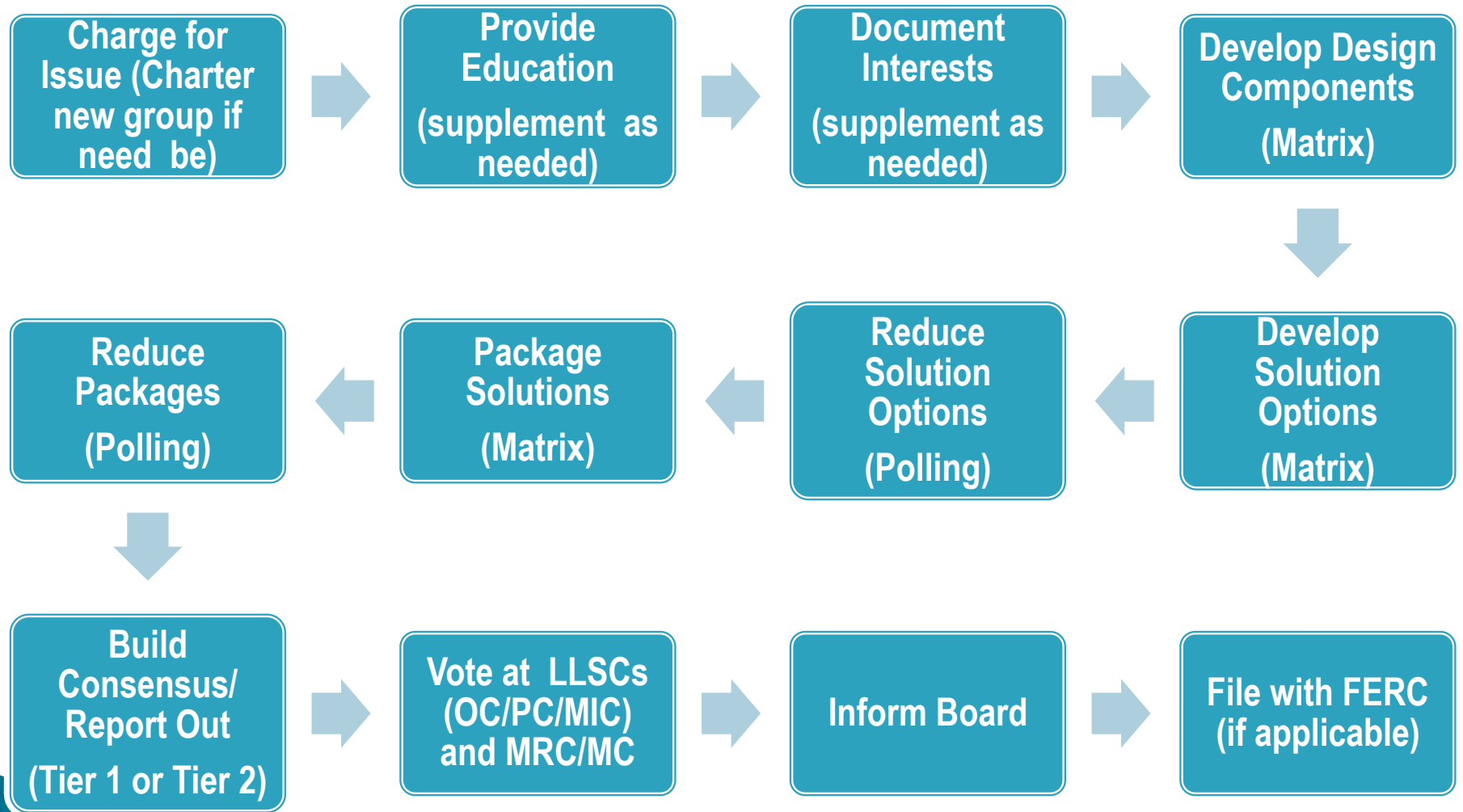
Agenda GAST

- ▶ 1:00 CBIR Lessons Learned and Proposed Manual Changes
- ▶ 2:30 Break
- ▶ 2:45 Sustaining CBIR and Next Steps
- ▶ 4:15 MRC/MC Combined Meetings
- ▶ 4:45 Adjourn

CBIR Lessons Learned and Proposed Manual Changes



CBIR Process



Other components of CBIR

- ▶ Annual work planning
- ▶ Structure of committees, etc.
- ▶ Use of Polling
- ▶ Report preparation
- ▶ Facilitation and PJM roles

Proposed Manual Changes

Lessons Learned

	Issue	Manual Page
1	New Material needs be received by meeting Chair 3 days prior to posting for review and acceptance for meeting M34 presentation requirements. Provide a list of expectations of the presenter before the chair will accept.	11.2, p 54
2	New problem statements must be "approved/vetted" by Chair prior to presentation. Statements must be clear and on point. Require a review of the workplan. Will promote work planning and prioritization. Also provide to MC Secretary	11.2, p. 44 6.2, p. 24
3	Guidance needed on formation of new task force or subcommittee. What options should be checked prior to creating a new group.	6.4.1, p. 29
4	Sr. Committees can form Task Forces that report to subordinate lower level standing committees.	6.4.2, p. 30
5	Create a „CBIR Light“ – Small volunteer group led by PJM facilitator that follows M34 processes and returns to parent group with CBIR matrix to speed up decision making process. Group is open to all members.	7.1, p. 34 8.1, p. 44

Proposed Manual Changes

Lessons Learned

	Issue	Manual Page
6	Subcommittees can take on new issues that fall within their charters. Require a mini problem statement and reporting to parent committee that work was taken on. Allow Chair's discretion to determine if within charter.	6.3, p. 26
7	Compliance Filing and use of CBIR - use as much of CBIR as possible within the time constraint and if FERC allows discretion.	App. I-5, p. 75
8	Changes that lead to improvements are acceptable under the problem statement process (the term "problem statement" seems to preclude pursuing issues that are not necessarily problems).	6.1, p.. 24
9	Explicate further the differences between problem statement, charge and charter. Explain how the documents build on each other.	6.3, p. 26 6.4, p. 27 6.4.2
10	Meeting notes – are they meeting expectations and providing the right amount of information? Update Manual to ensure expectations are clear.	11.3, p. 55

Proposed Manual Changes

Lessons Learned

	Issue	Manual Page
11	Prioritization - require review of workplan when new problem statements are raised.	6.3, p. 26 6.4, p. 29
12	Inter-Committee Discussion Any issues from Planning or Operating Committees with potential markets implications - require that the MRC be notified when approving new problem statements, and require to be included in the periodic reports.	6.3, p. 26 6.4, p. 30 6.5, p. 31 7.5, p. 43
13	Add section on endorsement/approval requirements for manual revisions	11.2, p. 59
14	3/2 Rule Clarification for Minutes/Notes as well as Final Reports	7.5, p. 43 8.5, p. 46
15	Update and clarify the CBIR matrix discussions regarding interests, concerns, components, criteria, and options	7.2, p. 35 7.4, p. 43
16	Clarify Voting Procedure - re: Members expressing that their votes were not counted	11.5, p. 55
17	Ballot questions should be written and on screen during voting - irregularities - retake vote. For individuals with technical problems, if reported promptly and during meeting - resolve. All others no action.	9.8, p. 50 11.5, p. 56
18	Include status quo in matrix (where there is one)	7.3, p. 38
19	Discussion of how to do package development	7.3, p. 38
20	Whiteboard use	App. IV, p. 81

Proposed Manual Changes

Quality Change

	Issue	Manual Page
21	Meeting evolution process map*	App. IV, p. 81
22	Welcome statements not consistent with standard	pp. 9, 11, 14, 16, 20, 24, 34, 44, 48, 51, 54, 60, 62, 68, 70
23	The list of manual types in the Introduction "About PJM Manuals" section is not current; in the "About This Manual" section update manual types	p. 7
24	URLs are not provided to the References in the Introduction section	p. 8
25	Typographical and stylistic changes	p. 9, 16, 63
26	Voting on motions at the senior committees	p. 50
27	Sector Designation Announcement	11.12, p. 59
28	PJM consultation with the Transmission Owners and Members on Tariff filings	11.13, p. 59
29	Defaulting Members ineligible to vote	11.5, p. 56

Key Questions

- ▶ What differences have you seen since implementation of the CBIR process in the efficiency, effectiveness, or fairness of the stakeholder process?

Key Questions

- ▶ Tell me your most productive experience in the new CBIR process (i.e., scoping, education, interest identification, option generation, and/or decision making)?
- ▶ If there's one additional thing (besides Manual changes already proposed) you could improve about the CBIR process, what would it be?

CBIR Implementation / Permanence



Opportunity Statement for CBIR Implementation

- ▶ To ensure that the PJM Stakeholder process transition to CBIR is smooth, successful, and lasting

Keys to Success

- ▶ Greater participant (including PJM staff and Members) understanding of CBIR process will make implementation more successful
- ▶ Greater Member support of PJM facilitators enhances implementation
- ▶ Member partnering w/PJM staff is key to long-term success
- ▶ Process will best succeed with process champions in PJM and Stakeholders
- ▶ CBIR implementation needs monitoring and likely fine-tuning

Objective

- ▶ Develop a partnering arrangement between Members and PJM for successful CBIR implementation
- ▶ To provide feedback on CBIR implementation
- ▶ To provide support by Members to PJM on CBIR implementation
- ▶ To supplant GAST for a more on-going and permanent oversight structure

Suggested Components

- ▶ **CBIR Forum**
 - Long term joint ownership of process
 - Ongoing feedback
 - Sunset GAST, create CBIR Forum
- ▶ **On-Going Training Opportunities—PJM Staff and Members**
- ▶ **PJM Support**
 - PJM Sustaining Sponsor—Andy Ott
 - PJM Staff Champion—Dave Anders
 - PJM Facilitators

CBIR Forum

▶ Purpose:

- Promote successful implementation of stakeholder process
- Provide forum for considering Member concerns and enhancements regarding stakeholder process
- Support PJM Staff Champion and PJM facilitators
- Identify and propose stakeholder refinements and improvement to full membership and PJM (as needed) via Members Committee.

CBIR Forum – Conceptual

▶ Participation:

- PJM Staff Champion and PJM Facilitator (rotating)
- In order to ensure consistent and sufficient participation, **at least**:
 - A) 2 Members from each sector (identified by sector whips in consultation with their sectors)
 - B) 2 at-large GAST member champions appointed by MC Chair—asset owners and customers who participate actively in the stakeholder process
 - C) MC Chair and Vice-Chair
- Open meeting for other interested Members to attend

CBIR Forum – Conceptual

- ▶ Structure:
 - Forum meets minimum twice a year (additionally as needed)
 - Sub-group for regular conference calls (e.g., every other week)
 - Sub-group participants need to be currently very active in stakeholder process: perhaps criteria for this role (e.g., need to attend at least XX PJM stakeholder meetings/year)?
- ▶ Replace GAST now, review Forum after 2–years

On-Going Training Opportunities— PJM Staff and Members

- ▶ Integrate CBIR training in standard PJM training program/curriculum
- ▶ Periodic basic negotiation training for new (or untrained) Members and PJM staff
- ▶ Periodic facilitation training for new (or untrained) PJM staff
- ▶ Periodic seminars for highly motivated Members and PJM staff on advanced negotiation related topics

PJM Sustaining Sponsor

- ▶ PJM — Andy Ott
- ▶ Ensure stakeholder process efficiency and effectiveness
 - Provide sufficient staff and other resources for successful implementation
 - Convey key messages of CBIR process to Senior Managers, Board, Staff, and with Members (at events and meetings)
 - Forward concerns and complaints of process to PJM Staff Champion and CBIR Forum

PJM Staff Champion

- ▶ PJM—Dave Anders
- ▶ Ensure successful implementation overall and on-going effectiveness of stakeholder process
 - Coach and support PJM facilitators
 - Liaison between PJM management, staff, and Members
 - Oversee consistent application and updating of manual
 - Participate and staff CBIR Forum
 - Orchestrate on-going training of PJM staff and Members

PJM Facilitators

- ▶ Ensure successful implementation within specific groups (committees, task forces, etc.) of Manual 34
 - Facilitate Member meetings consistent w/Manual 34 (see manual)
 - Basic negotiation and facilitation training (see training slide)
 - Regular PJM Facilitation clinics on specific challenges and skills
 - Peer-to-Peer mentoring of PJM Facilitators

PJM Members

- ▶ Understand Manual 34 intent, procedures and requirements
- ▶ Active participation in CBIR processes to allow efficient outcomes of either finding potential solutions and consensus or end discussions.
- ▶ Provide constructive stakeholder process feedback to PJM
- ▶ Provide constructive peer to peer feedback between stakeholders regarding stakeholder process performance

Next Steps: CBIR Implementation

- ▶ Are the components (CBIR Forum, training, PJM support) ok—anything missing?
- ▶ Any suggested improvements to the CBIR Forum design (purpose, membership, frequency, sub-group)?
- ▶ What should be the process and timeline for approval and implementation?
- ▶ Immediate next steps?

Streamlining MC and MRC

Connecting the MRC and MC to improve
efficiency

Per Members' Direction, Phase IIB Scoping Included:

- ▶ **Streamlining /consolidating further committees, subcommittees, and task forces:** whether existing committees and work groups can be combined or retired to reduce the overall number of groups, increase efficiency, improve work product(s), and reduce the number of meetings necessary to complete work
- ▶ **Role/structure of MRC/MC:** consider reducing the current four-level committee structure to three by eliminating the MRC and moving its functions up to the MC and/or down to other standing committees (OC, MIC, PC)

Interests for MRC/MC Solutions identified by GAST Phase IIB

- ▶ Ensure due consideration of issues and alternatives
- ▶ Avoid duplication and redundancy
- ▶ Maximize participation by as many Voting Members as possible
- ▶ Provide sufficient time for member caucusing, dialogue, and discussion between first reading/deliberation and voting
- ▶ Provide opportunity to test views and alignment of Voting Members prior to final vote
- ▶ Preserve sector weighted voting as final decision-making method at MC

Meeting Format of the Connected MRC and MC

MC Webinar Day

MRC/MC Day

9 am

MRC Meeting

- Preview of Next Meetings Voting Items
- MRC Discussions
- MRC Votes

12 pm

1 pm

MC Meeting

- Initial housekeeping
- Strategic Issue Discussion
- Acclamation Votes
- Vote on Previous MRC Meetings Items
- New Business

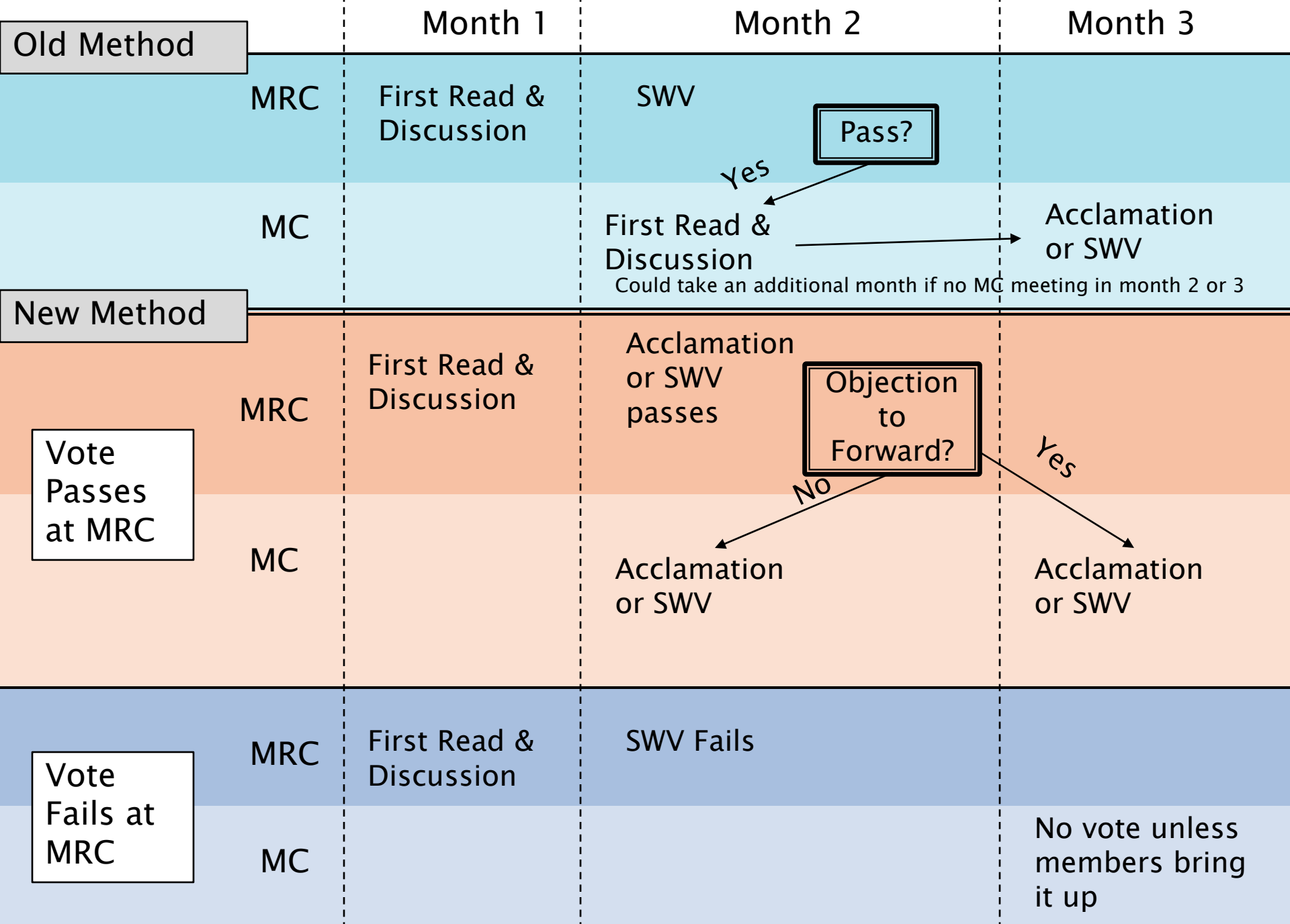
5pm

MC Webinar

- Management, IMM, OPSI Reports
- Other Stakeholder Issues
- Reports from Subordinate Groups

Criteria	Status Quo: Separate MRC and MC	MRC/MC Connected
Total # Mtgs./year (MRC and MC)	17	9
Avg. length per meeting	½ to 1 day	1 day
# “first reads” before the most senior decisional vote	2	1
# Sector Weighted votes	2	2
Typical time between first read at MRC & final vote at MC	2-3 months	1-2 months
Terminal Committee for Manuals	MRC	MRC
Terminal Committee for Governance	MC	MC
Terminal Committee for Major Issues	MC	MC
Board member(s) role	At least two Board members attend all MC Mtgs.	At least one Board member attends MC portion of day, and another by phone

SWV = Sector Weighted Vote



Benefits Identified by Members in coordinating MRC/MC

- ▶ Reduce repetitive reporting and first reads at two different forums (MRC and MC)
- ▶ Reduces combined number of MRC/MC meetings days and provides more frequent interactions
- ▶ Allows for average decision-making time at Senior Committees to be reduced by a month or more, while preserving 2 SWVs
- ▶ Allows for more time for issues to be worked on below Senior Committees
- ▶ Provides more time for reports and discussion through use of MC Webinar
- ▶ Should reduce travel time and cost for members