

Long Term Capacity Issues Symposium

Agenda

(as of January 12, 2010)

Time	Activity	Host/participants
January 26, 2010	Day 1	All Participants
11:00 am – Noon	Registration	All Participants
Noon- 1:00 pm	Working Lunch	All Participants
	Opening Remarks	Andy Ott, <i>PJM</i>
	Symposium Overview	Dave Anders, <i>PJM</i>
1:00 – 1:30 pm	Keynote Address	Brian Chin, <i>Citigroup</i>
1:30 – 3:00 pm	Panel Discussion #1: <i>Characteristics, Attributes and Values of Capacity</i>	<u>Moderator:</u> <ul style="list-style-type: none"> Raj Barua, <i>OPSI</i> <u>Panelists:</u> <ul style="list-style-type: none"> Ron Belbot, <i>Severstal Steel</i> Stephen Fernands, <i>Customized Energy Solutions, Ltd.</i> Neal Fitch, <i>RRI Energy, Inc.</i> Commissioner Paul Centolella, <i>Public Utilities Commission of Ohio</i> Esam Khadr, <i>Public Service Electric & Gas</i> Commissioner Wayne Gardner, <i>Pennsylvania Public Utility Commission</i>
3:00 – 3:15 pm	Break	All Participants
3:15 – 4:15 pm	Working Session	All Participants
	Guided table discussions on key topics from the Panel Discussion	
4:15 – 5:00 pm	Groups Report on Working Session	All Participants
5:00 – 6:30 pm	Hosted Reception	All Participants
Evening	Dinner	Dinner On Own

Time	Activity	Host/participants
January 27, 2010	Day 2	All Participants
7:00 – 8:00 am	Continental Breakfast & Networking	All Participants
8:00 – 8:10 am	Morning Overview	Dave Anders, <i>PJM</i>
8:10 – 8:40 am	Keynote Address	Hannes Pfeifenberger, <i>The Brattle Group</i>
8:40 – 10:00 am	Panel Discussion #2: <i>Challenges and Opportunities in an Uncertain Regulatory Environment</i>	<u>Moderator:</u> <ul style="list-style-type: none"> • Fran Barrett, <i>PJM</i> <u>Panelists:</u> <ul style="list-style-type: none"> • Sonny Popowsky, <i>Pennsylvania Office of Consumer Advocate</i> • Pat McCullar, <i>Delaware Municipal Electric Corporation, Inc.</i> • Roy Shanker, <i>Independent Consultant</i> • Harry Singh, <i>Sempra Energy Trading, LLC</i> • Eric Gleason, <i>Allegheny Energy Supply Company, LLC</i> • Paul Sotkiewicz, <i>PJM</i>
10:00 – 10:15 am	Break	All Participants
10:15 – 11:15 am	Working Session Guided table discussions on key topics from the Panel Discussion	All Participants
11:15 – noon	Groups Report on Working Session	All Participants
Noon- 1:00 pm	Working Lunch	<u>Speakers:</u> <ul style="list-style-type: none"> • Vice Chairman Tyrone Christy, <i>Pennsylvania Public Utility Commission (invited)</i> • Glen Thomas, <i>GT Power Group (invited)</i>

1:00 – 2:00 pm	Panel Discussion #3: <i>What Changes Can and Should be Made to RPM Over the Next 3 to 5 Years</i>	<u>Moderator:</u> <ul style="list-style-type: none"> • David Withrow, <i>PJM</i> <u>Panelists:</u> <ul style="list-style-type: none"> • Robert Weishaar, <i>McNees, Wallace & Nurick</i> • Dave Scarpignato, <i>Old Dominion Electric Cooperative</i> • Bruce Levy, <i>International Power America, Inc.</i> • David Ellis, <i>Comverge, Inc.</i> • Gary Sorenson, <i>Independent Consultant</i> • Joe Bowring, <i>Monitoring Analytics</i>
2:00 – 2:15	Break	
2:15 – 3:00	Working Session Guided table discussions on key topics from the Panel Discussion	All Participants
3:00 – 3:30	Groups Report on Working Session	All Participants
3:30 – 4:00	Closing Remarks	Andy Ott, <i>PJM</i> Dave Anders, <i>PJM</i>

Proceedings of the Symposium will be published approximately three weeks after completion.

Panel Discussion Descriptions and Speakers

Panel Discussion #1 - Characteristics, Attributes and Values of Capacity

What is capacity (or should it be): What are the essential characteristics of capacity resources? What is the value of those characteristics to those who purchase capacity? To what extent are differences in the characteristics of capacity resources acceptable and should capacity resources have obligations beyond the basic attributes needed to ensure long-term reliability?

Specifically:

- When suppliers commit to RPM, what do they believe they have sold and when do their obligations begin and end? When load procures capacity, what does load believe it has purchased?
- What attributes need to be included the capacity product to meet basic reliability needs? What attributes would load like? Under what circumstances should suppliers be willing to provide them?
- Recognizing that different types of capacity resources have different operating characteristics, to what extent can they be subject to different rules, be provided the same compensation, and still provide a comparable contribution to reliability?
- To what extent does there need to be a particular mix of capacity resources in order to maintain reliability, and does PJM need to make changes to facilitate reaching that particular mix?

This panel will be moderated by Raj Barua, Organization of PJM States, Inc. Panelists for this session will be:

<u>Name</u>	<u>Representing</u>	<u>Sector Nomination</u>
Ron Belbot	Severstal Steel	End Use Customer
Stephen Fernands	Customized Energy Solutions, Ltd.	Electric Distributors
Neal Fitch	RRI Energy, Inc.	Generation Owners
Commissioner Paul Centolella	Public Utilities Commission of Ohio	Other Suppliers
Esam Khadr	Public Service Electric & Gas	Transmission Owners
Commissioner Wayne Gardner	Pennsylvania Public Utility Commission	At Large designee

Panel Discussion #2 - Challenges and Opportunities in an Uncertain Regulatory Environment

With federal climate change legislation on the horizon and several states considering forms of re-regulation or targeted requests for proposals to construct capacity or install demand response, what are the implications for RPM?

Under the existing RPM rules, suppliers are required to commit three years prior to the delivery period at a time of significant change to the regulatory landscape and fluctuating fuel costs and commodity prices. Meanwhile, states are faced with pressure to keep retail rates low while also ensuring reliability.

This panel will focus on how the RPM construct should accommodate market and public policy risks and opportunities. Specifically, the panel will examine what, if any, changes are necessary to RPM given forward delivery commitments and climate change legislation. How do all stakeholders ensure that capacity committed three-years forward will deliver? The panel will also discuss state actions to procure generation and demand response in relation to RPM.

This panel will be moderated by Fran Barrett, PJM Interconnection. Panelists for this session will be:

<u>Name</u>	<u>Representing</u>	<u>Sector Nomination</u>
Sonny Popowsky	Pennsylvania Office of Consumer Advocate	End Use Customer
Pat McCullar	Delaware Municipal Electric Corporation, Inc.	Electric Distributers
Roy Shanker	Independent Consultant	Generation Owners
Harry Singh	Sempre Energy Trading, LLC	Other Suppliers
Eric Gleason	Allegheny Energy Supply Company, LLC	Transmission Owners
Paul Sotkiewicz	PJM Interconnection	At Large designee

Panel Discussion #3 - What Changes Can and Should be Made to RPM Over the Next 3 to 5 Years

What Changes can and should be made to RPM over the next 3 to 5 years.

- How do we ensure that the “right amount” of capacity is procured over the long term at just and reasonable rates?
- How can all market participants be confident RPM’s operational performance will continue to be monitored and improved as necessary while simultaneously providing sufficient certainty regarding the fundamental elements of RPM to support investment in existing and new capacity resources?
- Are there elements of RPM which preclude market participants from realizing financial protections from volatile RPM capacity clearing prices?

This panel will be moderated by David Withrow, PJM Interconnection. Panelists for this session will be:

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