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December 30, 2011

Honorable Kimberly D. Bose  
Secretary  
Federal Energy Regulatory Commission  
888 First Street, N.E. Room 1A  
Washington, D.C. 20426

Re: *PJM Interconnection, L.L.C.*, Docket No. EL08-47-005  
**Update to the May 12, 2011 Informational Filing**

Dear Secretary Bose:

PJM Interconnection, L.L.C. (“PJM”) submits to the Federal Energy Regulatory Commission (“Commission”) this update to the informational filing dated May 12, 2011 (the “May 12 Informational Filing”), in the above referenced proceeding. Specifically, PJM informs the Commission that the modifications to the current eMKT Opportunity Cost Calculator needed to change the calculation of opportunity costs will not be completed until approximately January 31, 2012.

## **I. BACKGROUND**

PJM submitted the May 12 Informational Filing in this proceeding in which PJM informed the Commission of the revisions to Manual 15: Cost development Guidelines, Section 8 (Section 9 as of April 6, 2011), Opportunity Cost Guidelines (“Manual 15”). These revisions to the calculation of opportunity costs summarized in the May 12

Informational Filing were approved by the PJM Board of Managers on December 1, 2010.

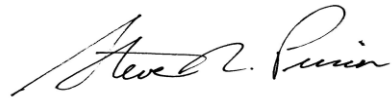
In the May 12 Informational Filing, PJM informed the Commission that the changes to the calculation of opportunity costs will require modifications to the current eMKT Opportunity Cost Calculator. PJM also stated that PJM would work with the software vendor to implement the necessary software enhancements. PJM estimated in the May 12 Informational Filing that the modified calculator would be available for the use of Market Participants as early as September 30, 2011, but in any event no later than December 31, 2011.

## **II. UPDATE TO THE MAY 12 INFORMATIONAL FILING**

PJM now updates the May 12 Informational Filing to inform the Commission that certain circumstances and events have prevented PJM from completing the changes to the calculation of opportunity costs and the modifications to the current eMKT Opportunity Cost Calculator by December 31, 2011, as originally planned. While PJM and its software vendor worked diligently to make the December 31, 2011 implementation date and, to that end, the Energy Market and Non-regulatory Opportunity Cost Calculator Version 2 was developed and tested in a test environment, due to additional eMKT modifications that were bundled into the installation package, server errors were experienced during rollout on December 29, 2011.

Also, in order to accommodate the Duke Energy Ohio and Duke Energy Kentucky integration (“DOEK Integration”) on January 1, 2012, PJM had to roll back these modifications to eMKT and implement the changes after the DOEK Integration on January 1, 2011. PJM now estimates that the Energy Market and Non-Regulatory Opportunity Cost Calculator version 2 will be installed on or about January 31, 2012.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Steven R. Pincus". The signature is fluid and cursive, with the first name "Steven" and last name "Pincus" clearly legible.

Steven R. Pincus  
Counsel for  
PJM Interconnection, L.L.C.

**CERTIFICATE OF SERVICE**

I hereby certify that I this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated at Norristown, PA this 30<sup>th</sup> day of December 2011.



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Steven R. Pincus  
Assistant General Counsel