



Organization of PJM States, Inc. (OPSI)

President: **Hon. Dallas Winslow**, Commissioner, Delaware PSC
Vice President: **Hon. Paul A. Centolella**, Commissioner, PUC of Ohio
Secretary: **Hon. Mary W. Freeman**, Chairman, Tennessee RA
Treasurer: **Hon. Richard E. Morgan**, Commissioner, District of Columbia PSC

Members:

*Delaware Public Service Commission • District of Columbia Public Service Commission • Illinois Commerce Commission
Indiana Utility Regulatory Commission • Kentucky Public Service Commission • Maryland Public Service Commission
Michigan Public Service Commission • New Jersey Board of Public Utilities • North Carolina Utilities Commission
Public Utilities Commission of Ohio • Pennsylvania Public Utility Commission • Tennessee Regulatory Authority
Virginia State Corporation Commission • Public Service Commission of West Virginia.*

Resolution # OPSI-2011-1

Supporting PJM's Short Term Resource Procurement Target

WHEREAS, there is a 2.5 percent Short Term Resource Procurement Target in PJM's Base Residual Auctions; *and*

WHEREAS, this 2.5 percent Short Term Resource Procurement Target is met through the Incremental Auctions as needed; *and*

WHEREAS, all states are affected by this Short Term Resource Procurement Target; and,

WHEREAS, forecasting by definition is an imprecise science; *and*

WHEREAS, there are resources that cannot reasonably be offered in the 3-year forward market but can offer into the Incremental Auctions;

NOW, therefore, be it resolved, that the OPSI Board of Directors supports retaining the 2.5 percent Short Term Resource Procurement Target in PJM's Base Residual Auctions.

Adopted by the Board of Directors of the Organization of PJM States, Inc. on May 5, 2011.



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Resolution # OPSI-2011-2

Dynamic Pricing

WHEREAS, the Relevant Electric Retail Regulatory Authority (“RERRA”) – not PJM, nor the FERC – has the rights and responsibilities to set retail/distribution rates; *and*

WHEREAS, several of the RERRAs in the PJM service area are currently dealing with dynamic pricing; *and*

WHEREAS, dynamic pricing may provide incentives for beneficial behavioral changes in consumption of energy by individual customers through behind-the-meter automated devices and/or appliances, as well as other means; *and*

WHEREAS, dynamic pricing may require customers to have AMI and other such devices that are within the purview of individual RERRAs approval of retail/distribution rates;

NOW, therefore, be it resolved, that any tariffs in the wholesale market to leverage retail dynamic pricing should clearly and specifically reserve and respect the rights of the individual RERRAs to define the programs within their jurisdiction; *and*

BE IT further resolved, that a RERRA may direct an electric distribution company (“EDC”) or load serving entity (“LSE”) to implement or allow dynamic pricing where such authority exists; *and*

BE IT further resolved, that while any RERRA’s EDC or LSE should have the ability to voluntarily participate in any FERC-approved PJM tariff implementing rules or other requirements related to dynamic pricing (such as Price Responsive Demand), any such participation shall be subject to any applicable RERRA approval process; *and*

BE IT further resolved, that any FERC-approved PJM tariff implementing rules or other requirements for Price Responsive Demand related to dynamic pricing does not constitute an automatic approval for an EDC or LSE to implement any program or assign costs by that EDC or LSE to its retail customers.

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Resolution # OPSI-2011-3

Joining or Changing RTOs

WHEREAS, a regulated utility is given a franchise by the relevant state authority in each state where it operates; *and*

WHEREAS, RTO boundaries may include all or portions of a given state; *and*

WHEREAS, there are several states that are served by more than one regional transmission organization (RTO); *and*

WHEREAS, a transmission owner (TO) joining or changing an RTO is a voluntary action subject to FERC jurisdiction and applicable state jurisdiction; *and*

WHEREAS, there is no requirement for an evaluation of consumer benefits by the FERC that needs to be demonstrated by a TO prior to joining or changing RTOs;

NOW, therefore, be it resolved, that the OPSI Board of Directors recommends that FERC include and require a consumer benefit criterion that should be demonstrated by a TO that proposes to join or change RTOs.

Adopted by the Board of Directors of the Organization of PJM States, Inc. on May 5, 2011.
The following members abstained: Maryland PSC, Kentucky PSC, and Virginia SCC.



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Resolution # OPSI-2011-4

Integration of Wind Resources

WHEREAS, there exists significant amount of potential wind resources in the Midwest as well as off-shore; *and*

WHEREAS, several states in the PJM region have renewable portfolio standards (RPS) of varying percentages usually referred to as RPS or public policy standards; *and*

WHEREAS, RPS definitions and requirements differ among the states; *and*

WHEREAS, wind is an intermittent resource; *and*

WHEREAS, an increase in the penetration of wind resources could change energy flows on the PJM grid which could potentially result in additional costs;

NOW, therefore, be it resolved that, to provide information to policymakers, the OPSI Board of Directors requests that PJM study all wind resources reflecting state RPS mandates in PJM's region and consider impacts on the PJM region; *and*

BE IT further resolved, that the PJM study include a cost-benefit comparative analysis of wind resources in the Midwest as well as those resources that are off-shore.

Adopted by the Board of Directors of the Organization of PJM States, Inc. on May 5, 2011.
The following members abstained: Kentucky PSC and New Jersey BPU.