



Technical Assistance between
ERERA, WAGPA, NARUC, and OPSI
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Overview of OPSI

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Overview of Presentation

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- Description of the Organization of PJM States, Inc. (OPSI) and its Members
- Description of PJM, the regional transmission operator (RTO) for high voltage electricity
- Relationship between OPSI and PJM
- Regular activities
- OPSI's Annual and Spring Meetings
- Comments, questions, and discussions

What is OPSI?

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- An inter-governmental organization
- Its Members are the utility regulators of 13 states and the District of Columbia
- Created in May 2005 as a non-profit corporation with its own Bylaws
- OPSI's 14 Member Regulatory Agencies (Commissions) are:
 - 1) Delaware Public Service Commission
 - 2) District of Columbia Public Service Commission
 - 3) Illinois Commerce Commission
 - 4) Indiana Utility Regulatory Commission
 - 5) Kentucky Public Service Commission
 - 6) Maryland Public Service Commission
 - 7) Michigan Public Service Commission
 - 8) New Jersey Board of Public Utilities
 - 9) North Carolina Utilities Commission
 - 10) Public Utilities Commission of Ohio
 - 11) Pennsylvania Public Utility Commission
 - 12) Tennessee Regulatory Authority
 - 13) Virginia State Corporation Commission
 - 14) Public Service Commission of West Virginia

OPSI's Member Regulatory Agencies (Commissions)

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- All 14 Commissions are also members of NARUC
- OPSI has affiliate status with NARUC
- OPSI is governed by its Board of Directors:
Each Member Commission nominates one of its Commissioner to be on the OPSI Board
- OPSI's Elected Officers:
 - President, Vice President, Secretary, and Treasurer
 - Elected by the Board of Directors at Annual Meeting in October

Profile of OPSI's Member Commissions

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- All are multi-industry regulators
- All regulate electricity and natural gas
- Most regulate water, wastewater/sewer, and telecom
- Half regulate transportation
- *OPSI's focus is on electricity (and related energy issues)*
- Five Commissions have three (3) Commissioners each
- One Commission has four (4) Commissioners
- Seven Commissions have five (5) Commissioners each
- One Commission has seven (7) Commissioners

Why was OPSI created?

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- In the United States, wholesale electricity market and transmission issues are in the jurisdiction of the Federal Energy Regulatory Commission (FERC)
- Issues, activities, rates, and prices at the wholesale level correspondingly affect the distribution (or retail) level
- State commissions have jurisdiction over distribution but not over the wholesale electricity market
- Therefore, OPSI was created to interact with the RTO of our region, which is PJM Interconnection LLC (PJM)

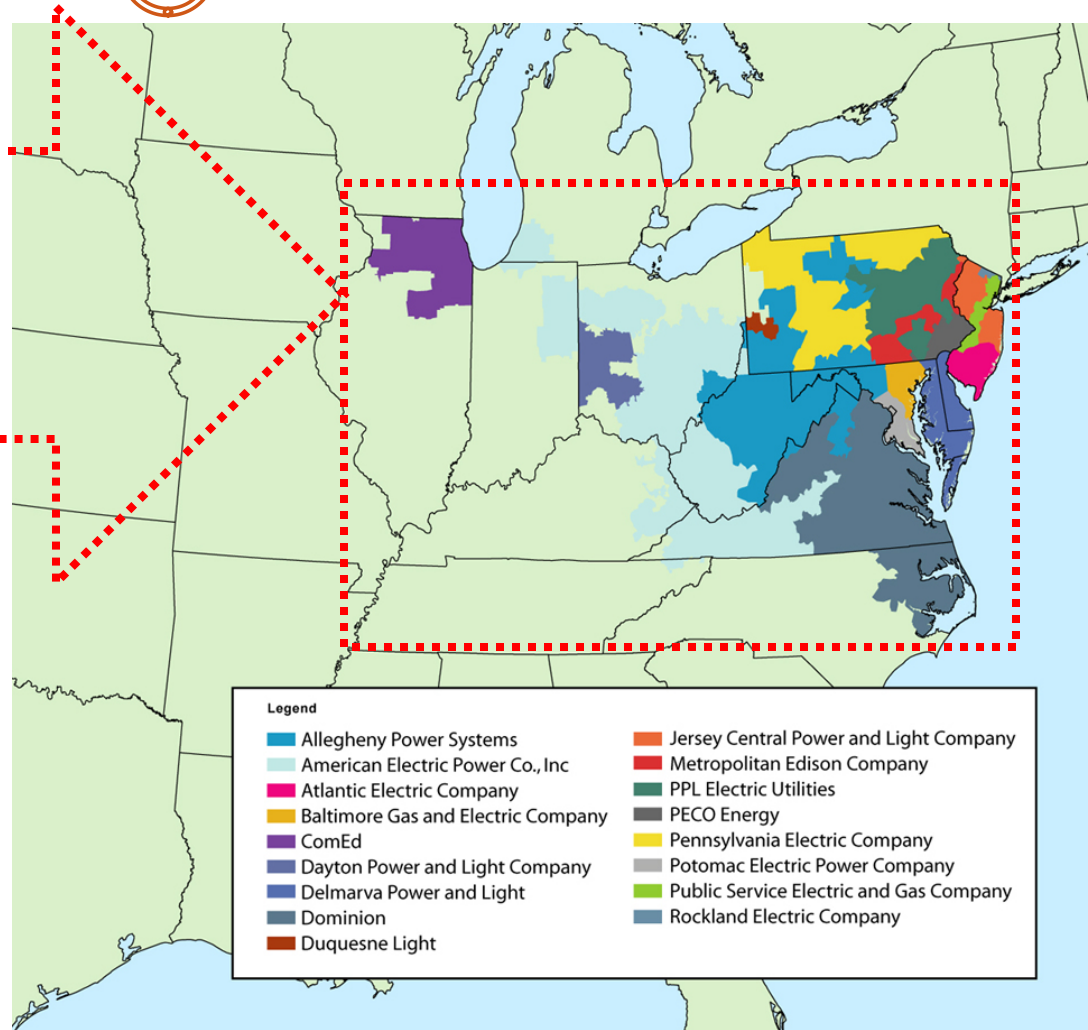
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PJM Interconnection

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- PJM is a FERC-approved RTO
- PJM's service territory covers all or parts of 13 states and DC (OPSI Members)
- PJM *does not own* any transmission assets
- PJM operates high voltage grid by agreement among transmission owners (TOs) — see colored area



Profile of PJM

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- Began as a power pool in 1927; FERC-approved RTO in 1997
- Operates as a non-stock company
- Population in PJM's service area: about 58 million
- Transmission lines: 61 000 miles (98170 km)
- Generating capacity: 180 400 MW
- Generating sources: 1 365 with diverse fuel types
- Peak demand: 158 448 MW
- Annual energy delivery: just over 682 000 million MWh
- PJM Members (e.g., energy companies): over 700
- PJM, acting neutrally and independently, operates the largest wholesale electricity market in the world

Relationship between OPSI and PJM

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- OPSI's primary purpose is to act as a liaison group to:
 - PJM Interconnection, LLC (PJM)
 - PJM's Board of Managers
 - Independent Market Monitor for PJM
 - FERC and other agencies
- OPSI and its Member Commissions are not members of PJM
- OPSI's Board of Directors and PJM's Board of Managers have signed a Memorandum of Understanding to allow interaction among commissioners and their staff, PJM and its employees, and industry stakeholders

Regular Activities of OPSI

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- Monthly Board meeting (including 5 in-person meetings)
- 14 Board members vote but other interested commissioners and staff members participate in discussions and give input
- Participation in various PJM committees and workgroups (with non-voting status)
- Regular teleconferences between OPSI, PJM's technical staff, and the Independent Market Monitor for PJM
- OPSI identifies relevant issues to discuss and PJM makes available technical staff for response
- OPSI has a Standing Staff Committee and also organizes workgroups based on current issues

OPSI's Officers & Meetings

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CURRENT OFFICERS (from 8-Oct-10 to 7-Oct-11):

- **President**..... Hon. **Dallas Winslow** (Delaware PSC)
- **Vice President**..... Hon. **Paul A. Centolella** (PUC of Ohio)
- **Secretary**..... Hon. **Mary W. Freeman** (Tennessee RA)
- **Treasurer**..... Hon. **Richard E. Morgan** (District of Columbia PSC)
- **Immediate Past President**... Hon. **Jon W. McKinney** (PSC of West Virginia)

OPSI's Future Meetings:

- Annual Meeting, 5-7 Oct 2011; Hilton Wilmington/Christiana Hotel, Delaware
- Spring Strategy Meeting, 4-5 April 2012; Hyatt Regency Hotel, New Brunswick, New Jersey

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