

SPWG Call Summary #17
1/6/11, 3PM ET

WG members in attendance: Terry Black (NGO alternate), David Boguslawski, Mark Brownstein (NGO alternate), Greg Carmean, Steve Gaw, Michael Goggin, Dan Hartman, Alice Jackson, Matt Lacey, Paul McCurley, Scott Morris, Tim Noeldner, Sonny Popowsky, Brian Rybarik (States alternate), Maryam Sharif (PP/TDU alternate), Beth Soholt (NGO alternate); Bob Stein, Gabe Stern, Robert Weishaar, Mike Zajmalowski
Caitlin Connelly (Keystone)
Flora Flygt (EIPC liaison)

1. Explanation of Sensitivities Chart

- Caitlin Connelly explained that a list of sensitivities proposed by the SPWG and EISPC was added to the Combined Policy Future, and that other updates were made for the sake of accuracy and clarity.

2. Proposal on additional transmission-related sensitivities

- Tim Noeldner gave an explanation of the proposal he had previously circulated to the SPWG, which entails adding one additional transmission-related sensitivity to Futures anticipated to require more drastic changes to the transmission system (Futures 2, 5 and 8). This additional sensitivity would involve reducing the hurdle rates, overload charges and other service charges. During the course of the subsequent discussion on sensitivities, the SPWG members present agreed to add this “Reduced Interregional Fees/Dispatch Barriers” sensitivity to the three Futures named above.

3. Nuclear Resurgence Future

- Because this was an EISPC-proposed Future, and the sensitivities had never been formally discussed by the SPWG, members weighed in on the list of sensitivities EISPC proposed for this Future.
- The SPWG approved the EISPC-proposed sensitivities and added two new sensitivities – revised transmission capabilities and low load growth.

4. RPS Futures (5 & 6)

- In order to accommodate the addition of the second revised transfer limits sensitivity in Future 5, and to reach the desired number of sensitivities in these Futures, the SPWG eliminated the “No new non-carbon EPA regs” sensitivities from both of these Futures.

5. Combined Policy Future (Future 8)

- After accounting for the revised transfer capabilities sensitivity, and the second transmission-related sensitivity (as discussed in item 2 above) there were only two “slots” left for sensitivities for this Future.
- The SPWG agreed that a sensitivity showing increased economic activity with a different assumption about the relationship between GDP and load growth was a high priority.
- SPWG members agreed that the last “slot” should be filled by EITHER an increase in the RPS to 40%, OR lower gas prices. They did not reach a consensus recommendation on which of the two should be selected; this decision will be put before the SSC.

6. Futures 2 & 3

- After the discussion on 1/4/11, Futures 2 and 3 each had one sensitivity “slot” left to fill. The SPWG opted to leave these open so that EISPC could recommend two additional sensitivities of their choice.

7. Future 1 – BAU

- Approval of the BAU sensitivities is an agenda item for the January 18th SSC conference call. Caitlin and Flora will work to assemble and distribute related materials to the SSC by Jan. 11.