

Federal Energy Regulatory Commission (FERC) CASE Nos. ER05-1410/EC05-148 - PJM Interconnection, L.L.C.-PJM; - Reliability Pricing Model-RPM)

On August 31, 2005, PJM filed its Reliability Pricing Model (RPM) proposal to make major alterations to the wholesale capacity market for the region. Because OPC, based on analysis by its expert consultants, concluded that the proposal would substantially raise cost for Marylanders without bringing corresponding benefits, OPC joined in a coalition of local interest to oppose the proposal. OPC's filing provided an Affidavit from its expert outlining the deficiencies of the proposal and requested FERC either reject the proposal or set it for a full evidentiary hearing. While FERC considers OPC's filing, it scheduled a technical conference to further explore the proposal and an OPC attorney appeared on one of the panels of the technical conference. On June 22, 2006, FERC issued an Order approving RPM in part and setting issues for technical conference and other proceedings. FERC also scheduled the matter before an Administrative Law Judge for settlement discussions. OPC intends to file a request for reconsideration of the FERC Order, hoping to convince FERC to call an evidentiary hearing on all issues before adopting this proposal. Also, OPC intends to participate fully in the settlement negotiations before the Administrative Law Judge.