

Interregional Coordination Update



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MISO and PJM began hosting a series of Joint Stakeholder Meetings July 16, 2012 to continue discussions on JCM issues.

The most recent Joint Stakeholder meeting was held on August 22, 2017. The purposes of these meetings are to:

- Identify the most critical JCM issues to be addressed
- Establish the priority for addressing the issues identified
- Establish the framework for issue resolution



- Targeted Market Efficiency Project (TMEP)
 - Final JOA language filed December 30, 2016
 - JRPC recommends 5 projects with capital cost of approximately \$17 million and TMEP benefit of approximately \$100 million over 4 years (B/C ratio: 5.8)
 - PJM and MISO Regional cost allocation filing completed. FERC approved the filing in early October 2017.
 - Board recommendations expected by end of year

- PJM reviewing proposals from long-term window for regional and interregional projects

- Reference date of April 1, 2004, known as “Freeze date”, is used as mechanism to determine firm rights on flowgates based on pre-market firm flows.
 - CMP Members (PJM, MISO, SPP, TVA, Manitoba Hydro, LGE) have been developing a collaborative solution to update these firm rights
- Straw proposal and phase 1 solution posted with May and August JCM materials
- Solution to be implemented in a phased approach
 - Phase 1 to be effective June 1, 2018: Includes DNR and TSR eligibility requirements*
 - Phase 2 to be effective June 1, 2019: Includes complete solution



*JOA changes to be filed in 2017

- PJM developed rules with stakeholders and subsequently filed revisions with FERC on March 9, 2017 to provide consistent treatment of external and internal capacity resources in planning, modeling, and market areas.
 - FERC issued a deficiency notice on May 5th - response submitted on September 18th
- PJM members approved a requirement at July MC for pseudo-tie resources and external balancing authorities to sign a pro-forma pseudo tie agreement, or include necessary JOA provisions.
 - PJM and MISO jointly developed and filed JOA changes (August 1, 2017)
 - Deficiency notice received from FERC – PJM and MISO are evaluating
- MISO and PJM have developed a two phase solution to the congestion overlap issue



PJM and MISO collaborated on a phased solution for the congestion overlap issue:

- Phase 1 to be implemented on December 1, 2017*
 - PJM and MISO are preparing to file associated JOA changes
 - Addresses Day-ahead coordination and M2M market flow adjustments
- Phase 2 to be implemented on June 1, 2018*
 - Requires Tariff and Operating Agreement changes
 - Filing expected in December 2017
 - Addresses ability to hedge RT congestion in Attaining BA along with additional credit/charges for Day-ahead vs. Real-Time deviations
- Details presented during the August 24th MRC meeting

*Pending FERC approval

- Issue status and drill down reports available at below websites:
 - [PJM/MISO Joint and Common Market Initiative](#)
 - [Joint and Common Market](#)
- No pending market-to-market settlement adjustments
- The next 2017 JCM meeting is schedule for:
 - November 29, 2017 at MISO Offices, Carmel, IN



Planning Issues

- Cross Border Planning Projects

Market Issues

- Pseudo Tie Update
- Freeze Date Alternatives

Administrative

- Update on M2M Settlement Adjustments
- Issue Status



The next joint stakeholder meeting will be hosted by MISO on Tuesday, November 29, 2017 at MISO's Offices in Carmel, IN



Meeting materials will be posted approximately one week in advance at the [PJM/MISO Joint and Common Market Initiative](#) as well as the [Joint and Common Market](#) websites

- PJM and NYISO established an Operational Base Flow (OBF) of 400 MW on the JK and ABC interfaces on May 1, 2017
- JOA updates included language requiring two (2) year notification for intent to reduce OBF to zero
- PJM submitted a request to NYISO to reduce the OBF to zero effective October 31, 2019
 - NYISO responded with agreement to the request.
- PJM and NYISO posted these notification/response letters on their respective websites (PJM link: <http://pjm.com/library/reports-notice.aspx>)

- PJM and NYISO are coordinating a joint meeting at PJM's offices on October 31, 2017

- Topics for discussion:
 - Seams based cost allocation for existing facilities
 - NY/NJ PAR Coordination metrics for period between May 1 – September 30, 2017
 - OBF reduction on or before October 31, 2017