

# Interregional Coordination Update



Phil D'Antonio  
Manager, Interregional Market Operations  
Markets Implementation Committee  
November 8, 2017

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.
  - Projects will be presented to the PJM Board for approval in December. MISO will present to their board for approval as well
  
- 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
- CMP Members are finalizing analysis and expect to file changes with FERC in November 2017
- 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 5, 2017 - response submitted on September 18, 2017
- 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 filed responses on October 30, 2017
- MISO and PJM have developed a two phase solution to the congestion overlap issue
  - Includes discussions from Freeze date initiative
  - Includes discussion regarding potential overlapping congestion



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

- Phase 1 to be implemented on March 1, 2018\*
  - PJM and MISO filed associated JOA changes on October 23, 2017
  - Addresses Day-ahead coordination and M2M market flow adjustments
- Phase 2 to be implemented on June 1, 2018\*
  - Requires Tariff and Operating Agreement changes
    - Stakeholder review during December 2017 and January 2018
  - Filing expected in 1<sup>st</sup> quarter of 2018
  - 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 24<sup>th</sup> 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
- IARR Updates
- CTS Review

## 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

## Ramapo PARs

- FERC approved NYISO filing on September 15, 2017 for the NY Transmission Customers to pay for installing a second PAR at Ramapo and Con Edison's cost of owning, maintaining and operating the two Ramapo PARs
  - NYISO and PJM staffs continue to discuss options for the development of a cost allocation methodology for transmission system enhancements which provide benefits to both regions

## NY/NJ PAR Coordination

- PJM and NYISO have mutually agreed to reduce the Operational Base Flow (OBF) to zero by October 31, 2019
  - Coordination letters posted on the PJM and NYISO Websites.
  - PJM link: <http://www.pjm.com/-/media/library/reports-notice/special-reports/20171005-pjm-nyiso-obf-notice-letters.ashx?la=en>

- PJM and NYISO will be coordinating a joint meeting at PJM's offices before the end of 2017.
  
- Topics for discussion:
  - Seams based cost allocation for existing facilities
  - NY/NJ PAR Coordination metrics for period between May 1 – October 31, 2017
  - OBF reduction on or before October 31, 2019