

# Interregional Coordination Update



Markets Committee  
May 17, 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 February 28, 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 5.8)
  - Regional cost allocation filings targeted April-May 2017
  - Board recommendations upon filing approvals
- PJM long-term window for regional and interregional proposals closed on February 28, 2017
- Responses for FERC directives in NIPSCO Order expected in April-May



## Interface Pricing Efforts

- Implementation of the collaborative solution to be effective June 1, 2017.
  - Utilize same interface definition in PJM and MISO.
    - No change in PJM's MISO interface definition.
- Monitoring process and mitigation options for post implementation being reviewed.
  - Post Implementation Metrics and Criteria document posted on PJM-MISO JCM website at below link

<http://www.jointandcommon.com/~media/committees-groups/stakeholder-meetings/pjm-miso-joint-common/20170228/20170228-item-03b-miso-pjm-interface-pricing-post-implementation-document.ashx>

- 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
- Main inputs to FFE calculation for collaborative solution
  - Designated Network Resource (DNR) eligibility
  - Transmission Service Requests (TSRs) eligibility
  - Generation to Load impact/allocation threshold
  - Distribution of excess allocations
  - Granularity (LBA or RTO level)
- Straw proposal to be posted with May JCM materials
  - Redline changes expected at August JCM
- Effective date expected on 6/1/18





- PJM developed rules with stakeholders to provide consistent treatment of external and internal capacity resources in planning, modeling, and market areas.
  - PJM filed with FERC the proposed rules for new and existing pseudo-ties on March 9th
    - [http://www.pjm.com/media/documents/etariff/FercDockets/2149/r17-1138-000-External%20Capacity%20Filing%20\(W0118458-2x8DF47\).pdf](http://www.pjm.com/media/documents/etariff/FercDockets/2149/r17-1138-000-External%20Capacity%20Filing%20(W0118458-2x8DF47).pdf)
  - FERC issued a deficiency notice on May 5<sup>th</sup>. PJM did not will apply the new rules for the May 2017 Base Residual Auction.
- PJM is also pursuing a requirement for pseudo-tie resources and external balancing authorities to sign a pro-forma pseudo tie agreement, or include necessary JOA provisions.
- MISO and PJM continue to discuss parallel efforts to review processes
  - Includes discussions from Freeze date initiative
  - Includes discussion of potential double counting



– 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 2017 JCM meeting schedule is:

- May 23, 2017                      MISO Offices, Carmel, IN
- August 22, 2017                  PJM Training Center, Valley Forge, PA
- November 29, 2017               MISO Offices, Carmel, IN



The next joint stakeholder meeting will be hosted by MISO on Tuesday, May 23, 2017 at MISO Offices



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



## Planning Issues

- Cross Border Planning Projects

## Market Issues

- Interface Pricing
- Pseudo Tie Update
- Freeze Date Alternatives

## Administrative

- Update on M2M Settlement Adjustments
- Issue Status



- PJM and NYISO initiated a joint stakeholder process to discuss the modification of the NYISO-PJM Joint Operating Agreement (JOA) to develop an appropriate cost recovery mechanism for the purchase, installation and operation of two PARs at the Ramapo Substation which recently failed
- Meetings have been held at PJM's offices in March and NYISO offices in April.
  - Provided education, discussed Scope, began interest identification, and benefit analysis criteria
- Next Meeting on May 24<sup>th</sup> at PJM offices
  - Review scope, interest identification, and benefit analysis criteria