Joint and Common Market

II. MISO/PJM FTR COORDINATION UPDATE
Background and Status

At the September 20th JCM, MISO and PJM discussed the approach for FTR coordination

- Outage Coordination
  - Increased coordination efforts implemented to increase confidence in modeled outages

- Timing
  - Timing of auctions vary slightly between RTOs
    - PJM 2014 Monthly FTR Auctions scheduled slightly later than in 2013 to align better with MISO Monthly FTR Auction schedules
    - MISO 2014 Monthly FTR Auction scheduled slightly earlier than in 2013

- Coordination of Flowgates and Constraints
  - For any known or expected system conditions in the FTR auction
FTR Modeling and Coordination

Standing Flowgates
- Coordinate and exchange flowgates on monthly basis
- Coordinate procedure to determine FFEs for non monitoring RTO flowgates and exchange on monthly basis

Temporary constraints are used to represent known outages and other system conditions
- Coordination includes internal and external constraints
- Successfully allows management of the transmission capacity prior to any temporary flowgates being identified
Annual ARR/FTR Coordination

PJM and MISO Annual ARR/FTR process

- PJM annual ARR process opens on March 4, 2014
  - Model finalized and posted by February 18, 2014
- MISO annual ARR process opens on March 7, 2014
  - Model finalized and posted by March 3, 2014
- Coordination to be done on following:
  - Transmission Outages
  - M2M modeled Flowgates and FFE values
  - Constraints
## FTR Coordination Milestones

<table>
<thead>
<tr>
<th>#</th>
<th>St</th>
<th>Activity</th>
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<tbody>
<tr>
<td>1</td>
<td>c</td>
<td>Coordinate outages for FTR auction</td>
<td>June 2013</td>
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<tr>
<td>2</td>
<td>c</td>
<td>Aligned monthly FTR calendars for 2014 posted</td>
<td>November 2013</td>
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<tr>
<td>3</td>
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<td>Standing flowgates – Coordinate and exchange on monthly basis</td>
<td>January 2014</td>
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<td>4</td>
<td></td>
<td>Standing flowgates – Coordinate procedure to determine FFEs on other’s flowgates and exchange on monthly basis</td>
<td>January 2014</td>
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<td>Type 1(temporary) constraints – Coordinate procedure and exchange constraints. This set would include outage-related temporary constraints. Ex: MISO’s type 1 constraints in NIPS area shared with PJM</td>
<td>Q1 2014</td>
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<td>6</td>
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<td>Develop monitoring and measuring metrics for items 3–5</td>
<td>Q1 2014</td>
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<td>7</td>
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<td>Monitoring, measuring and reporting coordination effectiveness of items 3-5</td>
<td>Q2 2014</td>
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- **C**: Complete
- ****: In Progress
Next Steps

• Coordination for Annual Process
• Continue coordination of Standing Flowgates (Activity 4)
  • Align and exchange standing flowgates, develop and standardize procedures to determine flowgate limits (FFE range)
    • FFE is hourly value – FTR markets require monthly, seasonal or annual values
• Temporary Flowgates (Activity 5)
  • Coordinate procedures to determine commercial flow range for Type 1 constraints