

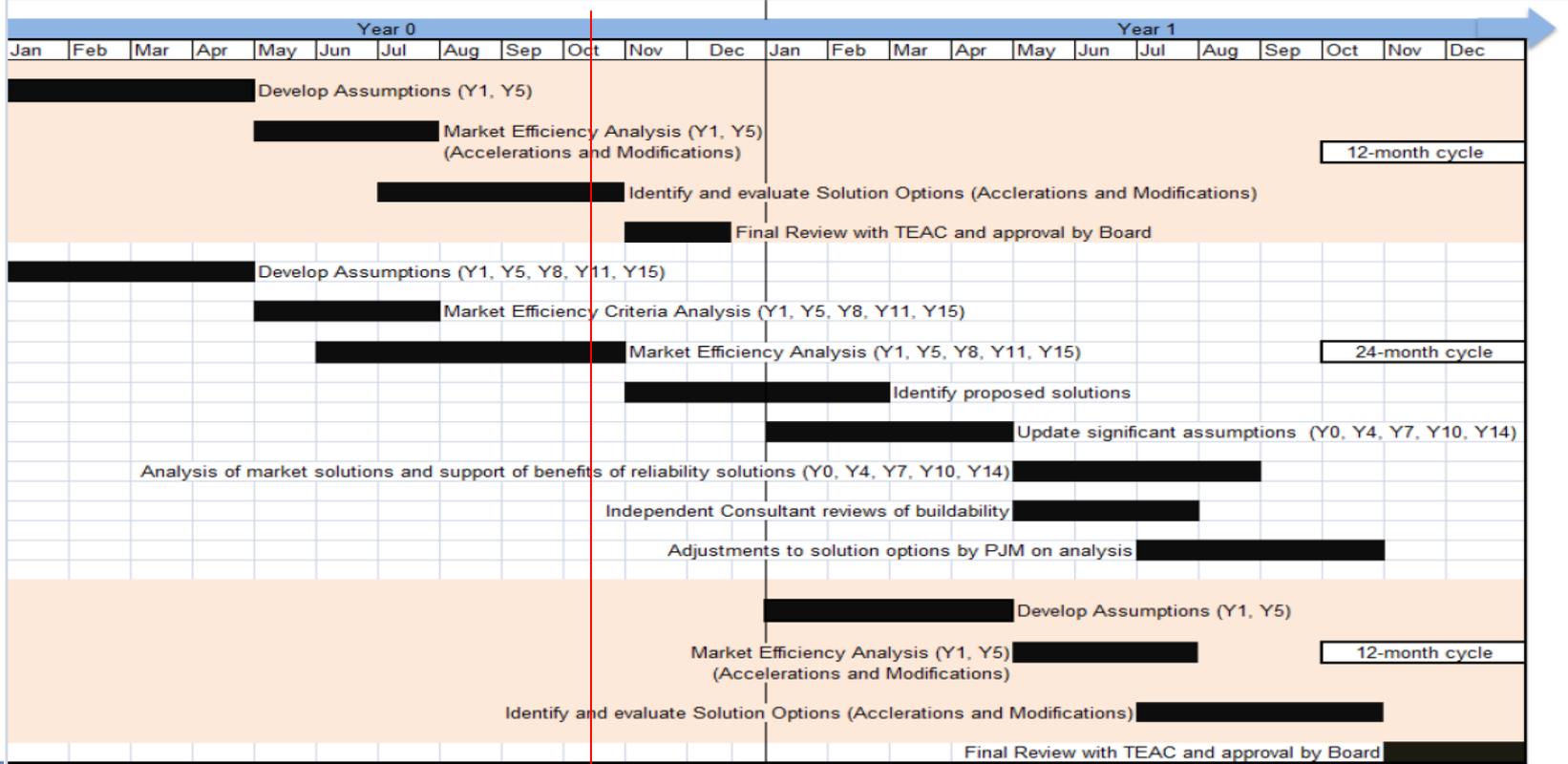


Transmission Expansion Advisory Committee Market Efficiency Update

October 6, 2016



Market Efficiency Timeline





2016-2017 24-Month Market Efficiency Cycle Timeline

Item	Schedule
Long Term proposal window	November 2016 - February 2017
Analysis of proposed solutions	March 2017 - November 2017
Determination of Final projects	December 2017

- Market Efficiency cases (first draft) were posted on 09/14/2016
 - PROMOD cases, and supporting documentation were posted on Market Efficiency Web page
 - <http://www.pjm.com/planning/rtep-development/market-efficiency.aspx>
- Proposal window to open on November 1, 2016
 - PJM welcomes stakeholder feedback on PROMOD model by October 15, 2016
 - Base Congestion Results to be posted and discussed via WebEx TEAC session
 - Final Base Case to be posted before November 1
- Market Efficiency Questions
 - Send to the RTEP e-mail distribution (rtep@pjm.com) with “Market Efficiency” in the subject line header



Base Case Modeling – Stakeholders Feedback

- PJM Generation Expansion model
- PJM Fuel Assignments
- MISO Flowgates



Base Case Modeling Status – Work in-progress

- Reactive Limits
- Updated ARR Model
- PS North Wheel Reform
- External Model Review
- Stakeholder Feedback
- Base Congestion Results



Base Case Additional Documentation – Work in Progress

- Market Efficiency Test Case and Test Results
- Market Efficiency Benefit/Cost Evaluation Spreadsheet
- ARR Allocation MW Spreadsheet

Milestone	Schedule 2016
Finalize Stakeholder Feedback (on the Model)	Mid-October
Post Problem Statement and Congestion Drivers	End of October
Post Final Market Efficiency 2016/17 Base Cases	End of October
Post Required Documentation	End of October
Proposal Window opens	November
PJM Review for Acceleration Candidates	October-December

Questions?

Email: RTEP@pjm.com

- Market Efficiency Web Page located at <http://www.pjm.com/planning/rtep-development/market-efficiency.aspx>
- Market Efficiency Case Files (first draft posted on 09/14/2016)
 - Access requires CEII access approval (execute PJM CEII NDA and fill out PJM CEII Request Form)
 - Note: the access request must indicate “2016/17 RTEP Proposal Window”
 - Access requires Vendor (ABB) approval that the requester is a licensee of PROMOD confirmation
 - Access requires MISO CEII approval with access confirmed by PJM
 - No confidential data provided or used in analysis (i.e. actual bid data)
 - XML Format
- Posted Reference Files
 - Steps to run Model Document
 - Input Assumptions Summary
- Market Efficiency Questions
 - Please send to the RTEP e-mail distribution (rtep@pjm.com) with “Market Efficiency” in the subject line header