

# Interregional Coordination Update

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MC Webinar  
August 19, 2019



The most recent Joint and Common Market meeting was held on May 21, 2019



The next joint stakeholder meeting will be hosted by MISO on August 27, 2019 via WebEx / Conference Call.



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

- Reference date of April 1, 2004, known as “Freeze date”, is used as a mechanism to determine firm rights on flowgates based on pre-market firm flows.
  - CMP Members (PJM, MISO, SPP, TVA, Manitoba Hydro, and LGE/KU) have been developing a collaborative solution to update these firm rights
- CMP Members are working on the final items for the Phase 2 solution:
  - Phase 2 implementation date will be determined when individual Planning discussions are completed by each entity
    - CMP members have developed design components for the Phase 2 solution
      - Firm Flow Limit (FFE) solution is almost finalized; FFL remains an open item
    - Discussions will continue to finalize design components and whitepaper
    - Stakeholder education will occur during future MIC and JCM meetings
    - Stakeholders will be updated prior to FERC filing



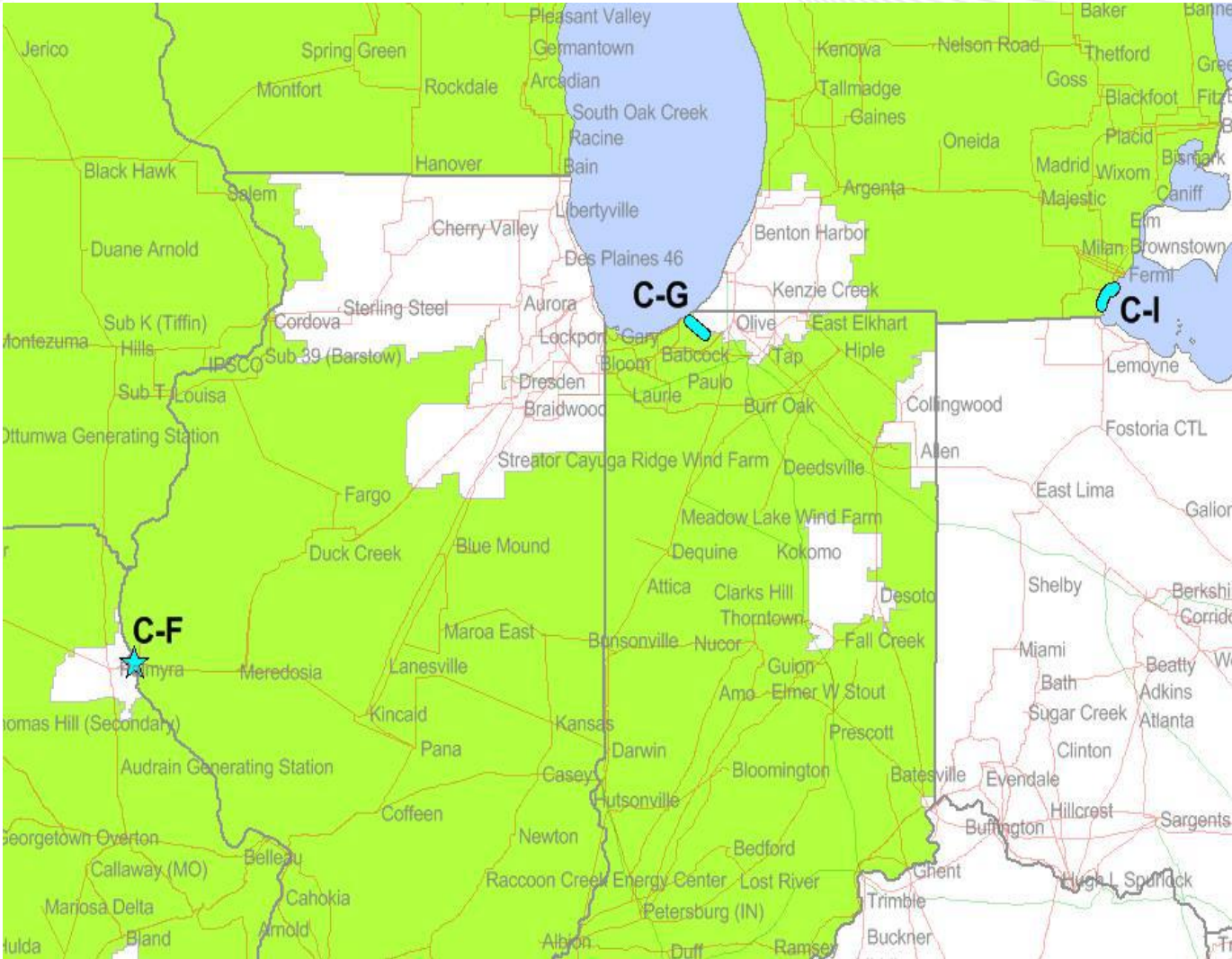
- PJM and MISO are conducting a two-year Interregional Market Efficiency Project (IMEP) study in 2018/2019
- Issues identification and benefit determination conducted in each regional process consistent with current effective JOA
- Interregional proposals must:
  - Address at least one identified issue in each region  
(could be same issue if identified by both RTOs)
  - Be submitted to both regional processes

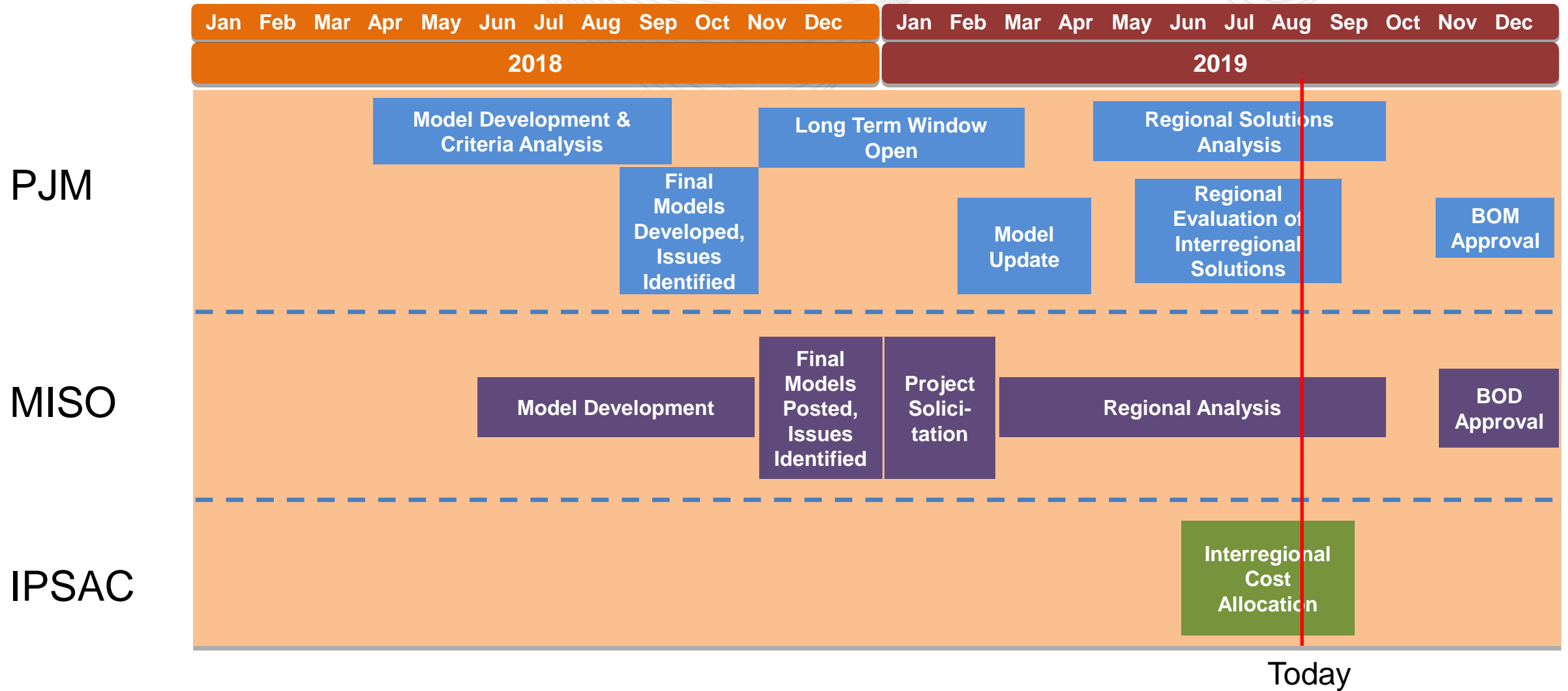
- Benefits to each RTO are determined by that RTO using their respective regional process and metrics (Tariff)
  - Note inconsistent study years and discount rates
- Costs are allocated inter-regionally based on pro rata share of benefits, as determined above
- Interregional projects must meet the B/C criteria in each RTO (based on allocated costs), qualify as an MEP under both the MISO and PJM process, and be approved by each RTO's board



# Interregional Congestion Drivers

- Flowgate C-F: Marblehead N Transformer 161/138kV
  - Historically binding M2M constraint aggravated by coal and nuclear retirements in Illinois.
- Flowgate C-G: Bosserman to Trail Creek 138kV
  - Historically binding M2M constraint. Congestion driven by nearby retirements, which increase east to west flows in northern Indiana.
- Flowgate C-I: Lallendorf to Monroe 345kV
  - Historically binding M2M constraint driven by high transfer from north to south.







# PJM-MISO Issue Status & Market-to-Market Settlement Adjustments

- 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
  - Pseudo-Tie Overlapping Congestion (PTOC) Settlement Hearings were initiated per FERC's order in June
- The next JCM meeting is schedule for:
  - Tuesday August 27, 2019 via WebEx / Conference Call





## Planning Issues

- Cross Border Planning Projects

## Market Issues

- CTS Metrics
- Freeze Date Alternatives
- IARR Updates
- M2M Enhancements

## Administrative

- Update on M2M Settlement Adjustments
- Issue Status

- PJM and NYISO discussed changes to the current Firm Flow Entitlement (FFE) calculation:
  - JOA changes reviewed with Stakeholders:
    - April 10<sup>th</sup> and May 15<sup>th</sup> MIC meetings
    - April 22<sup>nd</sup> MC Webinar
  - PJM and NYISO filed JOA changes on June 28, 2019
- FERC approved the PJM and NYISO jointly filed a waiver for creation of an M2M re-dispatch flowgate for the East Towanda – Hillside 230 kV tie line on November 19, 2018
  - PJM and NYISO are required to report JOA update progress on a quarterly basis
  - Next update is due in August
  - JOA revisions noted above address the waiver

- PJM and Duke Energy Progress (DEP) JOA:
  - FERC approved JOA changes to remove Article 14 on July 2, 2019
    - Per the FERC order, PJM and DEP retired the PJM/DEP Dynamic Schedule on July 22, 2019
  
- PJM and TVA continue to review the Joint Reliability Coordination Agreement (JRCA):
  - General review of JRCA
  - Updating Article IX – Planning section
  - Adding LGE-KU to the JRCA
  - FERC filing for changes (as it applies to PJM and LGE-KU) expected in Q4 2019
    - Updates will be reviewed with PJM Stakeholders prior to FERC filing