Interregional Coordination Update

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Market Implementation Committee
May 15, 2019
The most recent Joint and Common Market meeting was held on February 22, 2019

The next joint stakeholder meeting will be hosted by MISO on May 21, 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.
PJM-MISO Freeze Date and Firm Flow Entitlements

- 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
    - 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
Annual Issues Review concluded with March 29 IPSAC:
- Regional issues & historical congestion data reviewed
- Limited stakeholder feedback
- Limited opportunities for interregional development identified beyond current IMEP study

2019 Coordinated System Plan
- Completion of 18/19 IMEP study
- Possible Interregional Reliability Project if opportunity identified
- No 2019 Targeted Market Efficiency Project study
- No 2019 Ad Hoc studies
• Each RTO has developed an economic model and identified issues for which upgrades were solicited
  – Overlapping border issues identified by both RTOs created several opportunities for interregional proposals
• Regional MEP processes ongoing
  – Proposal windows have closed:
    ▪ 12 interregional proposals received by both RTOs (preliminary)
    ▪ 8 proposing entities
  – RTOs reviewing proposals & preparing models
Market Efficiency - Estimated Timeline

**PJM**
- **2018**
  - Jan: Model Development & Criteria Analysis
  - Feb: Final Models Developed, Issues Identified
  - Mar: Long Term Window Open
  - Apr: Regional Solutions Analysis
  - May: Model Update
  - Jun: Regional Evaluation of Interregional Solutions
  - Jul: BOM Approval

**MISO**
- **Model Development**
- **Final Models Posted, Issues Identified**
- **Model Update**
- **Regional Analysis**
- **BOD Approval**

**IPSAC**
- **Project Solicitation**
- **Regional Cost Allocation**
- **Today**
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 JCM meeting is scheduled for:
- Tuesday May 21, 2019 via WebEx / Conference Call
Tentative Planned 2018 PJM-MISO JCM Topics

**Planning Issues**
- Cross Border Planning Projects

**Market Issues**
- CTS Metrics
- Freeze Date Alternatives
- IARR Updates
- Constraint Relaxation

**Administrative**
- Update on M2M Settlement Adjustments
- Issue Status
PJM/NYISO Initiatives

- PJM and NYISO are discussing changes to the current Firm Flow Entitlement (FFE) calculation
  - JOA changes reviewed with Stakeholders:
    - April 10\textsuperscript{th} and May 15\textsuperscript{th} MIC meetings
    - April 22\textsuperscript{nd} MC Webinar
  - PJM and NYISO working toward a June 30\textsuperscript{th} FERC filing
- 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 this month
    - Will focus on current JOA revisions and upcoming FERC filing
- **PJM and Duke Energy Progress (DEP) JOA**
  - PJM and DEP are working toward unwinding of the PJM/DEP Dynamic Schedule
    - defined in Article 14 of the PJM/DEP JOA
    - Associated JOA changes (removal of Article 14) will be filed with FERC in mid-May

- **PJM and TVA are currently reviewing 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 Q3 2019
    - Updates will be reviewed with PJM Stakeholders prior to FERC filing