Market Efficiency Process Enhancement Task Force

December 13, 2018
Planning Committee
Market Efficiency Process Enhancement Background

- **Market Efficiency Process Enhancement** approved in January 2018
  - Address challenges and opportunities for improvements to the Market Efficiency process since implementing Order 1000 processes in two phases

- Key discussion areas:
  - Benefit Calculation (endorsed phase 1, applicable to 18/19 window pending FERC acceptance)
  - FSA generator modeling (endorsed phase 1, applicable to 18/19 window pending FERC acceptance)
  - Market Efficiency cycle
  - Capacity Benefits-to-Cost Calculation
  - Regional Targeted Market Efficiency Projects
  - Market Efficiency Reevaluation Process
• Poll is available here: <add link> This slide will be updated to include the link once the poll is live

• Responses are non-binding and intended to solicit feedback on potential support for key design components

• Current areas for phase 2 discussion:
  – Timeline for an 18-month overlapping annual ME cycle
  – Capacity projects: consider benefits but do not solicit directly
  – Considerations for a Regional Targeted ME process
    • Similar to existing interregional process
  – Reevaluation criteria: $50 million or more capital cost to study
• Discuss poll results and proposals to phase 2 items on January 7, 2019
  – Four meetings remaining

• Provide first read of proposal(s) at the March 2019 PC
  – Solution package to implement for November 1, 2019