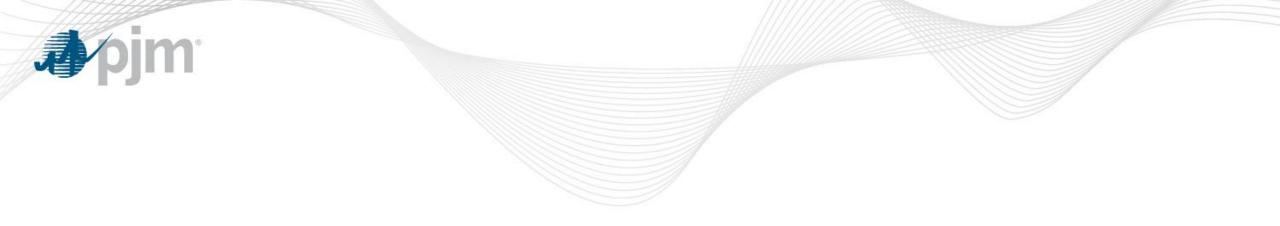


Market Efficiency Update

Nick Dumitriu Market Simulation Transmission Expansion Advisory Committee February 9, 2021



2020/21 Long Term Window



2020/21 Long-Term Window

Long-Term Market Efficiency Window (120 days) 2020/21 Long-Term Window started January 11, 2021 and will close May 11, 2021

Window process and registration presented at the <u>Special TEAC – Market Efficiency</u> on December 23rd, 2020

Problem statement and target congestion drivers posted on <u>Competitive</u> <u>Planning Process</u> page

- Market Efficiency Economic Models posted on the <u>Market Efficiency Secure Page</u>
- Modeling data includes market efficiency base case files for all study years, PROMOD input files and benchmark test cases and results.
- To access the information, stakeholders required to have CEII confirmation (for both PJM and MISO) and PROMOD vendor (ABB) confirmation.



Posted Congestion Drivers

| 2020/21 RTEP Market Efficiency Window Eligible Energy Market Congestion Drivers (Posted 01-11-2021) | | | | | ME Base Case (Annual Congestion \$million) | | | ME Base Case (Hours Binding) | | | | |
|---|---|--------------|------------|----|--|----|--------------------------|---------------------------------|---------------------------|----------------------------------|--|-------------------|
| FG# | Constraint | FROM AREA | TO AREA | Si | 2025 mulated Year | S | 2028 imulated Year | 2025 Simulated Year | 2028 Simulated Year | Is Line Conductor Limited? | Conductor Ratings* | Comment |
| ME-1 | Kammer North to Natrium 138 kV | AEP | AEP | \$ | 2.60 | \$ | 13.19 | 102 | 244 | Yes | | Internal Flowgate |
| ME-2 | Muskingum River to Beverly 345 kV** | AEP | AEP | \$ | 1.00 | \$ | 2.21 | 113 | 187 | Yes | | Internal Flowgate |
| ME-3 | Junction to French's Mill 138 kV | APS | APS | \$ | 18.45 | \$ | 25.88 | 510 | 634 | No | SN/SE=221/268 MVA WN/WE=250/317 MVA | Internal Flowgate |
| ME-4 | Yukon to AA2-161 Tap 138 kV | APS | APS | \$ | 4.30 | \$ | 5.37 | 1740 | 2059 | Yes | | Internal Flowgate |
| ME-5 | Charlottesville to Proffit Rd Del Pt 230 kV | DOM | DOM | \$ | 3.93 | \$ | 4.21 | 129 | 115 | Yes | | Internal Flowgate |
| ME-6 | Plymouth Meeting to Whitpain 230 kV | PECO | PECO | \$ | 5.44 | \$ | 7.27 | 154 | 153 | No | SN/SE=463/578 MVA WN/WE=521/639 MVA | Internal Flowgate |
| ME-7 | Cumberland to Juniata 230 kV*** | PLGRP | PLGRP | \$ | 8.70 | \$ | 9.07 | 233 | 216 | Yes | | Internal Flowgate |
| ME-8 | Harwood to Susquehanna 230 kV*** | PLGRP | PLGRP | \$ | 16.73 | \$ | 12.40 | 949 | 723 | Yes | | Internal Flowgate |
| ME-9 | Duff to Francisco 345 kV | DUK-IN | DUK-IN | \$ | 0.96 | \$ | 3.82 | 81 | 125 | No | SN/SE=1374/1374 MVA WN/WE=1798/1798 MVA | M2M |
| ME-10 | Gibson to Francisco 345 kV | DUK-IN | DUK-IN | \$ | 4.28 | \$ | 3.71 | 198 | 211 | Yes | | M2M |

Notes:

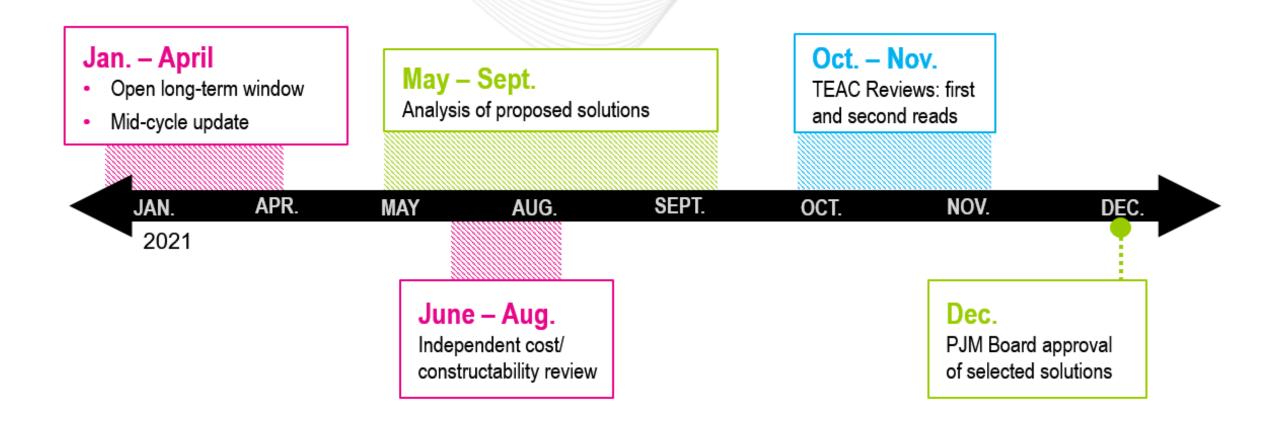
* Conductor ratings provided by TOs for congestion drivers that are limited by station equipment.

** A sag study being performed by the TO may decrease or eliminate the Muskingum River to Beverly 345 kV congestion driver.

*** Cumberland – Juniata and Harwood – Susquehanna Congestion drivers may be impacted by DLR (Dynamic Link Rating) projects (Expected in-service date 06/01/2021). Harwood – Susquehanna driver may be impacted by recently announced Talen Energy retirements. (Retirement notice not submitted to PJM).



2020/21 Long-Term Window Schedule





Appendix A 2020/21 Long-Term Window Registration Process



Market Efficiency RTEP Window Registration

Beginning July 2020, all RTEP competitive proposals are submitted through a new web-based Competitive Planner application.

Beginning in July 2020, all RTEP competitive proposals will be submitted through a new web based Competitive Planner application. Only transmission owners and developers who have received authorization to receive CEII information associated with the current window will be able to participate in the PJM competitive planning process.

Request Access to Competitive Planner

Only transmission owners and developers who have received authorization to receive CEII information associated with the current window will be able to participate in the PJM competitive planning process. Register for the 2020/21 RTEP Market Efficiency Window at PJM.com > Planning > <u>Competitive Planning Process</u>

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- In the CEII Request form write "*Access to the 2020/21 Long Term RTEP Window*" as the description of the information requested.
- All participants must register to access the data regardless of prior participation in the PJM Competitive Process.



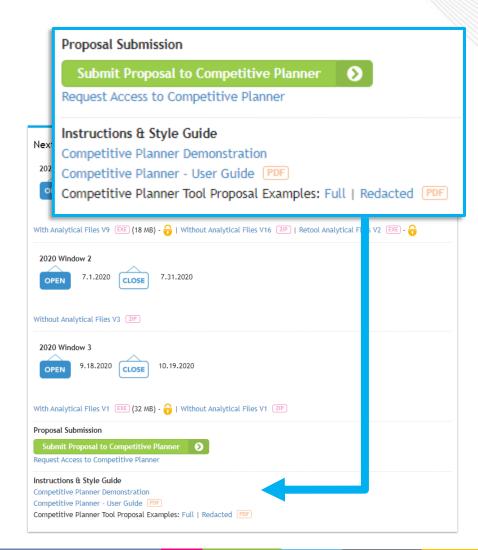
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RTEP Window Registration Screenshot

| rvices & Requests oject Status & Cost | 0 | Home Planning Competitive Planning Process | | | |
|--|---|--|---|--|--|
| In the second se | 0 | Competitive Planner makes it easier for transmission owners and transmission developers to submit proposals through PJM's competitive transmission development process windows. It provides an interactive form that allows developers to provide information more easily and accurately, while also securely submitting that information to PJM from a single location. Previously developers would need to fill out an Excel file that would then be uploaded securely. PJM will announce in the Transmission Expansion Advisory Committee (TEAC) its intention to solicit competitive solutions to identified planning needs. The "windows" for submitting such solutions fit into three categories and follow | Resources Transmission Expansion Advisory Committee (TEAC) Apply For Pre-Qualification Status FERC Form 715 - FERC Guidelines For Diagrau Requests Manual 14F: Clean WEB Clean PDF Planning Community | | |
| sign, Engineering & | 0 | the 18-month and 24-month planning cycles as described in Manual 14F. Pre-Qualified Entities | Training Video User Guide PDF Register for Community | | |
| terregional Planning | • | While not a requirement to propose competitive projects, an entity must obtain Designated Entity status in order to construct, own, operate, maintain, | | | |
| | | and finance competitive planning projects. If your company hasn't been pre- qualified, apply for pre-qualification status. | | | |
| | | Next Window | Redacted Public Proposal | | |
| | | 2020/21 Long-Term Window 1 000000000000000000000000000000000000 | | | |



Competitive Planner Tool Training Materials



PJM has a Users Guide posted to the PJM website for the new Competitive Planner Tool: PJM.com > Planning > Competitive Planning Process > <u>Competitive Planner – User Guide</u>

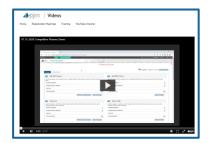
There is also a demonstration Video posted to the PJM website showing how to use the new Competitive Planner Tool:

Videos.pjm.com > <u>Competitive Planner Demo</u>

PJM has also posted Examples of Competitive Planer proposals:

PJM.com > PJM.com > Planning > Competitive Planning Process > Competitive Planner Tool Proposal Examples: <u>Full</u> | <u>Redacted</u>





| General Information | |
|--|--|
| Preposing entity name | 5.00 E |
| Company proposal ID | Pake 101 |
| P.M Proposal D | 30 |
| Proped life | P.M. Executed |
| Project description | Build the "Sampard 2001/38 to "Highd" in anoth seatest Permanents. The project will establish generates (SBI 104 V) above using in Whitewards Jackisteen SBI VV struct are the high side as Worston-First and Worston-Bactesteen 108 HV decades on the low side with a 5001/38 HT integration foreigness. |
| Project in-cervice date | 64/9021 |
| Te-ire input | N |
| interregional project. | No. |
| is the proposer offering a kinding cap on capital costs? | Yes |
| Additional benefits | Additional Project benefits |
| Repporting Decommunity | |
| Project analysis offen/reamly | Project Analysis.cov |
| Wated efficiency simulation modeling thes | Mahad Efficiency Law |
| Project Components | |
| 1. P.M Geerhitt | |
| One-sheld Substation Consumers | |



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Market Efficiency Update

Member Hotline (610) 666 – 8980 (866) 400 – 8980 custsvc@pjm.com

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Revision History

- V1 02/03/2020 Original slides posted
- V2 02/11/2020
 - Slide 4 added footnote:

*"** A sag study being performed by the TO may decrease or eliminate the Muskingum River to Beverly 345 kV congestion driver."*