

# **Capacity Deliverability**

May 27, 2015 MISO-PJM JCM

# **Key Takeaways and Objective**

- Capacity deliverability seeks to eliminate barriers for capacity transactions across the seam
- MISO is evaluating options to improve efficiency in the PJM to MISO direction
- MISO and PJM are seeking initial stakeholder reaction to these concepts by June 26<sup>th</sup>



# **Pursuing Capacity Deliverability**

### MISO is interested in pursuing capacity deliverability

- The transmission capability in the PJM to MISO direction is minimally utilized for capacity
  - MISO to PJM direction is almost fully subscribed

### Three benefits to pursue joint deliverability

- Certainty with respect to Firm scheduling rights and elimination of the requirement to obtain Firm Transmission Service for RTO capacity auctions
- May lower overall costs to consumers across the two RTOs for Capacity Resources
- May have the potential to send clear signals for transmission planning investments



# External Resources Qualification Requirements for MISO Planning Resource Auction

- Firm Transmission Service to the border of MISO's Region and one of the following:
  - Firm Transmission Service within MISO (Point-To-Point, Network Integration Transmission Service, Grandfathered Agreement)
  - Network Resource Interconnection Service
  - Designated Network Resource prior to the Energy Market in 2005
- External Balancing Authority where resource is located complies with interruption options described in MISO's tariff
- Perform real power test and submit performance data (Generation Availability Data System)
- Certify resource is not being used as a capacity in any other resource adequacy construct/plan



# **Options under consideration**

- External Network Resource Interconnection Service
- Modified external Network Integration Transmission Service
- MISO system deliverability of PJM resources
- Other?



#### **External Network Resource Interconnection Service**

- External Network Resource Interconnection Service allows an External Resource to serve Network Load similar to internal Network Resource
  - Requires Transmission Service to the MISO border and is analyzed for Network Resource Interconnection Service to MISO
  - Process and operational characteristics align with internal Network Resource Interconnection Service
    - Study technique examines the ability of generation in aggregate to serve load in aggregate
  - Exists in MISO's tariff, detailed procedure is being vetted through MISO stakeholder process
- Potential hurdles:
  - Study process is still being vetted
  - Study timeline



#### **Modified external Network Integration Transmission Service**

- Offer Network Integrated Transmission Service to generators and allow the MISO Network Load to be identified in Planning Resource Auction
  - Today, if a load is not identified Point-To-Point Transmission Service Requests is only option
  - External Resources that clear the MISO auction will ultimately serve MISO Network Load
  - Process and operational characteristics align with Network Integration Transmission Service
    - Study technique will be from specific MISO resource or external interface to the sink local balancing authority and an examination of generation in aggregate to serve load in aggregate
    - Consistent with External Resources requesting Network Integration Transmission Service today
- Potential hurdles:
  - Impacts / consistency with existing standards
  - Software changes
  - Time to implement



### MISO system deliverability of PJM resources

- Apply the joint deliverability concept to PJM resources into MISO
  - Apply similar concepts and process as identified through the Fact Finding effort
  - MISO evaluates PJM generators to the MISO footprint
    - Study technique examines the ability of generation in aggregate to serve load in aggregate and the study area will consider both MISO and PJM
  - Offer an annual product based on existing capability of transmission system
- Potential hurdles:
  - Significant annual study effort
  - Study process specifics
  - Time to implement



# **Next Steps**

- MISO is open to considering other options that stakeholders may identify
- MISO and PJM are evaluating improvements to the Transmission Service Request coordination process
- Feedback requested by June 26<sup>th</sup>
  - August JCM: Developed concept, feedback will be requested
  - November JCM: Detailed proposal
  - December: Necessary filings



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