



# MISO-PJM Enhanced Day-Ahead Market Coordination

February 18, 2016  
MISO-PJM JCM



# Purpose / Takeaways / Outline

- **Provide update on FERC decision on MISO/PJM JOA filing, as well as implementation of Day Ahead M2M Coordination with PJM**
- **Takeaways**
  - FERC responded to the 11/2 deficiency letter and approved MISO-PJM JOA filing related to Day Ahead Coordination, on Jan 15.
  - MISO and PJM implemented the exchange on Jan 28, 2016.
  - MISO and PJM started posting DA FFE exchange MWs for the previous Operating Day
- **Outline**
  - FERC decision on MISO- PJM revised JOA
  - Implementation of DA FFE exchange
  - Additional report for stakeholders



# Tariff Filing Timeline

- **9/3/2015 - MISO/PJM jointly filed JOA Tariff changes**
  - Modify timing of exchange and clarify settlement language
  - Expectation to go-live on September 30<sup>th</sup>, 2015
- **10/13/2015 - MISO/PJM jointly responded to a protest received on the 9/3 filing**
  - Concede a go-live date of October 30<sup>th</sup>, 2015
- **11/2/2015 – FERC issued a deficiency letter on MISO/PJM protest response**
- **11/17/2015 – MISO/PJM respond to deficiency letter**
- **1/15/2016 – FERC accepted the revised JOA with requirement on compliance filing**



# FERC Response

- **FERC accepted the revised JOA, finding that FFE exchanges “increase efficiencies in the day-ahead market, better align the operations of the day-ahead and real-time markets, and enhance revenue adequacy for other markets, such as financial transmission rights”**
- **FERC believes revised JOA adds clarity to FFE exchange process and greater consistency for settlement calculations**
- **FERC views the exchange request data/notifications unnecessary, and believes it is sufficiently beneficial to post “after the fact” data daily for previous operation day**



# Implementation

- **MISO and PJM implemented the DA FFE exchange on Jan 28<sup>th</sup>, 2016**
  - Targeting operation day of Jan 29<sup>th</sup>, 2016
  - Exchanged 40MW (MISO to PJM) FFE on flowgate 2577 (Roxana\_Praxair\_138\_flo\_Wilton\_Center\_Dumont\_765) from HE01- HE12 EST
  - All data exchange and settlement was processed successfully
  - FFE exchange and settlement reports available at each RTOs' website

# Public Reports

- Both RTOs are posting the following information on their public websites

- Hourly exchanged MW values for the previous Operating Day

Hour Ending	NERC Flowgate ID	Monitoring RTO	Non Monitoring RTO	Flowgate Description	Non Monitoring RTO FFE Adjustment
1/29/2016 1:00	2577	MISO	PJM	Roxana_Praxair_138_flo_Wilton_Center_Dumont_765	40
1/29/2016 2:00	2577	MISO	PJM	Roxana_Praxair_138_flo_Wilton_Center_Dumont_766	40

- Hourly Day Ahead exchange settlements
  - Posted following the Market Settlements run 5-10 days following the Operating Day
- MISO reports can be found under the “Market to Market” report type at <https://www.misoenergy.org/Library/MarketReports>
- PJM reports can be found at <http://www.pjm.com/markets-and-operations/energy/market-to-market.aspx>



# Summary / Next Steps

- **Summary**

- MISO/PJM revised JOA was conditionally accepted with a November 3<sup>rd</sup>, 2015 effective date, pending submittal of compliance filings from MISO and PJM within 30 days of January 15<sup>th</sup>, 2016.
- MISO and PJM implemented the FFE exchange on Jan 28<sup>th</sup>, 2016

- **Next Steps**

- Continue FFE Exchanges in Day Ahead Markets with PJM
- Report on observations and metrics through future stakeholder process (MISO-PJM JCM)



# Appendix



# MISO/PJM Exchange Process Guidelines

- 1) The flowgate should be currently or expected to be constrained in Real-time (RT) and/or DA.
- 2) The Requesting RTO's RT market flows should be significantly larger than its RT FFEs.
- 3) The RTOs combined bid production cost should decrease.
- 4) The FFE exchange should not negatively affect RTO's FTR revenue adequacies.
- 5) Responding RTO should be capable of exchanging FFEs with ReqRTO based on ReqRTO's projected and historical DA and RT shadow prices.
- 6) ResRTO will provide their DA shadow price, to ReqRTO, within an hour of ResRTO's DA case execution factoring expected DA conditions. As a result, this will impact the DA M2M settlements.

# DA Market Coordination Roadmap

