

MISO – PJM Joint and Common Market Interregional Update

May 24, 2016

Targeted Market Efficiency Project Study

Targeted Market Efficiency Project Concept vs. Longer Term Market Efficiency Project

Targeted Market Efficiency Project (TMEP)


- Driver is historical M2M congestion (whether or not it drives settlement payments)
- Each TMEP upgrade project to relieve congestion must be flowgate specific and meet other criteria
- Upgrade suggestions for general areas, conditions or collection of constraints may require longer term studies
- Limited scope and cost capped TMEPs complement, not replace, MEPs

Longer Term Market Efficiency Project (MEP)

- MEPs require regional issues in both RTOs and are subject to regional process project approval
- Candidate JOA MEP upgrades must also be entered for evaluation in a regional PJM competitive window in response to PJM issues
- MEP analysis is a longer and more rigorous process involving a long model development and review timeline with subsequent analysis
- Recent FERC orders involve changes to the MEP process
- MEP JOA and regional processes are under review and likely require further changes

- M2M flowgate congestion presented at March IPSAC
- Complete list of M2M flowgates being evaluated was posted with April IPSAC
- RTOs working with facility owners to determine:
 - Congestion caused by transmission outages and nature of outages
 - Planned or recent upgrades that may relieve congestion
 - All limiting element(s) and conductor ratings
 - Potential low cost, quick implementation upgrades
- Facility specific information will be reviewed to ensure appropriate treatment of any CEII or confidential information

TMEP Proposed JOA Language

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- Sections 9.3 and 9.4 were posted following the April meeting
 - Section 9.4 was updated with comments where changes may be made based on stakeholder feedback
 - Stakeholder suggestions for TMEP process improvements under review
 - TMEP cost caps
 - Improve accuracy of TMEP project benefit determination
 - Additional details on concept expected next month

FERC Order on EL13-88 NIPSCO Complaint

FERC Directed Stakeholder Involvement

Deliverable		Due Dates (2016)				Stakeholder Forum
		20-Jun	19-Aug	18-Oct	15-Dec	
Directive P186	Include Generator Retirement Coordination Procedures in JOA	X	X	X	X	IPSAC, IPTF
Informational 186	Status Reports on Gen Retirement Coordination Language					
Informational 92	Joint Model in Regional Processes			X		IPSAC, PSC

No FERC Directed Stakeholder Involvement

	Deliverable	Due Dates (2016)		Stakeholder Forum (Informational Updates)
		20-Jun	19-Aug	
Directive P57:	Formalize Steps and Deadlines in CSP Study	X		IPSAC, PAC
Directive P131	Lower Interregional MEP Thresholds	X		RECB
Directive P132	Remove Interregional B/C Ratio	X		RECB
Directive P133	Revise Benefit Calculation of Interregional MEPs	X		RECB
Directive P185	Include BPM GI Coordination Procedures in JOA	X		IPTF
Informational P58	Aligning Interregional, MTEP, and RTEP		X	IPSAC

- Transmission Planning Cycles
 - RTOs to create step-by-step deadlines for CSP in JOA
- Modeling and Criteria
 - RTOs to submit informational filing on how a joint model with the same regional assumptions and criteria could be implemented
- Interregional MEP voltage and cost threshold
 - MISO to lower voltage threshold to 100 kV
 - MISO to eliminate \$5M cost threshold
- Interregional Cost Allocation
 - Remove interregional B/C analysis
 - Determine cost split using regional metrics

- Market-to-Market Payments
 - Complaint denied – M2M payments are duplicative (no directive)
- Generation Interconnections and Retirements
 - RTOs to include interconnection coordination procedures from their business practice manual in JOA
 - RTOs to include retirement coordination procedures in JOA

FERC Order on Order No. 1000 Compliance

- On April 5, 2016, FERC Conditionally Accepted PJM and MISO's July 2015 Interregional Order No. 1000 Compliance Filing
- Subject to 6 Additional Compliance Directives
- Due Date extension granted to June 20, 2016

- Restore the existing Cross-Border Baseline Reliability Project category and cost allocation
- Benefits of an interregional transmission project to include both approved and planned upgrades
- Clarify that “reliability projects” in MISO include MVPs and BRPs
- Clarify that Interregional Public Policy Projects include MVPs in MISO and both economic and reliability projects in PJM
- Clarify MISO’s use of discount rates in benefits calculation for Interregional Reliability and Public Policy Projects
- MISO to clarify that Interregional Market Efficiency Projects include MVP’s and MEPs