



Joint and Common Market
PSEUDO-TIE UPDATE

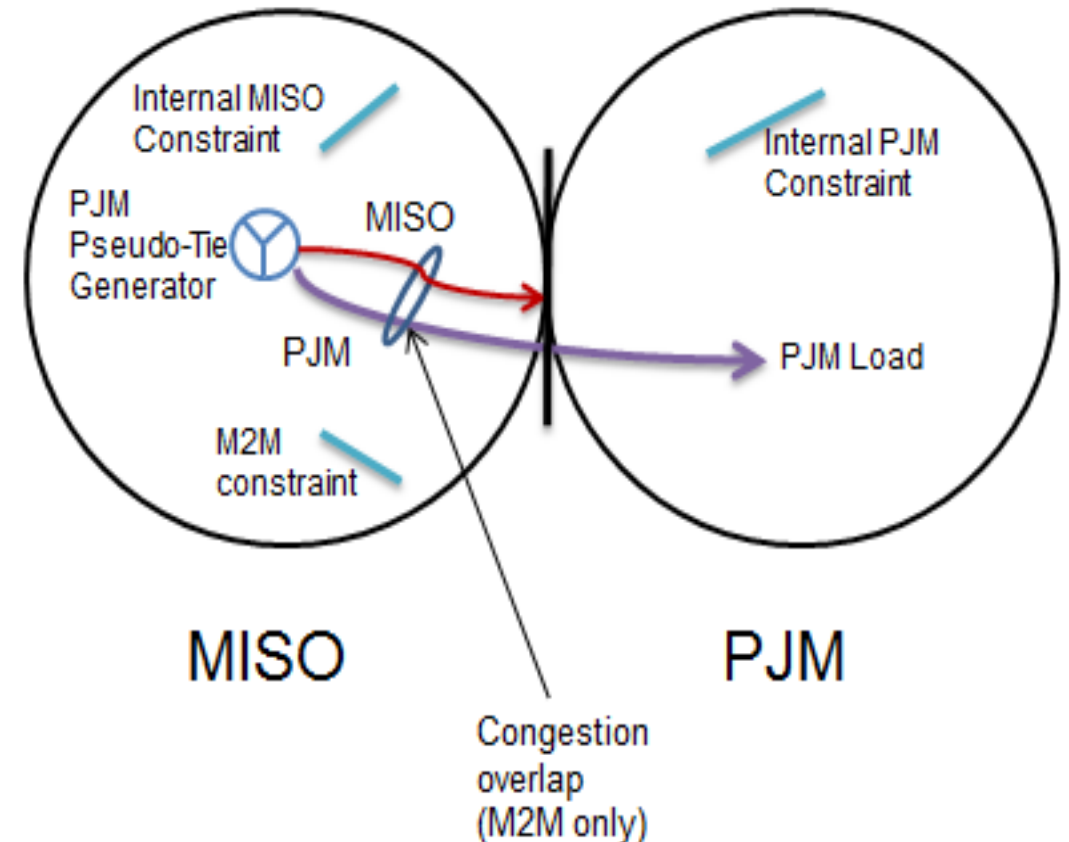


Overlapping Congestion

External Capacity Resource “Double Counting” of Congestion

FERC complaints from pseudo-tie owners have been made about double counting of congestion for the delivery of energy from the pseudo-tie unit to the PJM-MISO interface.

- PJM and MISO developed a collaborative solution that includes Day-Ahead Market adjustments to remove congestion impacts, RTO-RTO M2M settlement adjustments, deviations credits/charges, and hedging product options.
- Implementation pending FERC approvals



MISO Pseudo-Tie Agreement

- FERC issued an order on 2/26/18 rejecting MISO's filing for the pro forma Pseudo-Tie agreement (ER17-1061)
 - MISO will be refiling the agreement with FERC in June 2018