

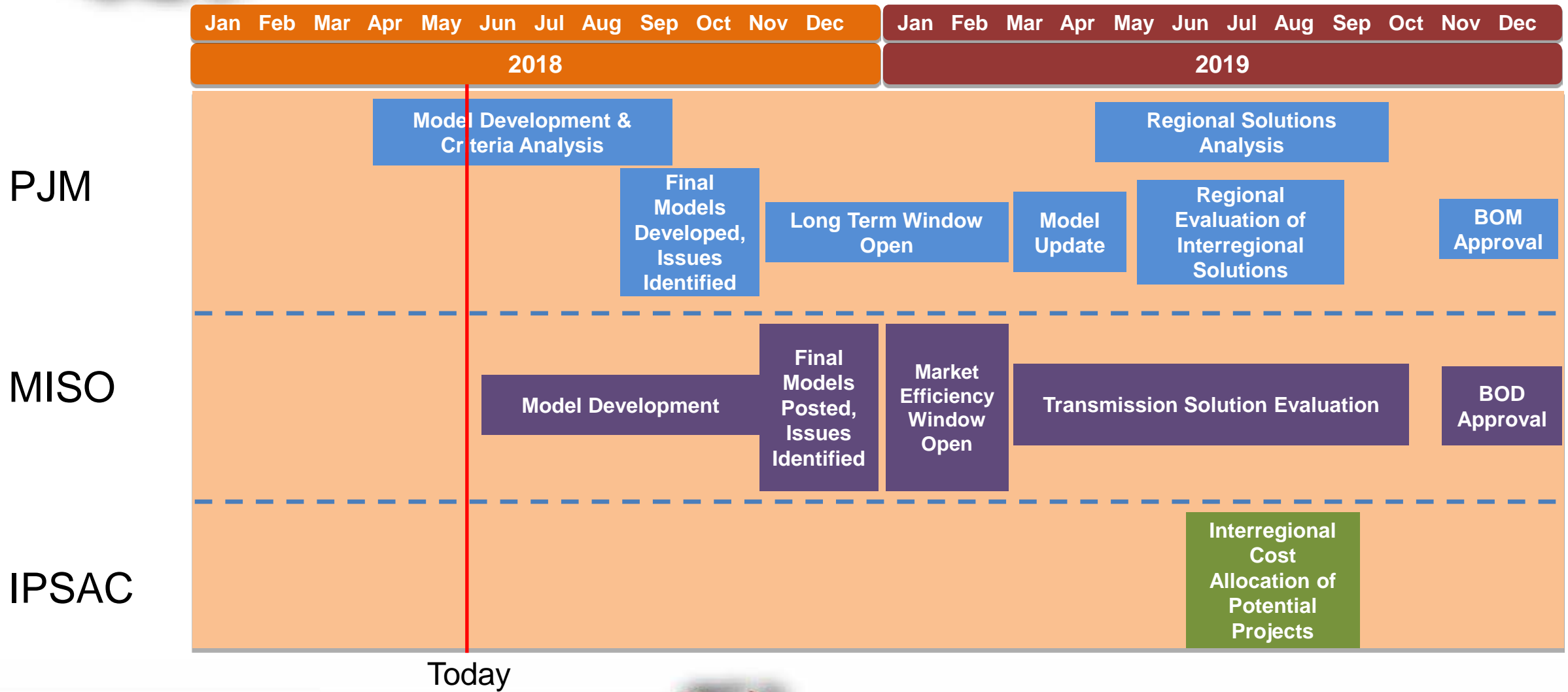
MISO – PJM Joint and Common Market Cross Border Transmission Planning

May 30, 2018

- Using information from the March 30 Annual Issues Review, the JRPC has decided to perform a two part Coordinated System Plan Study
- 2018 Targeted Market Efficiency Project (TMEP) study
 - Use 2016-2017 historical M2M congestion data
 - Estimated study timeline in following slide
- 2018-2019 Interregional Market Efficiency Project (IMEP) study
 - Rely on regional processes to identify eligible issues
 - Solution ideas submitted to both regional processes for consideration and analysis
 - Estimated study timeline in following slide

- JOA Deadline:
 - Study (analysis) must be completed by December 31, 2018
- Target Timeline
 - June – complete review of historical congestion
 - Identify outage impacts
 - Identify planned upgrades
 - July – Work with equipment owners to identify limiting equipment and potential upgrades
 - September – Complete evaluation of potential upgrades
 - October – Joint review of results and JRPC recommendation to Boards
 - December – Board approvals of any recommended TMEPs

IMEP Study – Estimated Timeline



- MISO and PJM working with stakeholders at the IPSAC for process enhancements
 - Feedback received from 7 IPSAC entities and discussed at March 30 IPSAC
- Draft redline changes to the JOA posted with May 11 IPSAC meeting materials
- Target having all changes effective for next IMEP process
 - PJM window opens around November 1, 2018
- To ensure time for FERC action, filing should be made no later than July

- Key changes:
 - Remove 5% GLDF criteria; materiality determined by regional processes
 - Clean up as required to reflect no joint model for IMEP study
 - Clarify obligation to construct (project in one region benefiting the other)
 - Eliminate Cross Border Baseline Reliability Project (CBBRP) type; rely solely on Interregional Reliability Projects (IRPs)

- Regional efforts may impact interregional studies or projects
 - MISO
 - Targeted Market Efficiency Project (TMEP) regional cost allocation ‘reopener’
 - Reevaluating a TMEP regional cost allocation to apply after the end of the MISO South transition period, expected Q3, 2018
 - Sub-345 kV Interregional Market Efficiency Project regional cost allocation
 - Extended NIPSCO Order directive, due October 31, 2018
 - PJM
 - Market Efficiency Process Enhancement Task Force
 - Recommend any changes to the Market Efficiency Process by July 1, 2018

- The Interregional Planning Stakeholder Advisory Committee (IPSAC) is the official stakeholder forum for planning activities between MISO and PJM (aka 'Cross Border Planning')
- Cross border planning agenda items at JCM have essentially become IPSAC updates
 - No substantive discussion of interregional policy
 - Need for this agenda item has waned
- Going forward, the RTOs are proposing to provide:
 - Only very high level topics, upcoming IPSAC dates and weblinks
 - Fuller bodied presentations only when:
 - Planning activity has been determined to be impactful to the 'markets'
 - Interregional transmission projects being considered for approval

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