



Joint and Common Market

FREEZE DATE ALTERNATIVES



Background

- Reference date of April 1, 2004, known as “Freeze Date”, is used as mechanism to determine firm rights on flowgates based on pre-market firm flows.
- As we move further away from the current Freeze Date (>10 years), issues with the current date become prominent.
- RTOs and their stakeholders agreed that there is a need to work on Freeze Date alternatives.

Freeze Date Solution - Phased Approach

- The Congestion Management Process (CMP) Working Group, with approval from the CMP Council, is using a phased approach for implementation of Freeze Date changes
- Implemented Phase 1 in June 2018
 - Included Designated Network Resource (DNR) eligibility/dispatch updates
- Continue working toward a Phase 2 solution for full implementation of Freeze Date changes for June 2020
 - June 2019 no longer achievable, but good progress continues

Phase 2 – Full Freeze Date Solution

Focus on remaining solution design components:

- Firm Flow Limit (Non-M2M FG facility limits)
- Firm Flow Entitlement (M2M FG Allocations)
- Transfer Feasibility / Parallel Flows
 - Ensure planning based reliability
- Flowgate Priority Rights based on flowgate ownership



Working toward consensus in 2018 to review with stakeholders in early 2019

Proposed Solution: Allocations of FFE Involves 4 Steps

Step 1

Bucket 1

- Active DNR/NRs (2004 and earlier)
- Active Historic TSRs
- LBA Granularity

Step 2

Bucket 2

- Active DNR/NRs (Post 2004)
- Active TSRs (Post 2004)
- LBA Granularity
- Priority Rights

Step 3

Bucket 3

- Transfers (limited) Excess LBAs serve short LBAs
- LBA Granularity
- Priority Rights
- 8 Year Transition period to retire this step

Step 4

Bucket 4

- Market wide transfers based on planning
- RTO Granularity
- Priority Rights
- Excess to Owner

Phase 2 – Flowgate Priority Rights

- Flowgate priority rights imply the owner of a Reciprocally Coordinated Flowgate (RCF) receives their impacts before any loop flows/impacts from neighboring entities are allocated
- Today, all CMP participant Freeze Date LBA based generation to load and TSR impacts are granted on RCFs regardless of flowgate ownership
 - Today's process does not include post Freeze Date market based transfers
- Proposal, priority rights are proposed for application in Buckets 2, 3 and 4
 - Addresses loop flow and planning concerns

Phase 2 – Flowgate Priority Rights

- Bucket 1 and 2 >5% impacts has highest priority
- Non-owner's impacts below 5% impact on a flowgate will not receive transmission rights in Bucket 3 and 4
- Excess capacity left unallocated to Owner

	B1		B2		B3		B4	
	Owner	Non-Owner	Owner	Non-Owner	Owner	Non-Owner	Owner	Non-Owner
>5%	1		2		3/4		8	9
<5%	3/4		5	6	7	N/A	10	N/A

CMP Working Group – Phase 2 Plan

CMP Working Group Phase 2 Activities:

- Continue weekly meetings focusing on the Phase 2 solution
- Goal is to update the Freeze Date whitepaper as consensus is reached
- Future mock analysis to determine impacts of design component changes
- Updates to the CMP Council – approval of design components

Tentative Timeline

Due Date	Action
Now	Mock Analysis and Solution Design
Jan 1, 2019	Reach Agreement in Whitepaper
Q1 - 2019	Solicit Stakeholder feedback on agreement
Q2/Q3 - 2019	Submit CMP/ JOA changes in FERC filing
June 1, 2020	Full Implementation

Contacts

Solicit stakeholder feedback – send comments to:

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