

Inter-Regional Coordination Update

Stan Williams Members Committee Webinar June 23, 2014



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MISO/PJM Joint Stakeholder Meetings

MISO and PJM began hosting a series of Joint Stakeholder Meetings July 16, 2012 to continue discussions on seams issues. The purposes of these meetings are to:

- Identify the most critical seams issues to be addressed
- Establish the priority for addressing the issues identified
- Establish the framework for issue resolution

The next Joint Stakeholder in person meeting will be hosted by MISO July 24, 2014 at MISO's Offices in Carmel, IN

 Meeting materials will be posted approximately one week in advance at the <u>PJM/MISO Joint and Common</u> <u>Market Initiative</u> as well as the <u>Joint and</u> <u>Common Market</u> websites

PJM-MISO JCM Work Plan Filed with FERC September 26

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	2013			20	2014		2		015	
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
RTO-to-RTO Data Exchange and Transparency										
Transmission and Generation Outage Coordination			E							
Day-Ahead Market Coordination										
Interchange Scheduling Business Rule Alignment	MISO		РЈМ	E						
Freeze Date for Firm Flow Entitlement Calculations								Ξ		
Order 1000 Compliance & Regional Planning Coordination (MTEP/ RTEP)							JCI	A Process		
Interface Pricing							🗌 📕 Ind	lividual RT	0 Processes	
MISO IMM Recommendation - Potential Overstatement of Congestion Values in Interface Pricing								ntingent P plementati		
Generation Interconnection & TSR Queue Coordination							O Completed			
Treatment of ONT-ITC PARs in M2M Process							FEI	RC Filing		
Using ONT-ITC PARs for Congestion Management										
Interchange Optimization						Ξ				
Market Participant Funded Upgrades/ IARR Requests										
Capacity Deliverability			1 1 1							

May 28, 2014 JCM Meeting Highlights

- Enhanced Forward Markets Coordination Stakeholders noted a desire for MISO and PJM staffs to consider additional options in the establishment of Firm Flow Entitlements and more forward exchange of market information to improve coordination prior to day-ahead market operation
- Modeling of Ontario-PARs in M2M Process an update on potential changes to modeling of PARs in Market Flow and Firm Flow Entitlement calculations was discussed
- Freeze Date Alternatives an update was provided on discussions underway within the Congestion Management Process Working Group
- Interchange Optimization an update was provided on the concepts developed to date for the MISO-PJM Coordinated Transaction Scheduling proposal

May 28, 2014 JCM Meeting Highlights

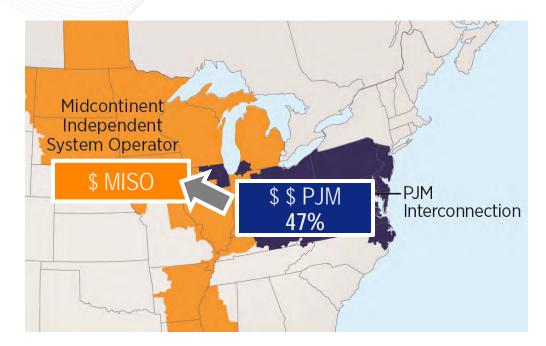
- Capacity Deliverability an update was provided on Capacity Deliverability study efforts to quantify the potential benefits and determine the level of effort required to resolve identified issues in the draft report
- Cross Border Planning Projects an update was provided on NIPSCO's request related to coordination of cross border planning projects. A request was made for MISO and PJM to provide a timeline for developing changes to this process at a future JCM meeting and for MISO and PJM to consider identifying items which could be addressed in short and long term timeframes.
- Queue Coordination an update on enhanced coordination for generation interconnection queues was provided
- Outstanding M2M Settlements Adjustments Updates provided on three items

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The objective of Coordinated Transaction Scheduling (CTS) is to improve interchange scheduling efficiency

- MISO and PJM are currently developing an interchange optimization proposal for stakeholder consideration
- The second Joint Stakeholder Meeting was held June 10, 2014 at PJM's Offices in Valley Forge
- Stakeholder feedback requested on need for additional joint meetings

MISO-PJM Interchange Optimization

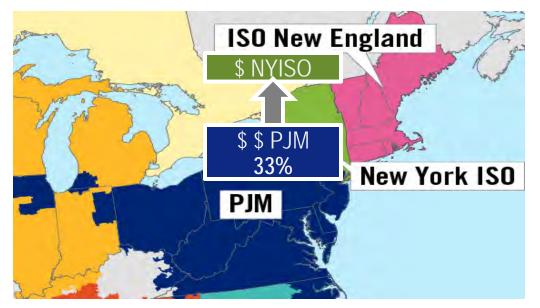


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The objective of Coordinated Transaction Scheduling (CTS) is to improve interchange scheduling efficiency

- Automated IT SCED forecasted price data available May 1, 2014 and via eDataFeed on May 20, 2014
- IT SCED forecasted price accuracy under review with go ahead vote scheduled for the June 26 MRC Meeting
- Compliance filing due at least 14 days prior the effective implementation date
- An additional JOA filing is being developed to provide clarity on CTS Interfaces and available: <u>NYISO-PJM JOA CTS Revisions</u>

NYISO-PJM Interchange Optimization

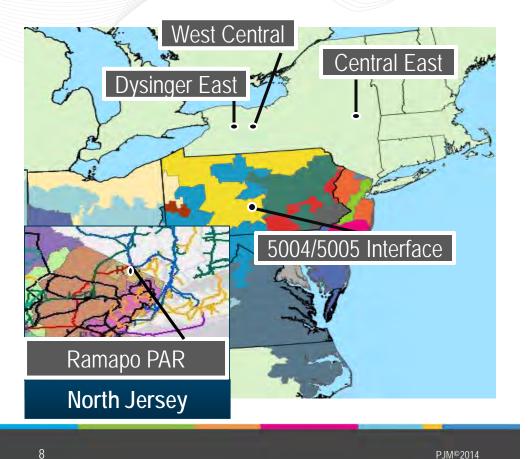


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- Close operational coordination between PJM and NYISO staff ongoing
 - PJM and NYISO staffs reached an agreement on the inclusion of Thunderstorm Alert Flowgates with JOA updates filed on May 2, 2014
 - FERC Approval was received on June
 - The Thunderstorm Alert Flowgates were reinstated on June 11, 2014

NYISO-PJM Market-to-Market Update



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PJM On-going Interregional Planning

- No change from last report PJM's review of the recently completed cross border impact analyses associated with PJM RTEP upgrades approved in north central Pennsylvania did not reveal any substantive issues impeding the progress of these upgrades. NYISO initial comments on the draft report have been received and further NYISO review continues. PJM is waiting on completion of the NYISO review of the draft report results and final approvals of the report by NYISO committees. One issue currently pending is NYISO review of the study results for PJM to NYISO transfer impacts.
- PJM and MISO are performing a coordinated study evaluating recent market-to-market flowgate congestion and longer term market efficiency. PJM and MISO have completed the congestion analyses and have solicited upgrade proposals from stakeholders. 76 proposals have been received from 12 organizations. Analysis of the proposals under Future 1 (reference planning assumptions future for PJM and MISO) and Future 2 (PJM and MISO meet RPS targets) and Future 3 (PJM imports about 1/3 of it's RPS needs from MISO) are complete. The results of the completed analyses for the three Futures were reviewed at the March 17, in person IPSAC meeting at PJM. Re-evaluation of projects to address stakeholder impacts is complete and results were presented to stakeholders at an in person IPSAC at MISO on May 16. Three project calculations were shown to have a JOA B/C ratio greater than 1.25 in one region's calculation. These three projects are currently being cross checked by calculations of the other region. This is effort is expected to complete near the end of July when another IPSAC will be scheduled.
- PJM, the North Carolina Transmission Planning Committee (NCTPC) and MISO have agreed on joint reliability and economic study scopes to address questions posed by the North Carolina Utility Commission. The scopes address potential impacts on the North Carolina power system of MISO resources cleared in the 2016/17 RPM. A kick-off conference call among the study participants was held on May 29. The PJM and MISO portions of the reliability power flow were completed June 21. the NC system will be completed soon. The development of detailed methods and inputs to the analyses is underway. A Conference call to discuss current status, methods and inputs was held June 18.
- PJM is actively contributing to the SERC long term system and capacity adequacy studies

Ongoing Studies