

IMO Interface Definition Update

Rebecca Carroll
Manager – Real-Time Market Operations
Market Implementation Committee
February 11, 2015

- On page 3 of the Quarterly State of the Market Report for PJM: January through September, the MMU states:
“The MMU recommends that PJM eliminate the IMO interface pricing point, and assign the transactions that originate or sink in the IESO balancing authority to the MISO interface pricing point. (Priority: Medium. First reported 2013.)”
- On page 286 of the Quarterly State of the Market Report for PJM: January through September, the MMU states:
“The IMO interface pricing point with the IESO was created to reflect the fact that transactions that originate or sink in the IMO balancing authority create flows that are split between the MISO and NYISO interface pricing points, so a mapping to a single interface pricing point does not reflect the actual flows. PJM created the IMO interface pricing point to reflect the actual power flows across both the MISO/PJM and NYISO/PJM Interfaces.”
- Monitoring Analytics introduced the Energy Scheduling Issue at the March 6, 2013 MIC meeting
 - [Energy Scheduling Issue Tracking details](#)

- Flows associated with transactions scheduled between IMO and PJM are significantly impacted by the Michigan-Ontario PARs
- New IMO Interface Definition will be influenced by the PAR control performance
 - A combination of the MISO and NYISO interface prices will contribute to the IMO interface price
 - dependent upon the relationship between the scheduled and actual flows over the PARs
 - IMO price = MISO price when $\text{abs}(\text{actual flows}) \geq \text{abs}(\text{scheduled flows})$ and the flows are in the same direction
 - IMO price = combination of MISO and NYISO prices when $\text{abs}(\text{actual flows}) \leq \text{abs}(\text{scheduled flows})$ and the flows are in the same direction
 - IMO price = NYISO price when actual flows and scheduled flows are in the opposite direction

- Actual flows are not known at the time of the FTR/ARR Auctions and Day-Ahead Market execution
- A fixed weighted definition that will be a composite of the NYISO and MISO definitions will be utilized in the forward market software
 - Based on the historical scheduled and actual flows over the PARs
 - Average price split of 40% NYISO and 60% MISO
 - Will be evaluated quarterly coincident with PJM's model build schedule
- A new aggregate will be created that maintains the current definition of IMO in order to eliminate impacts to long-term FTR positions
 - New Aggregate will be named "ONTARIO"
 - Defined as 100% of the BRUCEA 17 KV pnode

- New IMO Interface Definition Methodology will become effective June 1, 2015 coincident with the new planning year
 - New IMO Interface definition will be utilized in both the Annual ARR Allocation and Annual FTR Auction that will open in March and April, respectively
 - New ONTARIO aggregate will also become effective June 1, 2015