



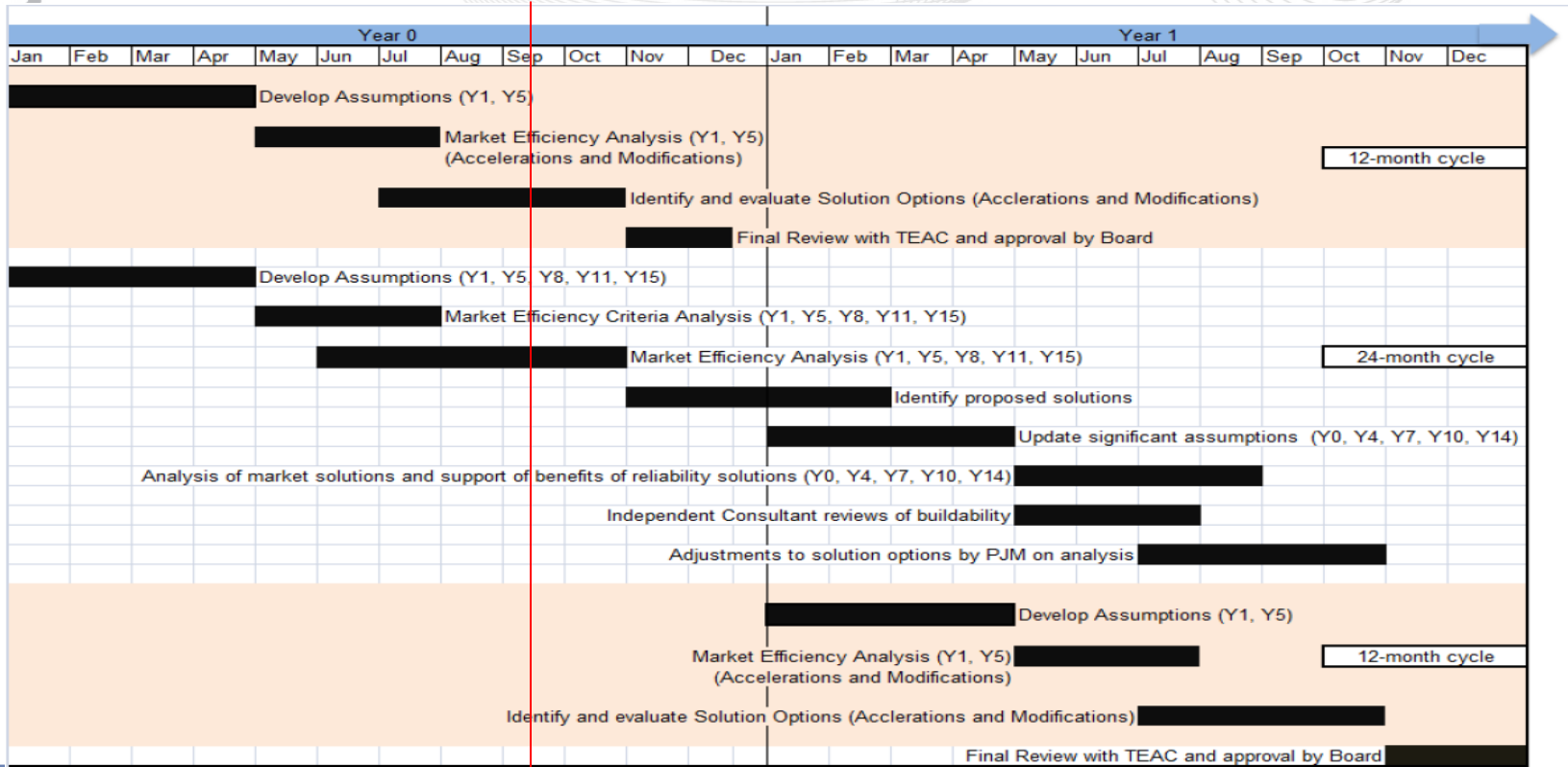
Transmission Expansion Advisory Committee Market Efficiency Update

September 15, 2016



Market Efficiency 2016/17 Long Term Proposal Window Update

Market Efficiency Timeline





2016-2017 24-Month Market Efficiency Cycle Timeline

- Long Term proposal window: November 2016 - February 2017
- Analysis of proposed solutions: March 2017 - November 2017
- Determination of Final projects: December 2017

- Market Efficiency cases (first draft) were posted on 09/14/2016
 - PROMOD cases, and supporting documentation were posted on Market Efficiency Web page
 - <http://www.pjm.com/planning/rtep-development/market-efficiency.aspx>
- Proposal window to open on November 1, 2016
 - PJM requests stakeholder feedback on PROMOD model by October 15, 2016
 - Final PROMOD to be posted cases posted before November 1.
- Market Efficiency Questions
 - Send to the RTEP e-mail distribution (rtep@pjm.com) with “Market Efficiency” in the subject line header



Base Case Modeling Status – Completed First Draft

- PJM Generation Expansion model ✓
- PJM Load Forecast model ✓
- PJM Fuel & Emissions ✓
- PJM Events ✓
- Merging of MISO events ✓
- ConEd wheel modeling ✓
- MISO Region Generation Expansion and Load Forecast ✓
- Wind model ✓

- PV Analysis for Base Case reactive limits
- Apply feedback from stakeholders
- Base Congestion Results

- PJM and NYISO are considering a combination of two concepts for modeling after the PSEG/ConEd Wheel retires on May 1, 2017.
- Market Efficiency modeling will closely represent the agreed upon PJM/NYISO Operations and planning model
 - Account for an Operational Base Flow as a starting point
 - Natural system flows determined using EMS & PSS/e study applications
 - Applied to the JK and ABC interfaces as a starting point for determination of Interface Target Flow
 - Apply Interchange Percentage values on top of Operational Base Flow to determine Interchange Target Flow value.
 - Apply an Interchange percentage distribution:
 - 5018: 32%
 - JK: 15%
 - ABC: 21%

Milestone	Schedule 2016
Market Efficiency Preliminary Results	October
Stakeholder feedback on model	September-October
Update Market Efficiency 2016/17 Base Cases	September-October
Post Market Efficiency 2016/17 Base Cases (final)	October
Proposal window opens	November
PJM review for acceleration candidates	October-December

- Market Efficiency Web Page located at <http://www.pjm.com/planning/rtep-development/market-efficiency.aspx>
- Market Efficiency Case Files posted on 09/14/2016
 - Access requires CEII access approval (execute PJM CEII NDA and fill out PJM CEII Request Form)
 - Access requires Vendor (ABB) approval that the requester is a licensee of PROMOD confirmation
 - Access requires MISO CEII approval with access confirmed by PJM
 - No confidential data provided or used in analysis (i.e. actual bid data)
 - XML Format
- Posted Reference Files
 - Steps to run Model Document
 - Input Assumptions Summary
- Market Efficiency Questions
 - Please send to the RTEP e-mail distribution (rtep@pjm.com) with “Market Efficiency” in the subject line header

Questions?

Email: RTEP@pjm.com