



MISO-PJM Cross-Border Planning

February 19, 2014
MISO-PJM JCM



- **Background**

- JOA Historical and Projected Congestion Study - 2012 to 2014
 - Future Scenario based
 - 80+ major project proposals
 - No actionable results
- JCM Capacity Deliverability fact finding
- Queue process and joint evaluation enhancements

- **Multiphase Project Plan Over Next 18-24 Months**

- Address FERC Order 1000 compliance
- Complete 'Quick Hits' study
- Continue process enhancement review
- Targeted coordinated studies

- **Order 1000 Compliance – June 16th**
 - March - May target IPSAC review and input meetings
 - March 17 1PM Eastern (WebEx)
 - April 14, 2PM Eastern (WebEx)
 - May TBD
- **“Quick Hit”**
 - Historical congestion and modeling
 - Determine near-term, economic upgrade potential
 - March – IPSAC review analysis and provide input
 - April – Additional reviews
 - May – Conclusions and Recommendations
- **Metric and Process Enhancements – begin 3rd quarter**
- **Targeted coordinated studies begin 2nd or 3rd quarter**

- **Background**

- Previous JOA analysis of future scenarios and major upgrade proposals didn't produce actionable results
- This led to current ongoing Metrics and Process review

- **Purpose of the Quick Hits Study**

- Market to Market congestion still at appreciable levels
- Focus on resolving historic market to market congestion
- Quick Hit study findings may help to inform future metric and process enhancements

- **List found in December IPSAC Materials**
- **Based off of constraints creating Market-to-market payments in 2013-14**
- **Compared list to existing MTEP/RTEP project lists**
- **Focusing on constraints without an upgrade in the works**

- **Key finding**
 - Most of the highest cost constraints already had an MTEP or RTEP project in the works
 - Good feedback on the results of the planning processes
 - Opportunity to examine timing of those upgrades as collaboration evolves

- **Candidate projects will...**
 - Address congestion seen over 2013-14
 - Upgrades to existing equipment, primarily equipment inside the station
 - Be constructible in a 2-3 year time frame
 - Be low in cost compared to the congestion seen

- **Worked with Transmission Owners to find limiting elements to constraints unmatched to MTEP/RTEP projects**
- **Developing rough cost estimates to increase the ratings**
- **In progress**
 - Testing the rating increase for effectiveness
 - Developing the methodology to do such a test

- **Validate current findings with potentially constructing TO's**
- **Review results with stakeholders at IPSAC**
- **Put into MTEP/RTEP**

- **Historical congestion review and modeling**
 - “Quick Hit” analysis - first steps in this direction
 - Consider modeling to capture known issues
 - Consider Targeted Coordinated study approach
 - “Focus Area” historical / near-term approach (larger issue interregional focus)
 - Other options
- **Continue Discussion of Process Improvements**
 - Better alignment of regional and interregional processes
 - Review opportunities for process enhancement
 - Review appropriate metrics
 - Timeline
 - Six month review potential process improvements (last half of 2015)
 - Incorporate results into 2016 Interregional planning cycle

- **Continue to Look for Potential Impacts and Transmission Issues Along the Seam**
 - Larger historical and near-term projected interregional issues
 - Southwest Michigan interface – begin 2015
- **Include into annual reviews**
 - Regional plans
 - Interface / Interregional issues
 - Need for joint study

Appendix

FERC Directives – Order 1000 Compliance Filings

Ordering Paragraph	Section of the Tariff	FERC Directive
37	MISO-PJM JOA	Revise the MISO-PJM JOA to adopt identical language to govern the interregional transmission coordination between MISO and PJM, with any differences limited to those needed to reflect that the discussion is from the perspective of either MISO or PJM.
40	MISO-PJM JOA	Revise the definition of cross-border allocation projects consistent with the definition of interregional transmission facility in Order No. 1000 to explicitly allow for transmission projects that are located in two or more transmission planning regions.
65	MISO-PJM JOA & MISO Tariff	Revise the MISO-PJM JOA and their respective OATT to either (1) make clear how and where stakeholders and transmission developers can propose interregional transmission projects for joint evaluation through MISO's and PJM's regional transmission planning processes, or (2) allow stakeholders and transmission developers to propose interregional transmission projects and explain how the process is transparent so that stakeholders and transmission developers understand why their interregional transmission project does or does not move forward in the process.

Ordering Paragraph	Section of the Tariff	FERC Directive
89-94	MISO-PJM JOA	Revise the proposed interregional transmission coordination procedures so that an interregional transmission facility that may resolve regional transmission needs driven by public policy requirements can be considered by each respective regional transmission planning process.
193	MISO-PJM JOA	Revise the currently existing Cross-Border Baseline Reliability Project and/or Cross-Border Market Efficiency Project cost allocation method(s), or propose a new interregional cost allocation method(s), that apply to interregional transmission projects addressing regional reliability transmission needs and are eligible to be selected in both MISO's and PJM's regional transmission plans for purposes of cost allocation.
193	MISO-PJM JOA	Revise the currently existing Cross-Border Baseline Reliability Project and/or Cross-Border Market Efficiency Project cost allocation method(s), or propose a new interregional cost allocation method(s), that apply to interregional transmission projects addressing regional transmission needs driven by public policy requirements and are eligible to be selected in both MISO's and PJM's regional transmission plans for purposes of cost allocation or provide a detailed description of how their revised cost allocation method(s) account for regional transmission needs driven by public policy requirements.