



Joint and Common Market

ITEM IV - FREEZE DATE ALTERNATIVES



Overview

- Purpose
 - Provide status update and solicit stakeholder feedback on freeze date alternatives discussion
- Key Takeaways
 - High-level proposals are under review by Congestion Management Process Working Group (CMPWG) and Council (CMPC)
 - The CMPC has directed the RTOs (i.e., MISO, PJM, and SPP) to continue more detailed discussions focusing on the following areas:
 - What generators/transmission service qualify for allocations – currently those in place as of the 2004 freeze date qualify
 - Transition period to implement new process
 - Reciprocity

Issue 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 freeze date becomes more apparent with increasing generation retirements and physical location of new resources
- RTOs and their stakeholders agreed that an alternative to the existing freeze date process needs to be worked on

Next Steps

- MISO/PJM/SPP to continue more detailed discussions focusing on the following areas:
 1. What generators/transmission service qualify for allocations – currently those in place as of the 2004 freeze date qualify
 - Generation/Transmission Service with a confirmed firm Transmission Service Reservation
 - Generation cleared in a capacity auction
 - Generation granted capacity injection rights beyond the capacity auction clearing amount
 - Pseudo-tied generators
 2. Transition period to implement new process
 3. Reciprocity - establish the right mechanism to use each other's systems on an equitable basis
- CMPC scheduled to meet in October to review progress in each of the above areas

Questions

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