



Joint and Common Market

ITEM 6. MODELING OF ONT-ITC PARS IN MARKET FLOW CALCULATIONS AND ENTITLEMENT CALCULATIONS

Overview

- Purpose
 - Provide a status update on MISO and PJM efforts to model ONT-ITC PARs in Market-to-Market (M2M)
- Key Takeaways
 - MISO and PJM agreed on the method to model the ONT-ITC PARs in the M2M process
 - RTOs efforts to model the PARs in M2M is underway, tentative to implement in May, 2016
 - RTOs finalized the Joint Market Flow, Firm Flow Entitlement and Data Exchange requirements document

Background

- ONT-MI PARs (5 PARs on 4 lines) began completely regulating ONT-MI interface flow in July 2012
 - Since July 2012, ONT-MI PARs have been modeled using the “Regulated” and “Unregulated” status in the Interchange Distribution Calculator (IDC)
- MISO, PJM and IESO have completed an analysis of the operation of the ONT-MI PARs through the first year of operation (Aug 2012 – Aug 2013)
 - Report available at: <http://www.miso-pjm.com/~media/pjm-jointcommon/downloads/ontario-michigan-interface-par-performance-evaluation-report.ashx>
- At 11/10/2014 JCM, PJM and MISO presented a solution to model PARs in M2M:
 - When the PARs are regulating, Firm Flow Entitlements (FFE) will be calculated assuming “fixed flow” PAR modeling
 - When the PARs are regulating, Market Flows will be calculated assuming “fixed flow” PAR modeling along with Lake Erie Circulation (LEC) above 200MW Market Flow adjustment
 - When LEC (absolute value) <200 MW, no LEC adjustment is required
 - When LEC (Absolute value) >200 MW, LEC adjustment is required

Progress to date

- RTOs **completed** the Joint Market Flow Calculation requirements document
 - RTOs will utilize this document as the basis to enhance the Market Flow Calculator
- RTOs **completed** the Joint FFE Calculation requirements document
 - RTOs will utilize this document as the basis to enhance the FFE calculation
 - RTOs submit a change order to the vendor
- RTOs **completed** the Joint Data Exchange requirements document
 - RTOs will utilize this document as the basis to enhance the M2M data exchange
 - RTOs will exchange three components to accommodate the Market Flow calculation
 - Lake Erie Circulation (LEC)
 - Par Shift Factors (PSF)
- RTOs are finalizing PAR regulation status data exchange
 - RTOs plan to receive PAR regulation status from the IDC tool
 - RTOs submit a change order to the vendor

RTOs tentative work plan

<u>Category</u>	<u>Task</u>	<u>Status</u>	<u>Target Completion</u>
Design Document	Develop Market Flow Requirements and Use Case	Completed	Completed
Design Document	Develop FFE Requirements and Use Case	Completed	Completed
Design Document	Develop Data Exchange Requirements	Completed	Completed
Engine	Develop Market Flow Engine Enhancements	Work Started	March 2016
Engine	Develop FFE Engine Enhancements	Pending	April 2016
Engine	Develop Data Exchange Enhancements	Pending	April 2016
Engine	Test Enhancements	Pending	March 2016
JOA/JCM	Develop JOA Enhancements	Work Started	February 2016
JOA/JCM	Provide JCM updates	Ongoing	2016
JOA/JCM	File JOA Changes / Implement Change Management Process	Pending	March 2016
	Go Live	Outstanding	May 2016

Next Steps

- RTOs will continue their work on this initiative and target to implement in May 2016
- RTOs will provide progress updates to stake holders during the upcoming JCM sessions