



Joint and Common Market

ITEM 5 - MISO-PJM JOA CHANGES UNDER DISCUSSION

February 28, 2017



Overview

Purpose

- Provide a status update of potential future PJM MISO Joint Operating Agreement (JOA) changes

Key Takeaways

- Modification to the JOA regarding Day Ahead Firm Flow Entitlement requirements – to adjust for transaction bias and potential revenue adequacy concerns
- Modification of the JOA to clarify treatment of dynamic schedules that are included in market flow calculations and meet NERC Operating Reliability Subcommittee guidelines
- Draft language changes posted with JCM materials

Day Ahead Firm Flow Entitlement

- Modification of the JOA regarding Day Ahead Firm Flow Entitlement requirements - to adjust for transaction bias and potential revenue adequacy concerns
 - Modification allows for adjustment of modeled FFE in Day-ahead and FTR market to align with settlement rules
 - Example 1: M2M market flow does not include Transaction impacts but Real-time congestion (commercial flow) does include transaction impacts. This will allow for adjustment in FFE to align with real-time operations and reduce risk of balancing congestion and revenue inadequacy.
 - Example 2: M2M settlements may set FFE to zero if negative. This will allow adjustment to modeled FFE to align with settlement.

Dynamic Schedules

- Modifications of the JOA to clarify treatment of dynamic schedules that are excluded from the IDC calculations when impacts are included in market flow calculations:
 - Current application – MISO Bi-directional External Asynchronous Resource (EAR)
 - Modify JOA to specify:
 - Flowgate coordination tests
 - How the market flow is included
 - Market flows include the dynamic schedule TAG priority

Miscellaneous

- Modifications of the JOA to include additional detail in Section 4.1.1 Real-Time and Projects Operating Data regarding additional notification of the other prior to a point of interconnection between the Parties being permanently removed or added
- Modifications of the JOA to clean up Section 11.2.4 Settlement of Interregional Transactions (via Proxy Buses) to refer to the M2M process

Next Steps

- File changes with FERC in March 2017
- Implementation on June 1, 2017

Contacts

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