



Joint and Common Market

# **FREEZE DATE ALTERNATIVES**



# 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 become prominent.
- RTOs and their stakeholders agreed that there is a need to work on Freeze date alternatives.

# Freeze Date Solution - Phased Approach

- The Congestion Management Process (CMP) Working Group, with approval from the CMP Council, is using a phased approach for implementation of Freeze Date changes
- Implement Phase 1 on June 1, 2018 to include design components that have achieved full agreement
- Continue working toward a Phase 2 solution for full implementation of Freeze Date changes for June 1, 2019

# Phase 1 – Changes to Firm Rights

The CMP Council has approved the following Phase 1 change:

- Designated Network Resource (DNR) eligibility/dispatch
- Phase 1 proof of concept determined using mock analysis results provided by OATI
- Full approval received from the CMP Council in February 2018 for a June 1, 2018 implementation
- Does not require any CMP changes as the current process allows for DNR eligibility/dispatch updates

# Phase 2 – Full Freeze Date Solution

Focuses on remaining solution design components:

- Firm Flow Limit (Non-Market facility limits)
- Firm Flow Entitlement (Market facility Allocations)
- Intermittent Resources
  - Wind and solar treatment
- Transfer Feasibility / Parallel Flows
  - Ensure planning based reliability
- Merit order (dispatch order)



# CMP Working Group – Phase 2 Plan

## CMP Working Group Phase 2 Activities:

- weekly meetings specifically focusing on the Phase 2 solution
- Updating Freeze Date whitepaper as the group reaches consensus on topics
- Future mock analysis to determine impacts of design component changes
- Updates to the CMP Council – approval of design components

# Tentative Timeline

Due Date	Action
February 1, 2018	Begin focusing on Phase 2 solution
June 1, 2018	Phase 1 Implementation
Summer 2018	Mock Analysis
September 30, 2018	Complete Phase 2 solution / post finalized whitepaper
Fall 2018	Full Implementation CMP/ JOA changes FERC filing
June 1, 2019	Full Implementation

# Contacts

Solicit stakeholder feedback – send comments to:

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# Appendix – Straw Proposal Overview

# Proposed Solution: Allocations of FFE Involving 4 Steps

## Step 1

### Bucket 1

- Active DNR/NRs (2004 and earlier)
- Historic TSRs
- LBA Granularity

## Step 2

### Bucket 2

- Active DNR/NRs (Post 2004)
- Active TSRs (Post 2004)
- LBA Granularity

## Step 3

### Bucket 3

- Transfers (limited) Excess LBAs serve short LBAs
- LBA Granularity
- 10 Year Transition period to retire this step

## Step 4

### Bucket 4

- Market wide transfers based on planning
- RTO Granularity
- Excess to Owner

# Details of Buckets 1 & 2

- Retain the original intent and purpose of the Freeze Date by continuing LBA granularity
- Bucket 1 - includes historic Freeze Date DNRs
- Bucket 2 – Post 2004 DNRs eligible to participate in Bucket 2
- TSRs between BA's participate in Bucket 1 & 2
  - Freeze Date TSRs Bucket 1
  - Post Freeze Date TSRs Bucket 2
- TSRs within BA's participate in Bucket 1 including both active and inactive TSRs
  - Inactive TSRs represented now by Network Service
  - TSRs within BA's, post 2004, primarily represented by Network Service

# Details of Buckets 3 & 4

- Incorporate transfers between LBAs
  - Transfers not included in current Freeze Date process
- Bucket 3 transfers are initially limited to LBAs with excess gen to serve short LBAs
  - Transition period with eventual removal of Bucket 3
- Bucket 4 market based transfers align with planning processes
  - MISO & PJM will implement RTO wide dispatch
  - SPP will rely on TSRs for transfers between LBAs and DNRs/NRs at a LBA granularity