MEPETF Phase 3 Non-Binding Poll (August 2019)

August 26, 2019

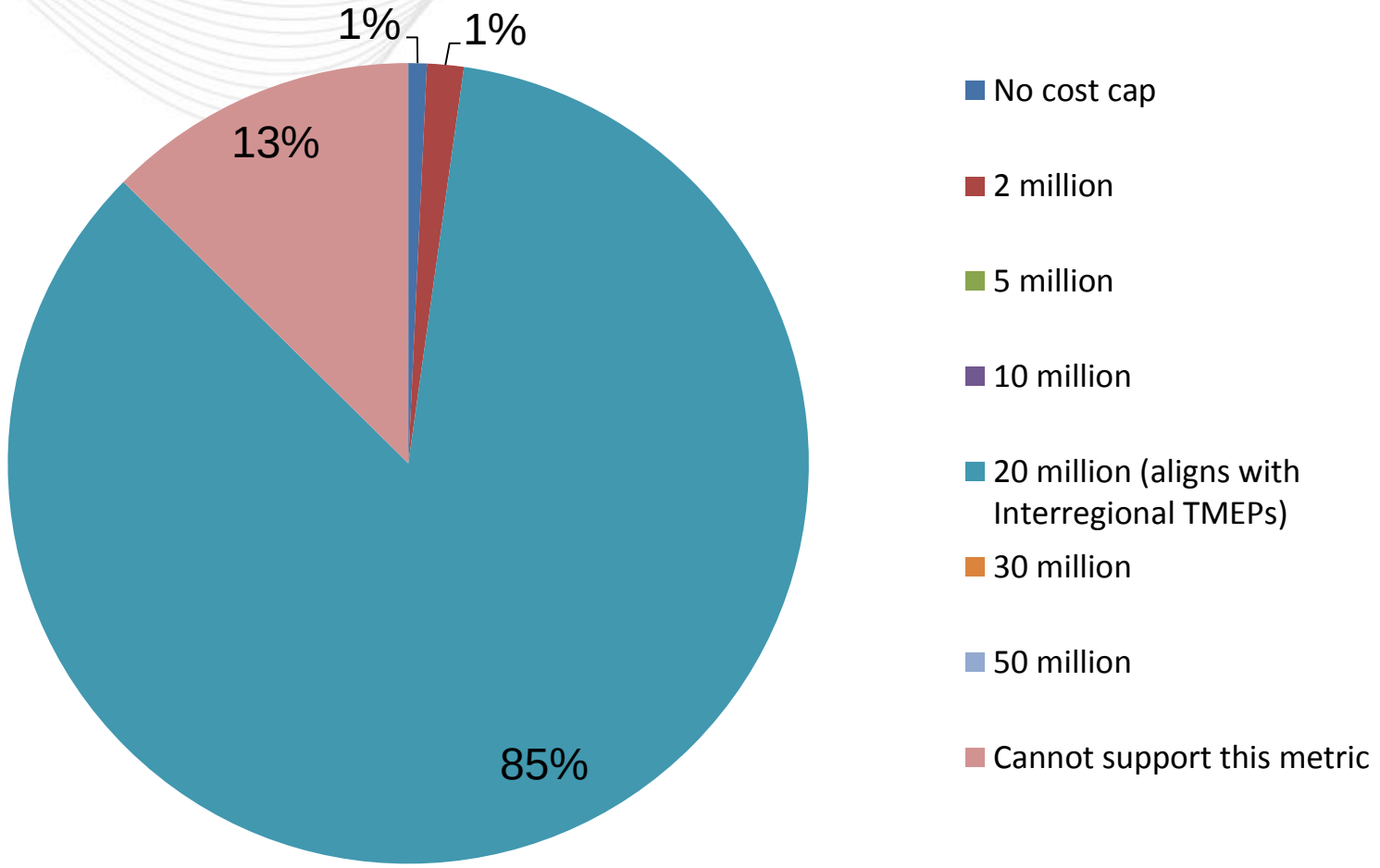
Overview

- Poll responses are non-binding and intended to solicit feedback on potential support for key design components

- Total Unique Responders – 17
- Total Companies – 135

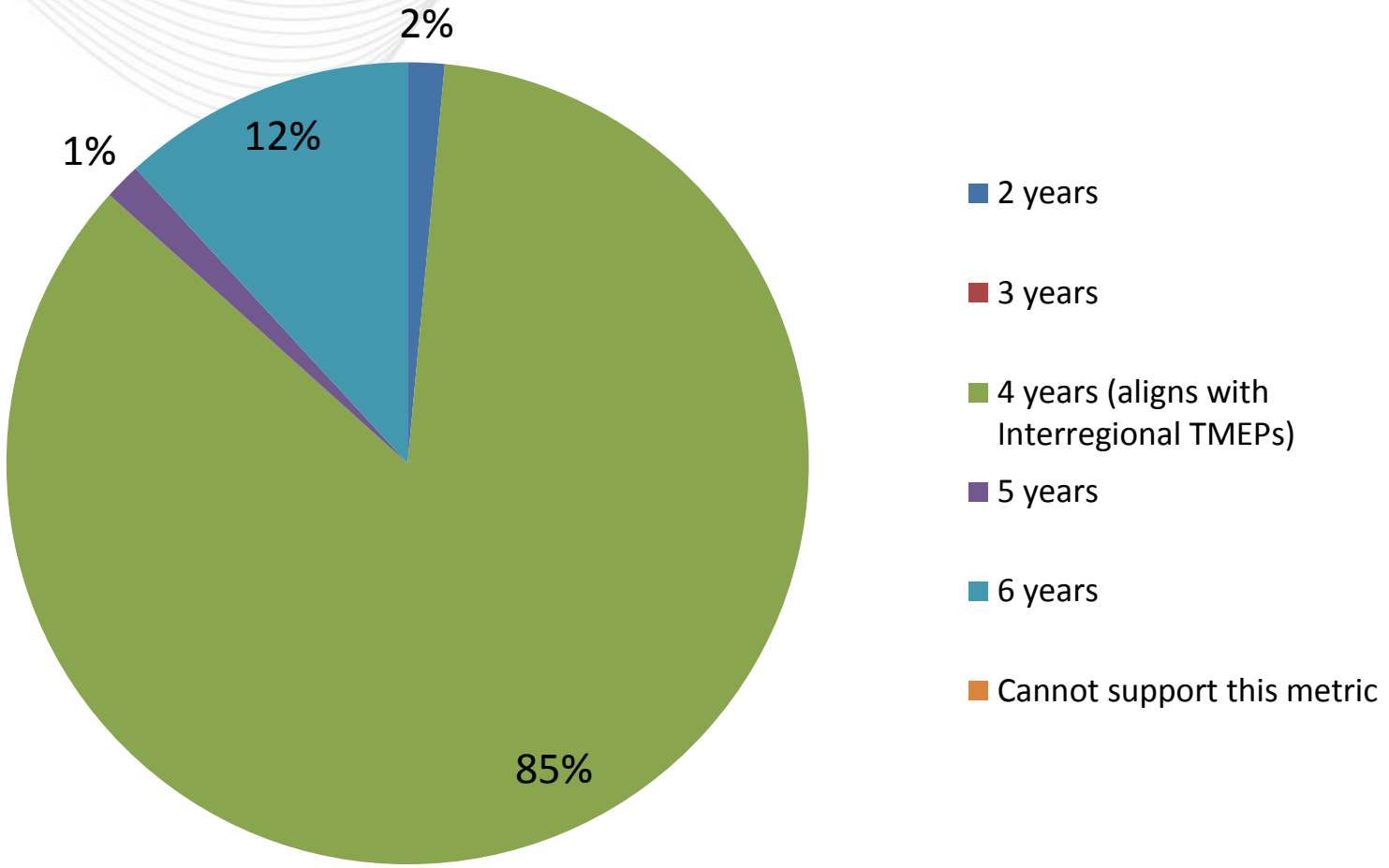
Internal TMEP Cost Cap

1. To be eligible as an Internal TMEP, the project must have the total capital cost lower or equal of:



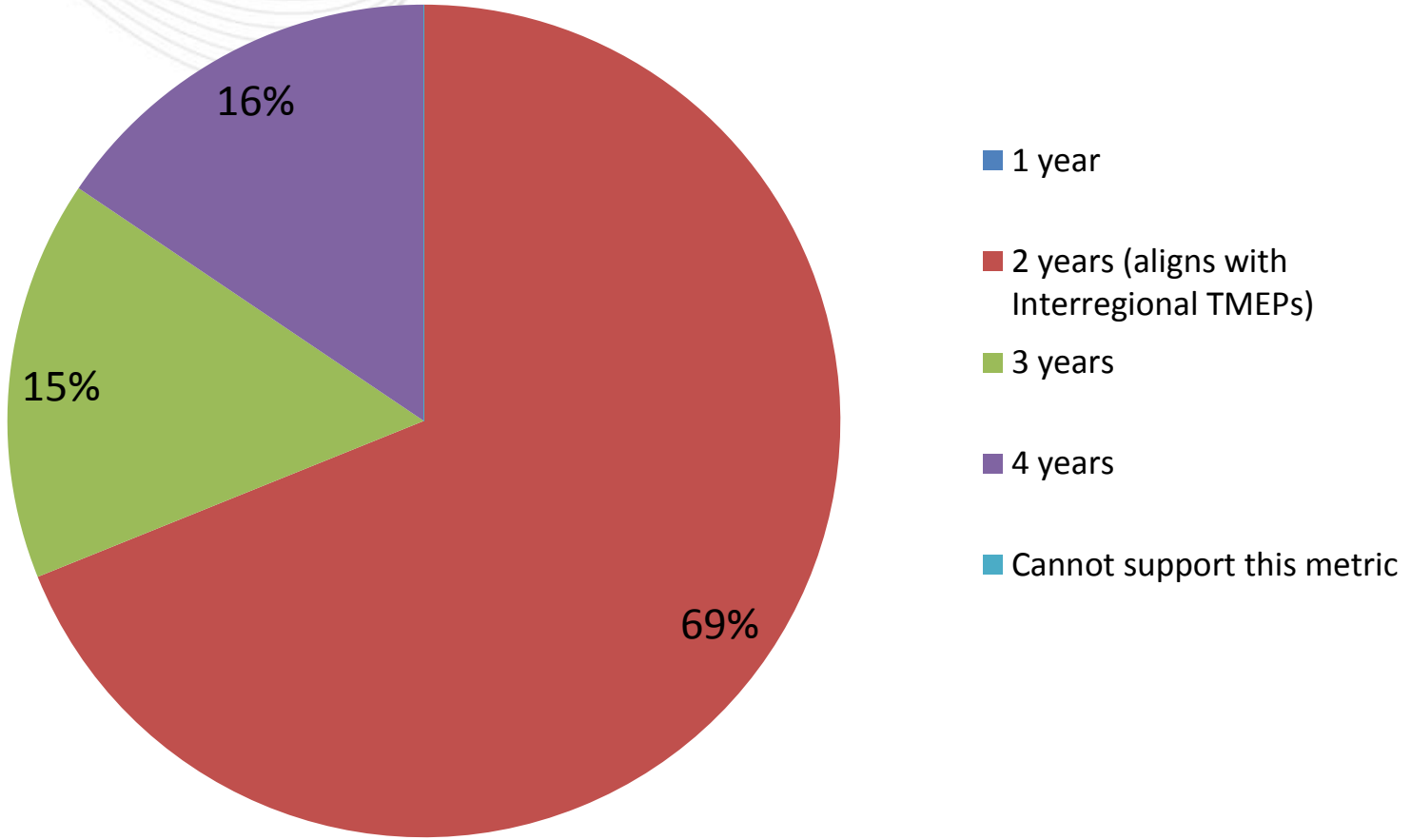
Future Benefit Calculation Period

2. Under the current proposal, benefits are calculated as a number of future years of the average past congestion (Day-Ahead + Balancing), adjusted for outages and/or one-off events, is expected to persist, absent system changes. Number of future years selected for this calculation:



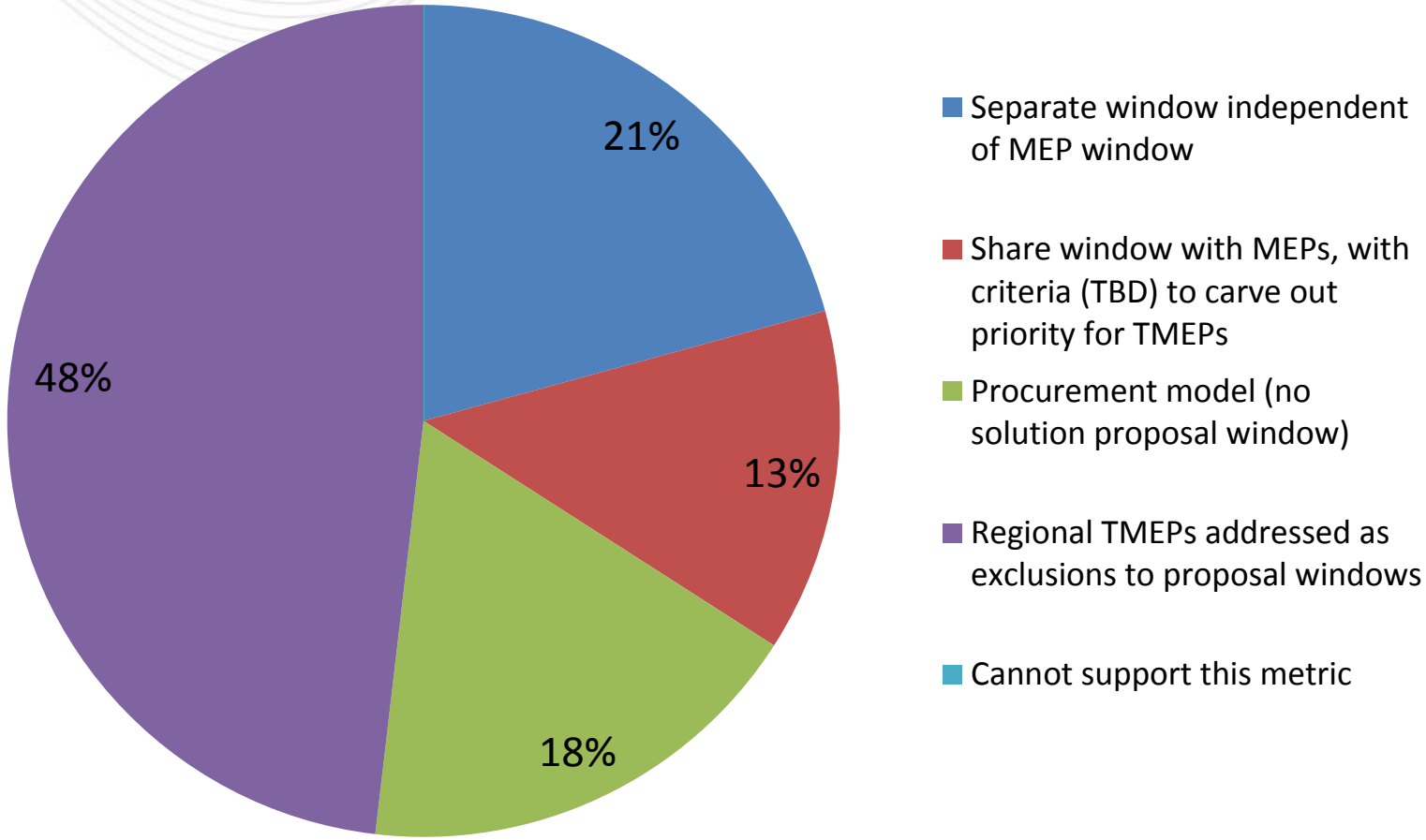
Past Persistent Congestion Period

3. Benefits should be calculated based on the average of past X years of past congestion (Day-Ahead + Balancing), adjusted for outages and/or one-off events, which is expected to persist, absent system planned changes, where past X years is:



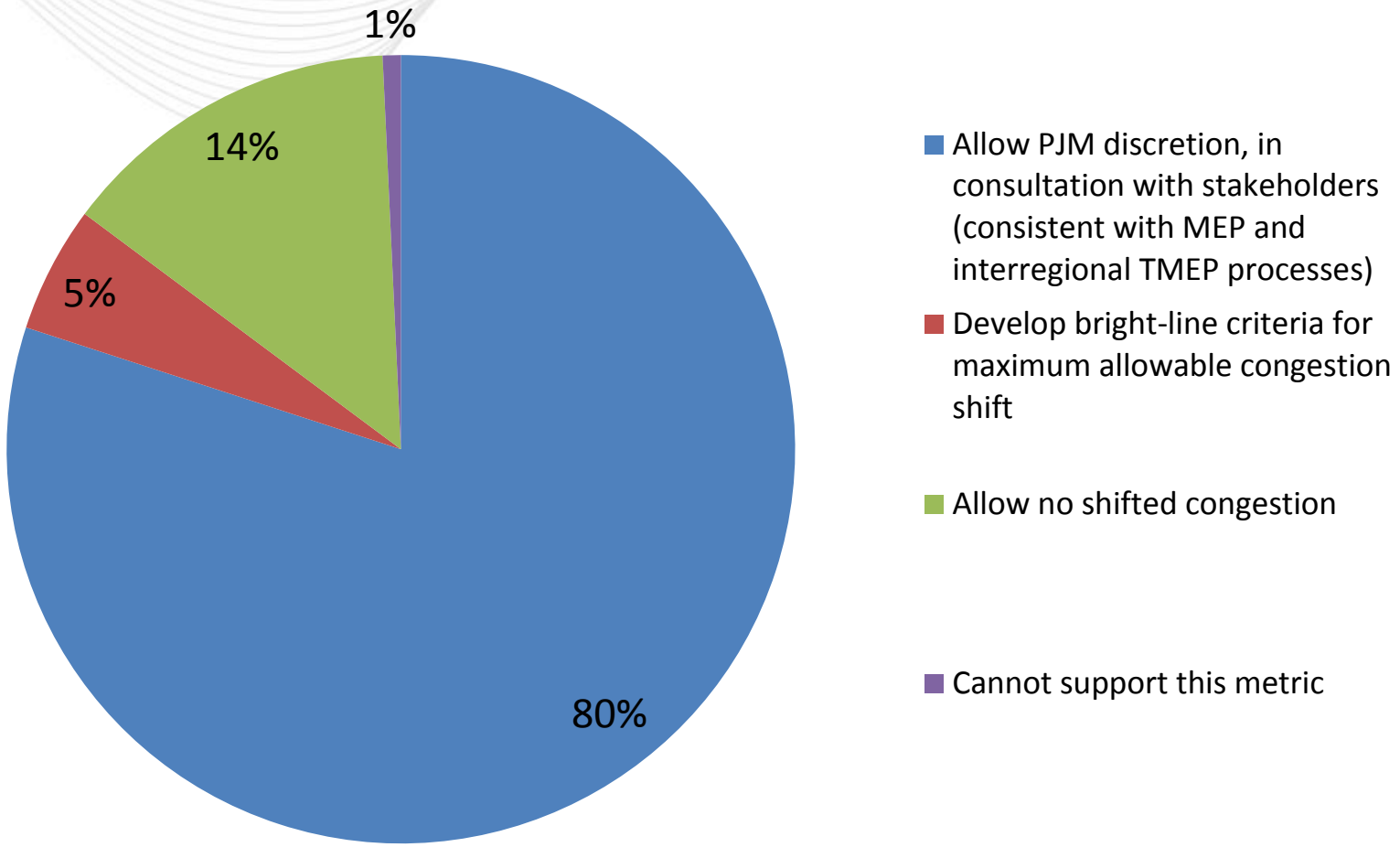
Interaction with Market Efficiency Proposal Window

4. How do you prefer Internal TMEPs interact with the existing market efficiency proposal window?



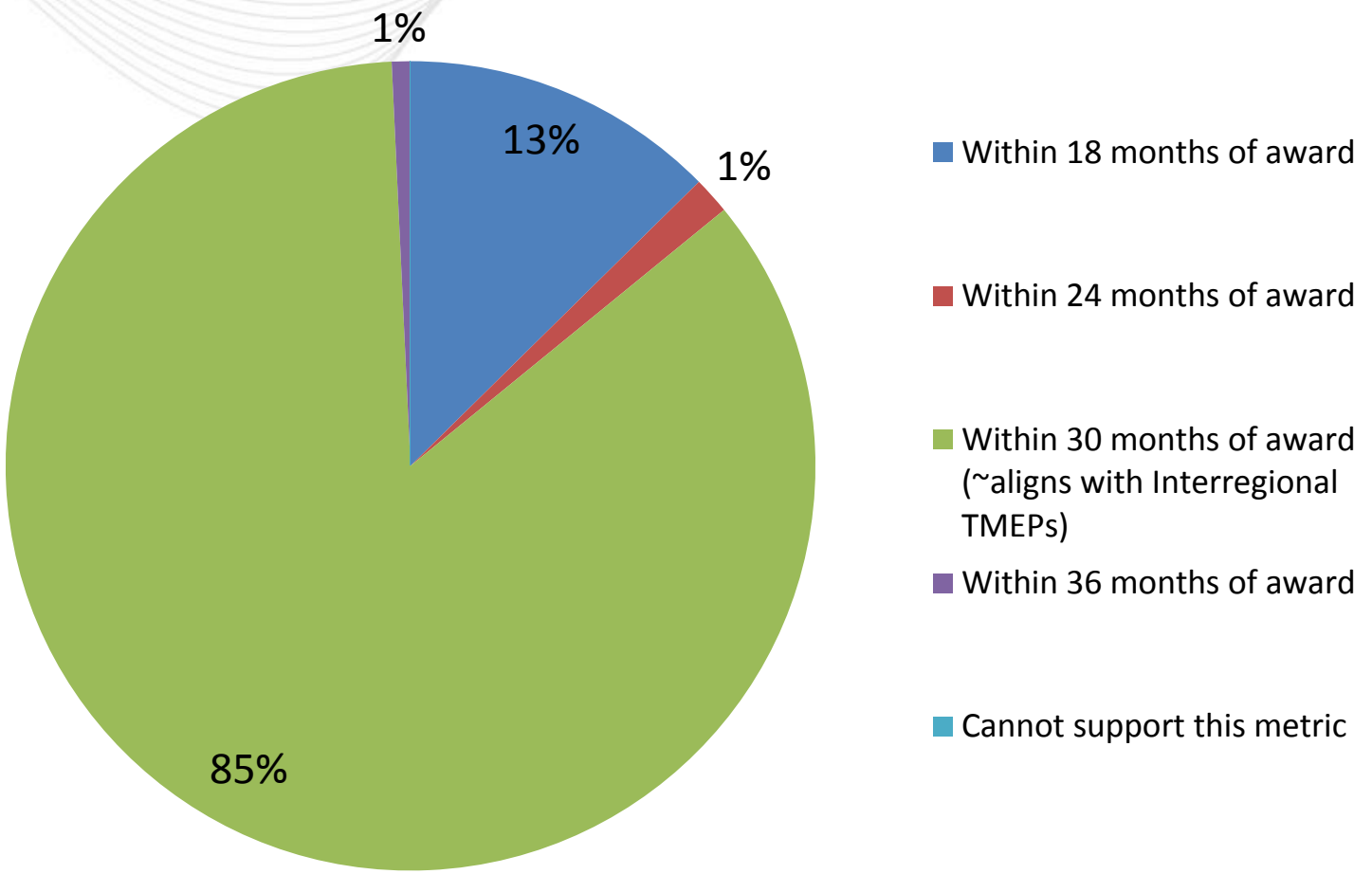
Evaluation of Broader Congestion Impacts

5. All market efficiency analysis includes evaluation of broader congestion impacts. The Internal TMEP construct should:



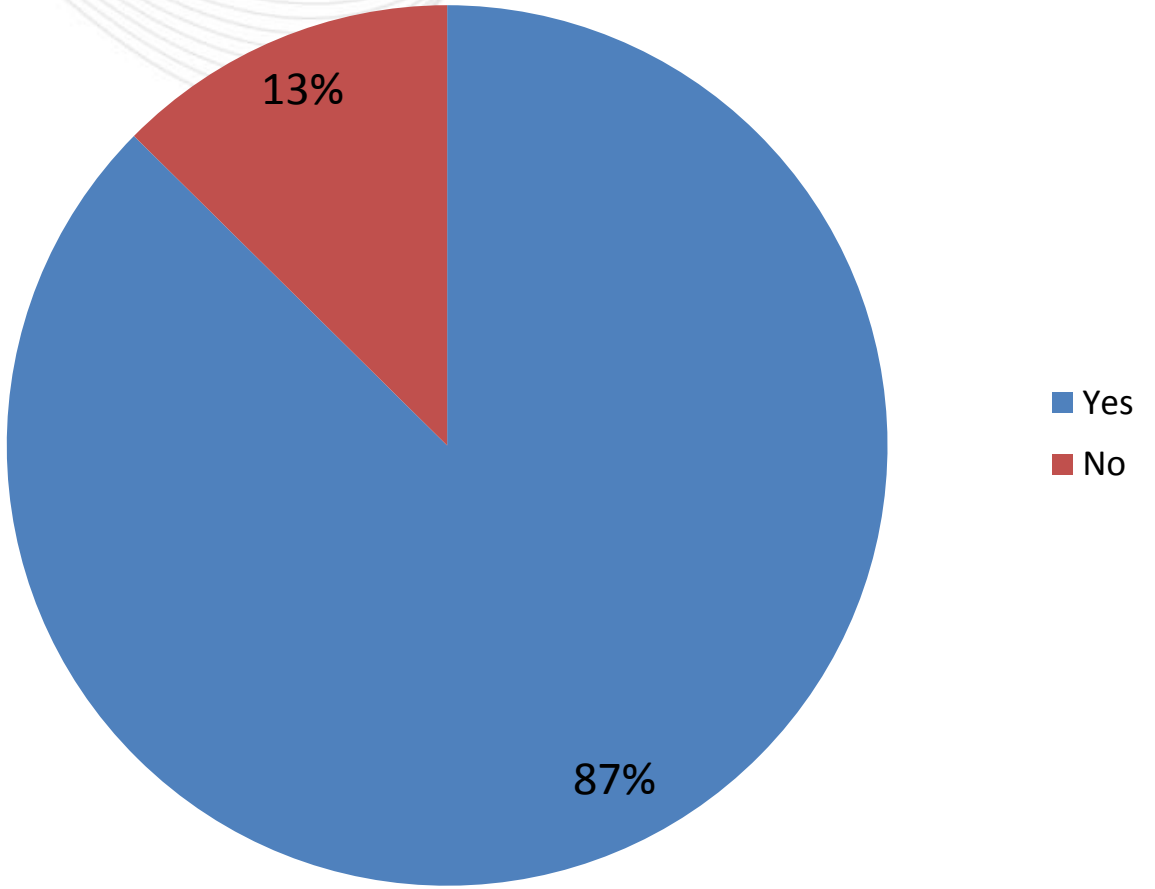
Maximum In-Service Timeline

6. Consistent with the goals of the Internal TMEP, one of the project criteria is a maximum in-service timeline:



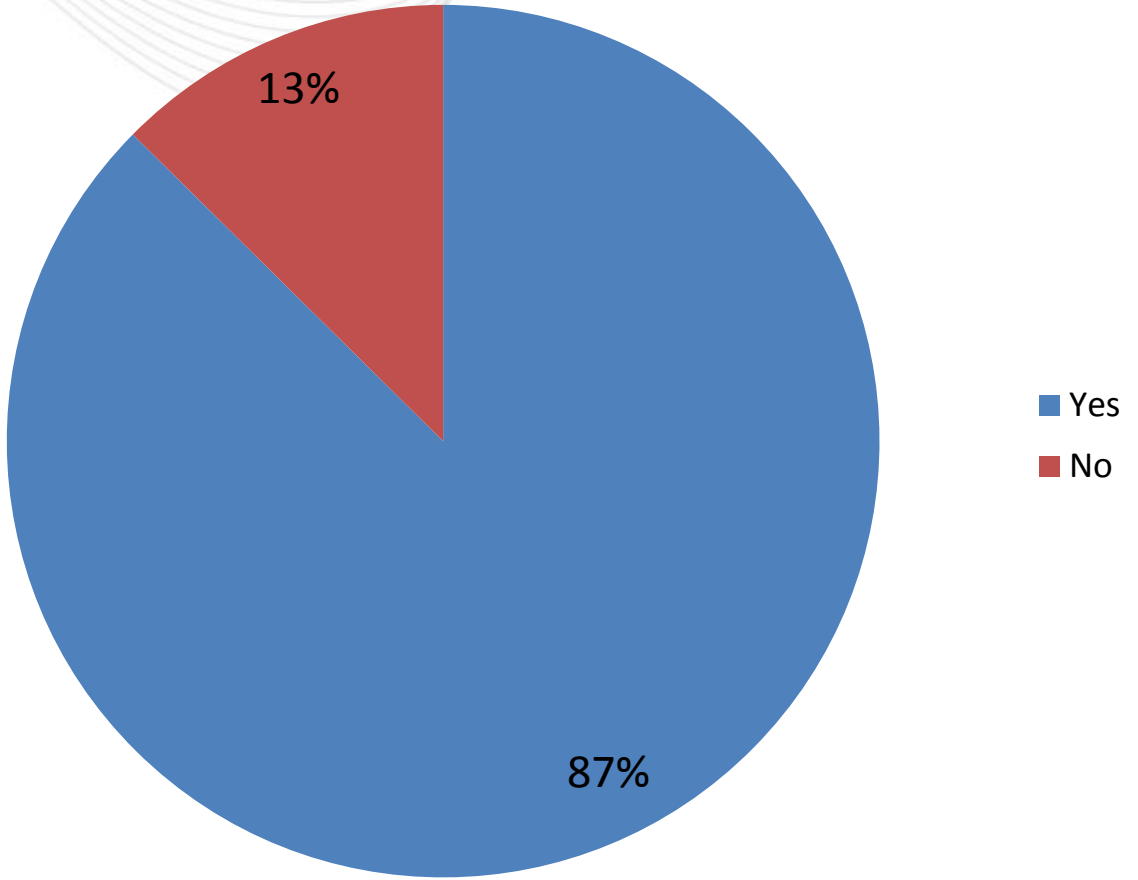
Support for Changing Status Quo

7. Do you support changing the status quo (adding TMEP type construct to the regional process)?



Support for Establishment of TMEP Construct

8. Do you support establishment of TMEP type construct to the regional process to address persistent past congestion, which is not due to outages and/or one-off events, and/or is not addressed by any system changes (planned upgrades or ISA generators)?



General Comments

- Interregional TMEP construct has proven reasonable and effective. Exact same construct should be established for Regional TMEP.
- Consider the cost of forecasted efficiency projects against the growing need for asset management projects while considering how to manage overall transmission costs.
- It is unclear why historical congestion identified by PJM's internal model is not showing up in market efficiency analyses. We see TMEP construct as a stop gap measure. Additional work should be done to develop a process that will allow stakeholders to simulate historical congestion.
- Costs for both external and internal TMEP are assigned once based on PJM modeling. PJM should update the cost assignments every 3 years to reflect changing beneficiaries from these projects.