

MISO – PJM Joint Seams Initiative – Joint Stakeholder Meetings

Comments Related to Interchange Scheduling Business Rule Alignment

Submitted by Tennessee Valley Authority (TVA)

TVA has submitted prior comments to the JCM related to scheduling but would like to submit the following recent example to highlight the need for more scheduling flexibility. On Monday, April 15th, a situation occurred in MISO (but could have just as easily been in PJM) that clearly demonstrates an opportunity for improvement. The details are as follows:

On April 15, HE 20 CPT, the real-time LMP at the TVA node cleared at \$191.34. Twice during this time the 5 minute LMP exceeded \$700, with another 5 minute LMP exceeding \$200. The remaining 5 minute intervals varied widely. These prices were occurring at all nodes across MISO, not just in a small bottleneck area. The HE 20 LMP was a large outlier as the real-time LMPs in earlier and later hours were more representative of market conditions. Constrained by scheduling requirements, market participants could not respond to this indicated stress on the MISO system.

This outlier, and others like it, is a prime example of an area needing improvement for MISO and PJM. Allowing greater scheduling flexibility and reducing strict time constraints will allow for 1- these instances to be reduced, 2- result in overall lower LMPs, and 3- increase the overall reliability of the grid.

At the JCM meetings, we have sensed a hesitation in changing current business practices too much, but extreme price spikes during periods of relative calm should be a call to action for each of the RTO's to look for a solution.

We would be glad to participate in further discussions on this matter.