



Joint and Common Market

## **III. FREEZE DATE ALTERNATIVES**



# Overview

- Purpose
  - Inform stakeholders about the CMPWG discussions on Freeze Date Alternatives
- Key Takeaways
  - CMPWG formed a Task Force to work on Freeze Date Alternatives
  - Task Force was not able to reach consensus on the guiding principles
  - Task Force started working on Issues related to the current Freeze Date and will continue to work on the guiding principles in parallel

# 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 (9 years), issues with the current freeze date become prominent
  - Generation Retirements causing insufficient DNRs to serve load in historic control area
  - No specific criteria to add post freeze date (new) DNRs to the freeze date DNR list
- RTOs and their stakeholders agreed that there is a need to work on Freeze date alternatives

# Progress to date

- In Aug 2013, CMP Council directed CMPWG to work on Freeze Date alternatives
- RTO Staff presented guiding principles at the Sep 2013 JCM meeting
- CMPWG formed a task force to work on Freeze Date alternatives in Jan 2014. Held 5 conference calls till date:
  - Feb 28, 2014
  - Mar 24, 2014
  - April 9, 2014
  - April 22, 2014
  - May 19, 2014

# Freeze Date Task Force Update

- Task Force was not able to reach consensus on the guiding principles and agreed to start working on issues with the current Freeze Date in parallel with the guiding principles
- Discussed following Issues related to the current Freeze Date:
  - Stale Freeze Date
    - ❖ Does not align with today's system operations
    - ❖ Process of updates lack sustainability
  - Generation Priorities (Retirements and Physical Location of New Resource)
    - ❖ Current Logic is to use Internal Historic Control Area Generation (LBA) to serve load within the same Historic Control Area (LBA)
    - ❖ Post freeze date Generators are used to meet load growth that has occurred since 2004
    - ❖ Network/Capacity Resources located physically outside of LBA/RTO are not recognized

# Issues with the current Freeze Date (contd.)

- Accuracy of TSR List
- Limiting Sale of Transmission Services
  - ❖ No linkage between AFC (Available Flowgate Capability) and Flowgate Allocations or ASTFC (Available Share of Total Flowgate Capability)
- Lack of correlation with Long Term Planning Process
  - ❖ Builder does not always get full credit for the transmission upgrades
- Complex Process and Lack of Auditability/Transparency

# Next Steps

- Each CMPWG participant will review the Freeze Date Issues List and provide feedback on:
  - Any additional issues
  - Potential solutions for the issues identified by the Task Force
- Task Force will continue to work on guiding principles to reach consensus
- RTOs will provide update to stakeholders at the respective stakeholder meetings and at the future JCM meetings