



CAPACITY DELIVERABILITY UPDATE

May 28, 2014
MISO-PJM JCM



Progress so far

PJM and MISO presented the draft Fact Finding report on April 14th, 2014

- The executive summary of the draft report laid out the background and the next steps on the Capacity Deliverability effort.
- The draft report documented the comprehensive analysis completed for Fact Finding #1 and #2
- MISO and PJM continue to have dialogue on the resolution of issues

PJM and MISO agree that the resolution of key issues is critical to the success of joint deliverability + import/export limit concept.

Issues Resolution in progress

- Energy market coordination: real-time operational protocols to ensure delivery of energy associated with Capacity commitments has the same level of firmness on both sides of the SEAM during emergency conditions
- Establishment of Capacity import and export limits
 - PJM to calculate an import limit (MISO to PJM) . This will be in addition to the overall import limit that PJM currently calculates from all its neighbors.
 - MISO and PJM to develop methodology to incorporate the existing firm PTP into the import/export limits.
- Transmission upgrade cost allocation: preventing transmission upgrade cost shifts between the RTOs
- Establishment of Firm Flow Entitlements in the Market-to-Market congestion management process given committed Capacity resources

Next Steps

MISO and PJM to provide update on issues resolution at the July JCM

- Targeting mid July for issues resolution

MISO and PJM to update the draft report as more information becomes available

MISO to provide PJM with results of MISO FF#1 results showing facilities loaded in excess of 90%

PJM to update FF#1-Step 2 results based on MISO feedback