



Joint and Common Market

ITEM 3 - FREEZE DATE ALTERNATIVES



Overview

- Purpose
 - Provide status update and solicit feedback on Freeze Date Alternatives discussion
- Key Takeaways
 - Proposals are Under Review by Congestion Management Process Working Group (CMPWG).
 - MISO/PJM/SPP further developing compromise position on the following key areas:
 - Allocation granularity – calculations currently based on historic balancing authorities. Determine requirements to move to single Balance Authority.
 - What generators/transmission service qualify for allocations – currently 2004 freeze date qualify
 - Reciprocity/loop flow compensation

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

Completed Work – High Level Summary

- CMPC approved Firm Flow (Allocation) Calculation Guiding Principles that are necessary to develop a feasible solution
 - Reliability
 - Coordination
 - Equity
 - Efficiency
- CMPC and the CMP Freeze Date Task Team continue review the two MISO and PJM/SPP proposals:
 - Reference Feb 2015 JCM Freeze Date material/appendix
 - Four key areas identified requiring resolution:
 - How allocations are determined – based on Balancing Authority or the existing Local Balancing Authority Granularity
 - What qualifies as a DNR or firm point-to-point transmission service to receive flowgate allocations/entitlements
 - Flowgate allocation distribution or ownership
 - Reciprocity or recognition of parallel flows

Next Steps

- MISO/PJM/SPP working to further develop compromise position on the following key areas:
 - a) Allocation granularity – calculations currently based on historic balancing authorities. What is required to move to single Balance Authority addressing:
 - Validation – align planning and operations
 - Transition period
 - b) What generators/transmission service qualify for allocations – currently 2004 freeze date qualify
 - Generation/Transmission Service with confirmed firm Transmission Service Reservation
 - DNRs/Generation that has cleared the capacity auction
 - DNRs/Generation that is granted Capacity Injection Rights beyond the capacity auction clearing
 - Pseudo-tied generators
 - c) Recognize use of another's parties system above historical levels through loop flow or reciprocity compensation
- CMPC scheduled to meet in June to review progress in each of the above areas and further plans to move forward with a feasible compromise solution

Next Steps

Solicit stakeholder feedback – send comments to:

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