



Joint and Common Market

VI. MODELING OF ONT-ITC PARS IN MARKET FLOW CALCULATIONS AND ENTITLEMENT CALCULATIONS

Overview

- Purpose
 - Provide a status update on MISO and PJM efforts to model ONT-ITC PARs in Market-to-Market (M2M)
- Key Takeaways
 - MISO and PJM agreed on the method to model the ONT-ITC PARs in the M2M process (discussed the agreement at 11/10/2014 JCM)
 - RTOs efforts to model the PARs in M2M is underway, tentative to implement in May, 2016
 - RTOs finalized the Joint Market Flow requirements document

Background

- ONT-MI PARs (5 PARs on 4 lines) began completely regulating ONT-MI interface flow in July 2012
 - Since July 2012, ONT-MI PARs have been modeled using the “Regulated” and “Unregulated” status in the Interchange Distribution Calculator (IDC)
- MISO, PJM and IESO have completed an analysis of the operation of the ONT-MI PARs through the first year of operation (Aug 2012 – Aug 2013)
 - Report available at: <http://www.miso-pjm.com/~media/pjm-jointcommon/downloads/ontario-michigan-interface-par-performance-evaluation-report.ashx>
- At 11/10/2014 JCM, PJM and MISO presented a solution to model PARs in M2M:
 - When the PARs are regulating, Firm Flow Entitlements (FFE) will be calculated assuming “fixed flow” PAR modeling
 - When the PARs are regulating, Market Flows will be calculated assuming “fixed flow” PAR modeling along with Lake Erie Circulation (LEC) above 200MW Market Flow adjustment
 - When LEC (absolute value) <200 MW, no LEC adjustment is required
 - When LEC (Absolute value) >200 MW, LEC adjustment is required

Progress to date

- RTOs **completed** the Joint Market Flow Calculation requirements document
 - RTOs will utilize this document as the basis to enhance the Market Flow Calculator
 - RTOs plan to start preliminary Market Flow Calculator development in September, 2015
- RTOs are developing the Joint FFE Calculation requirements document
 - RTOs will utilize this document as the basis to enhance the FFE calculation
 - RTOs are discussing two potential options with the FFE engine vendor
 - RTOs plan to finalize FFE requirements document by October, 2015
- RTOs are developing the Joint Data Exchange requirements document
 - RTOs will utilize this document as the basis to enhance the M2M data exchange
 - RTOs will need to exchange three components to accommodate the Market Flow calculation
 - Lake Erie Circulation (LEC)
 - Par Shift Factors (PSF)
 - Par Regulation Status
 - RTOs plan to finalize the Data Exchange requirements document by November, 2015

RTOs tentative work plan

<u>Category</u>	<u>Task</u>	<u>Status</u>	<u>Target Completion</u>
Design Document	Develop Market Flow Requirements and Use Case (Design Document)	✓ Completed	July 2015
Design Document	Develop FFE Requirements and Use Case (Design Document)	In Progress (50%)	October 2015
Design Document	Develop Data Exchange Requirements (Design Document)	In Progress (25%)	November 2015
Engine	Develop Market Flow Engine Enhancements	Outstanding	November 2015
Engine	Develop FFE Engine Enhancements	Outstanding	December 2015
Engine	Develop Data Exchange Enhancements	Outstanding	January 2016
Engine	Test Enhancements	Outstanding	March 2016
JOA/JCM	Develop JOA Enhancements	Outstanding	September 2015
JOA/JCM	Provide JCM updates	Outstanding	JCM, 2015 & 2016
JOA/JCM	File JOA Changes / Implement Change Management Process	Outstanding	November 2015 / January 2016
	Go Live	Outstanding	April or May 2016

Next Steps

- RTOs will continue their work on this initiative
- RTOs will provide progress updates to stake holders during the upcoming JCM sessions