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Interregional Coordination Update

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Manager, Interregional Market Operations
Market Implementation Committee
March 13, 2021



The most recent Joint and Common Market meeting was held on February 23, 2021



The next joint stakeholder meeting will be on August 24, 2021 via WebEx.



Meeting materials are posted approximately one week in advance at the [PJM/MISO Joint and Common Market Initiative](#) as well as the [Joint and Common Market](#) websites

PJM-MISO Issue Status & Market-to-Market Settlement Adjustments

- Issue status and drill down reports available at below websites:
 - [PJM/MISO Joint and Common Market Initiative](#)
 - [Joint and Common Market](#)
- Biennial Review of MISO-PJM Joint Operating Agreement:
 - <https://pjm.com/markets-and-operations/energy/market-to-market.aspx>
- Pending market-to-market settlement adjustments
 - None



- PJM and TVA continue to review the Joint Reliability Coordination Agreement (JRCA)
 - General review of JRCA
 - Updating Article IX – Planning section
 - Adding LGE-KU to the JRCA
 - Final language is being moved through the TOA-AC and PC for planning changes
 - FERC filing for changes (as it applies to PJM and LGE-KU) expected in Q3, 2021
 - Updates will be reviewed with PJM Stakeholders prior to FERC filing
 - OC, MC Webinar

PJM-MISO Freeze Date and Firm Flow Entitlements

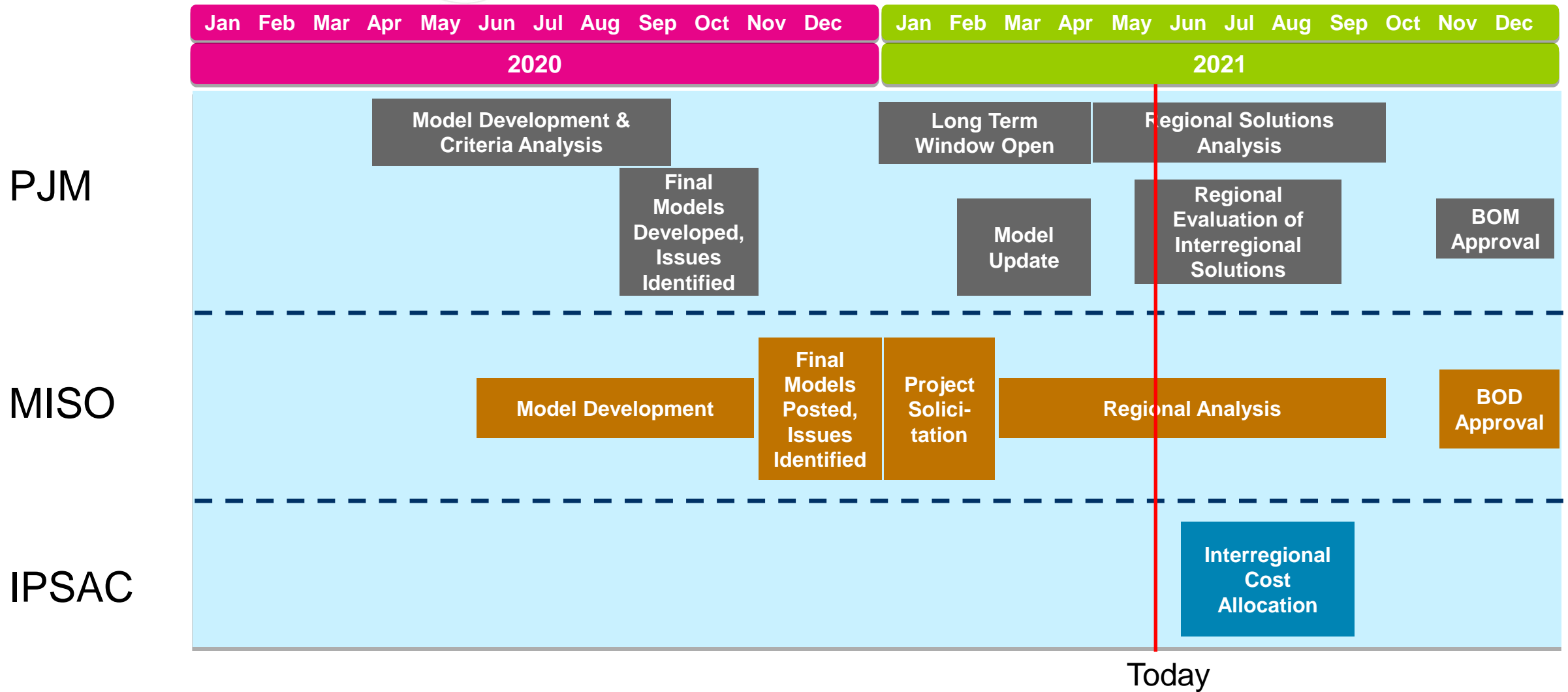
- Reference date of April 1, 2004, known as “Freeze date”, is used as a mechanism to determine firm rights on flowgates based on pre-market firm flows.
 - CMP Members (PJM, MISO, SPP, TVA, Manitoba Hydro, and LGE/KU) have been developing a collaborative solution to update these firm rights
- CMP Members are working on the final items for the Phase 2 solution:
 - Phase 2 implementation date will be determined when individual Planning discussions are completed by each entity
 - CMP members have developed design components for the Phase 2 solution
 - Firm Flow Entitlement (FFE) solution is almost finalized; Firm Flow Limit (FFL) remains an open item
 - Discussions will continue to finalize design components and whitepaper
 - Stakeholder education will occur during future MIC and JCM meetings
 - Stakeholders will be updated prior to FERC filing



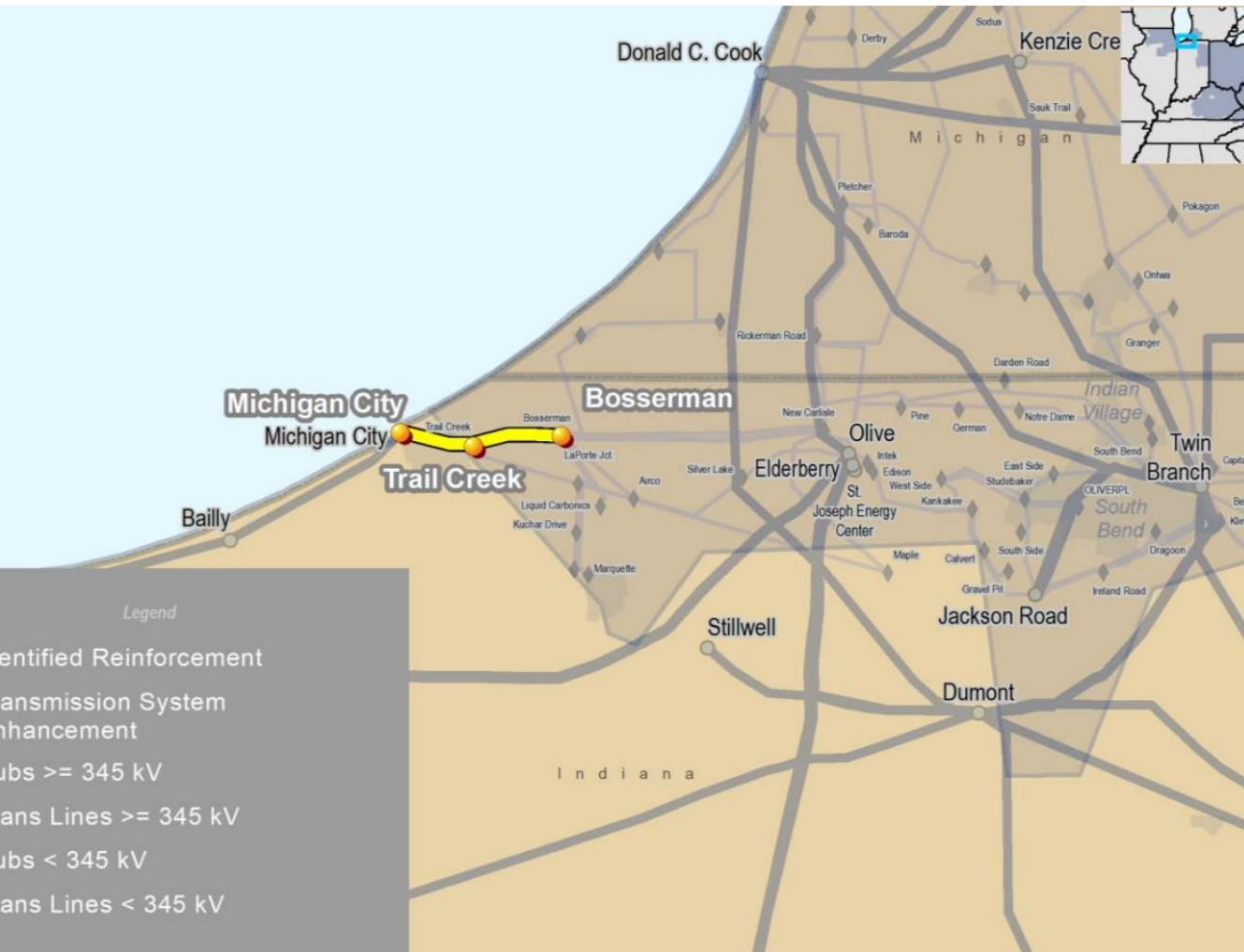
- PJM and MISO are conducting a two-year Interregional Market Efficiency Project (IMEP) study in 2020/2021
- Issues identification and benefit determination conducted in each regional process consistent with current effective JOA
- Interregional proposals must:
 - Address at least one identified issue in each region
 - (could be same issue if identified by both RTOs)
 - Be submitted to both regional processes

- Benefits to each RTO are determined by that RTO using their respective regional process and metrics (Tariff)
 - Note inconsistent study years and discount rates
- Costs are allocated inter-regionally based on pro rata share of benefits, as determined above
- Interregional projects must meet the B/C criteria in each RTO (based on allocated costs), qualify as an MEP under both the MISO and PJM process, and be approved by each RTO's board
- Final recommendations will be presented to the PJM Board of Managers for consideration in the November-December (2021) time frame

Market Efficiency - Estimated Timeline



Interregional Market Efficiency Project



- The PJM Board approved project b3142 (BT-481), the rebuild of Michigan City to Trail Creek to Bosserman 138kV lines, December 3, 2019
- MISO included Project NC-11 in Appendix B of MTEP19 Approved by Board
 - Approved by the MISO Board on September 17, 2020

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