Inter-regional Planning Update

Transmission Expansion Advisory Committee
April 13, 2017
• Technical Committee meetings April 13 & May 18, 2017
• Executive Committee meetings April 22 & May 24, 2017
• Production Cost Database Assembly
  – Model runs and is under evaluation
  – Runtime and is a challenge
  – Potential to respond to EI questions
• Other Collaboration
  – EIPC Planning Summit of Planning Coordinators April 10-11 – technical methods and best practices
  – Discussion of “status of the grid” report
  – Input to NERC frequency control project
  – Input to NERC model development
Interregional Update

• 2017 cycle of data and transmission plan exchanges and plan reviews

  – IPSAC May 26, 2017

  – IPSAC May 19, 2017

• SERTP - regional process: [www.southeasternrtp.com](http://www.southeasternrtp.com)
  – 2nd Quarter meeting June 19, 2017
  – Next biennial review – Spring 2018
2-Year Cycle – PJM-MISO Issues Review at IPSAC

- PJM and MISO proposal "windows" closed February 28, 2017
  - 8 proposals for 3 flowgates
    - $354 Million ($1M – $167M)
    - 2 joint
    - 5 greenfield
    - 3 upgrade to existing facilities
    - 7 entity proposers
- Next Steps:
  - Project Verification and case updates in progress
  - Updated models will be posted
  - PJM and MISO to evaluate regional benefits
  - Determine project cost split between RTOs (share of combined regional benefits)
  - PJM and MISO evaluate regional B/C and any regional alternative and consider recommendations
December 30, 2016 filed JOA changes for TMEP (ER17-718)
  - PJM Regional cost allocation filed April 10, 2017
  - MISO Regional cost allocation scheduled for April 28, 2017
  - Protest, clarification answer filed jointly by PJM and MISO on March 27, 2017

NIPSCO Order – 60 day extension requested to April 24, 2017 (EL13-88)
Order, among other things directed:
  - Further process clarifications
  - MISO cost allocation for below 345 kV interregional MEP - decision expected April 20 (RECB)
  - MISO options:
    • File a regional cost allocation like existing MEP
    • Request 18 mo. extension
    • Request short extension
    - dates subject to verification by PJM legal department
<table>
<thead>
<tr>
<th>Ordering Paragraph</th>
<th>FERC Directive</th>
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<tbody>
<tr>
<td>51</td>
<td>Confirm that the existing Market Efficiency Project cost allocation method will apply to MISO’s share of the cost of interregional economic transmission projects above 100 kV but below 345 kV that qualify as Market Efficiency Projects or to propose tariff revisions to apply a different regional cost allocation method for MISO’s share of the cost of such projects. Upon review of MISO’s compliance filing, including any supporting evidence, and consideration of any comments filed in response, the Commission will determine the just and reasonable MISO regional cost allocation method for MISO’s share of the cost of interregional economic transmission projects above 100 kV but below 345 kV that qualify as Market Efficiency Projects.</td>
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<td>70</td>
<td>Provide that the Joint RTO Planning Committee shall provide a schedule and binding deadlines for the steps in each Coordinated System Plan Study process no later than 15 days after the Interregional Planning Stakeholder Advisory Committee meeting provided for in section 9.3.6.2(b)(ii). We note that, as provided in section 9.3.6.2(a)(vii) of the JOA, regardless of the intervening deadlines, the Coordinated System Plan Study must be completed no later than the end of the second year of the two-year cycle.</td>
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<td>71</td>
<td>Revise section 9.3.6.2(a)(vi) of the JOA, as follows: (vi) If a Coordinated System Plan study may include targeted studies of particular areas, needs or potential expansions to ensure that the coordination of the reliability and efficiency of the Parties’ transmission systems, then such targeted studies will be conducted during the first half of the calendar year. In years when the Coordinated System Plan study includes only targeted studies as defined herein, they may be conducted at any time during the calendar year but will be targeted for completion shall be completed within the calendar year in which they are identified.</td>
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<td>78</td>
<td>Revise the JOA to include a description of how specific steps in the Coordinated System Plan Study process interact and coordinate with specific steps in the MTEP and the RTEP.</td>
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<td>83</td>
<td>Change the reference to section 9.4.4.2.2 in proposed section 9.4.4.1.3.1(b) to 9.4.4.2.3 (Cost Allocation for an Interregional Market Efficiency Project).</td>
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<td>Submit an updated version of Attachment FF to include all currently effective language.</td>
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<td>MISO and PJM to submit JOA tariff records in which the section numbers are identical to resolve any confusion created by the different numbering of the JOA used by each RTO.</td>
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• IPSAC – May 19, 2017
  – System needs and solutions update
  – IPSAC input to needs and solutions
  – Coordinated study status

• Special Ramapo phase shifter task force
  – Consider potential replacements, benefits and cost allocation issues of Ramapo PARs