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 identified 14 existing Flowgates to apply this modeling concepts
  - RTOs intend to update stakeholders of their progress in the upcoming JCM sessions

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 (FFEs) 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 are developing a Joint Market Flow Calculation requirements document
  - RTOs will utilize this document as the basis to enhance the Market Flow Calculator
  - RTOs are developing examples to benchmark Market Flow outcomes under different operating conditions
- RTOs established criteria to select Flowgates that will honor PAR modeling
  - RTOs agreed to apply PAR modeling on flowgates that have significant PAR impacts
    - If the PAR Shift Factors exceed 5% threshold for one monitoring element Flowgates
    - If the PAR Shift Factors exceed 7.5% threshold for two monitoring element Flowgates
    - If the PAR Shift Factors exceed 10% threshold for three or more monitoring element Flowgates
  - RTOs discovered 14 Flowgates to be coordinated for PAR modeling
    - 7 Flowgates owned by MISO
    - 7 Flowgates owned by PJM

RTOs tentative work plan

Category	Task	Status	Target Completion
Design Document	Develop Market Flow Requirements and Use Case (Design Document)	In Progress (80% Completed)	June 2015
Design Document	Develop FFE Requirements and Use Case (Design Document)	In Progress	June 2015
Design Document	Develop Data Exchange Requirements (Design Document)	Outstanding	July 2015
Engine	Develop Market Flow Engine Enhancements	Outstanding	September 2015
Engine	Develop FFE Engine Enhancements	Outstanding	September 2015
Engine	Develop Data Exchange Enhancements	Outstanding	October 2015
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	Outstanding	November 2015
	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