



Joint and Common Market

# **FREEZE DATE ALTERNATIVES**



# 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.

# Overview

- Purpose
  - Provide status update and solicit feedback on Freeze Date Alternatives discussion.
- Key Takeaways
  - RTOs (SPP, MISO and PJM) have been discussing a two phase approach to develop alternatives.
    - Phase 1 will address Market to Market (M2M) and phase 2 will address Transmission Loading Relief (TLR)
  - RTOs (SPP, MISO, and PJM) continue to explore options.

# Freeze Date for M2M: Actions to Date

Date	Action
August 2013	CMP council directed CMPWG to develop Freeze Date alternatives
September 2013	Guiding Principles presented at JCM
February 2014-January 2015	CMPWG Task Force meetings
February 2015	CMP Council advised the CMPWG to concentrate on the MISO and PJM/SPP proposals to develop compromised solution
June 2015	RTOs agreed because of complex nature of compromised solution to focus first on M2M then TLR <ul style="list-style-type: none"><li>• Results in 3 party meetings between PJM, MISO, and SPP</li></ul>
September 2015	Reviewed potential to leverage ARR processes
February 2016	RTOs could not agree on leveraging ARR process because of different RTO ARR constructs
February 2016 -Present	RTO weekly 3 party meetings to review all options and solutions

# Discussions Among RTOs: Priorities

RTOs have set priorities to focus on for inputs to FFE calculation for collaborative solution

- Designated Network Resource (DNR) eligibility for internal and external (Pseudo Tie) resources
- Transmission Service Requests (TSRs) eligibility
- Generation to Load impact/allocation threshold
- Distribution of excess allocations
- Granularity (LBA or RTO level)

**PRIORITY**

# Discussions Among RTOs: Other Factors

## Additional factors to FFE calculation

- Incremental upgrades (Transmission Upgrade Studies (TUS))  
frequency of DNR/TSR updates
- Frequency of model updates
- Allocation sharing
- Run types (Seasonal, Monthly, Daily, etc)
- Transition plan



# Tentative Timeline

- Evaluate common interests on priority items: May 2016
- Review differences & potential to compromise: June 2016
- Develop compromise solution 3<sup>rd</sup> Quarter 2016
  - ✓ Priority items
  - ✓ Lower priority items
  - ✓ Stakeholder review
- Tariff/CMP filing 4<sup>th</sup> Quarter 2016
  - ✓ Develop Tariff language changes
  - ✓ Stakeholder review
  - ✓ CMP council approval and FERC Filing
- Implementation June 2017

# Next Steps - Freeze Date

- Continued discussions among PJM, MISO, and SPP
- RTOs to discuss progress at upcoming CMPC and JCM sessions



# Contacts

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