

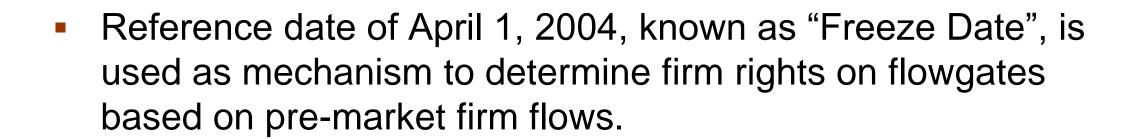
Joint and Common Market

FREEZE DATE ALTERNATIVES





Background



- As we move further away from the current Freeze Date (>10 years), issues with the current date become prominent.
- RTOs and their stakeholders agreed that there is a need to work on Freeze Date alternatives.





Freeze Date Solution - Phased Approach

- The Congestion Management Process (CMP) Working Group, with approval from the CMP Council, is using a phased approach for implementation of Freeze Date changes
- Implemented Phase 1 in June 2018
- Continue working toward a Phase 2 solution for full implementation of Freeze Date changes for June 2019





Phase 1 – Changes to Firm Rights



 Changes in effect since June 2018 - no anomalies to report





Phase 2 – Full Freeze Date Solution

Focus on remaining solution design components:

- Firm Flow Limit (Non-Market facility limits)
- Firm Flow Entitlement (Market facility Allocations)
- Intermittent Resources
 - Wind and solar treatment
- Transfer Feasibility / Parallel Flows
 - Ensure planning based reliability
- Flowgate Priority Rights based on flowgate ownership





Proposed Solution: Allocations of FFE Involves 4 Steps

Step 1

Bucket 1

- Active DNR/NRs (2004 and earlier)
- Active Historic TSRs
- LBA Granularity

Step 2

Bucket 2

- Active DNR/NRs (Post 2004)
- Active TSRs (Post 2004)
- LBA Granularity

Step 3

Bucket 3

- Transfers

 (limited) Excess
 LBAs serve
 short LBAs
- LBA Granularity
- 8 Year
 Transition
 period to retire
 this step

Step 4

Bucket 4

- Market wide transfers based on planning
- Priority Rights
- RTO
 Granularity
- Excess to Owner





Phase 2 – Flowgate Priority Rights

- Flowgate priority rights imply the owner of a Reciprocally Coordinated Flowgate (RCF) receives their impacts before any loop flows/impacts from neighboring entities are allocated
- Today, all CMP participant Freeze Date LBA based generation to load and TSR impacts are granted on RCFs regardless of flowgate ownership
 - Today's process does not include post Freeze Date market based transfers
- Proposal, priority rights are proposed for application in Bucket 4
 - Apply to market based transfer impacts
 - Bucket 4 flowgate owner receives entitlements before any non flowgate owner's impacts
 - Remaining capacity may be used as available by non-owner(s)
 - Addresses loop flow and planning concerns





CMP Working Group – Phase 2 Plan

CMP Working Group Phase 2 Activities:

- Continue weekly meetings focusing on the Phase 2 solution
- Goal is to update the Freeze Date whitepaper as consensus is reached
- Future mock analysis to determine impacts of design component changes
- Updates to the CMP Council approval of design components





Tentative Timeline

Due Date	Action
February 1, 2018	Begin focusing on Phase 2 solution
June 2018	Phase 1 Implementation
Summer 2018	Mock Analysis
September 30, 2018	Complete Phase 2 solution / post finalized whitepaper
Fall 2018	Full Implementation CMP/ JOA changes FERC filing
June 1, 2019	Full Implementation





Contacts



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