



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 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

- Included Designated Network Resource (DNR) eligibility/dispatch updates
- 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

Solicit stakeholder feedback – send comments to:

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