

Joint and Common Market

INCREMENTAL AUCTION REVENUE RIGHTS

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Overview



Purpose

Provide stakeholders with an update on the MISO-PJM plan for enhanced planning and markets coordination for the PJM customer funded IARR process

Key Takeaways

- Several discussions have taken place since November 2017
- PJM stakeholders to pursue governing document changes to account for remaining FTR revenue adequacy concerns with process





Update

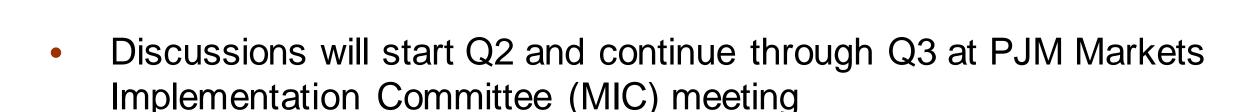


- Key work activities:
 - Education on the current IARR practices and relevant history
 - Explore ways to best document and implement any potential enhancements to the IARR process for a Customer-funded Upgrade request that impacts current or future coordinated flowgates





Next Steps and JCM updates



Periodic informational updates at JCM based on PJM MIC discussions





IARR Issue Review



- Refresher Upgrades do not guarantee corresponding adjustments to Firm Flow Entitlements (FFE) due to Congestion Management Process (CMP) rules
 - > PJM provided education on Appendix G of the CMP at the February 2018 JCM
- As an accompanying solution, PJM believes estimation of FFE adjustments could be beneficial to stakeholders as it will provide a higher likelihood that cross border projects associated with IARRs will result in proper FFE adjustments





Preliminary Transmission Upgrade Studies

- FFE adjustment estimation requires running CMP based calculations with and without proposed upgrades. This is known as a Transmission Upgrade Study (TUS)
- These proposed TUS calculations would capture differences in "historic" flowgate impacts on forward looking basis





Preliminary Transmission Upgrade Studies

- Assumptions for estimating FFE adjustments
 - Topology apply CMP mandates on RTEP case used to evaluate IARR
 - Load Forecast planning based forecast
 - DNR/TSR Dispatch Current CMP Generator Merit order and Historic TSR list
 - Flowgates Current set of Reciprocally Coordinated Flowgates for which PJM coordinates. Potential future flowgates may be considered in addition.





Contacts



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