

MISO PJM JCM Stop Light Report

August 24, 2021

Category	Initiative/Milestone	PJM Contact	MISO Contact	Status
<p style="text-align: center;">Market Operations</p>	<p>10) Freeze Date for Firm Flow Entitlement calculations</p>	<p>Joe Ciabattoni</p>	<p>Zhaoxia Xie</p>	<p>MISO and PJM staffs continue to work with the Congestion Management Process Working Group (CMPWG) discussing options for updating the existing freeze date process and providing stakeholder updates via the JCM process. In May 2015 MISO and PJM submitted a joint filing to FERC. MISO and PJM staffs provided a status update to FERC Staff on July 21, 2015. The RTOs have developed timelines for a phased implementation; Phase 1 changes were finalized in February 2018 and were implemented in June 2018. PJM and MISO, in collaboration with CMPWG members, are working on the Phase 2 effort with a potential solution implemented during the 2nd quarter of 2023. The parties are awaiting the vendor's final cost and timeline estimates and are working through a few open action items in the language. The tariff filing is expected to be delayed until Q3 2021 with the JOA language posted for stakeholder review prior to the filing. Status updates on this item will continue to be provided at future JCM meetings.</p>
<p style="text-align: center;">Transmission / Resource Planning</p>	<p>5) Interregional Planning Stakeholder Advisory Committee (IPSAC)</p>	<p>Paul McGlynn</p>	<p>Jeremiah Doner</p>	<p>On February 26th, 2021 PJM and MISO held an Interregional Planning Stakeholder Advisory Committee (IPSAC) meeting to conduct the Annual Issues Review of identified transmission issues. This meeting provided a basis for the Joint RTO Planning Committee (JRPC) to make a determination on whether to conduct a full CSP study in 2021. Based on the findings of the Annual Issues Review process PJM and MISO concluded that no Interregional Market Efficiency Project (IMEP) or Targeted Market Efficiency Project (TMEP) studies would occur in 2021. Interregional Reliability Project studies may take place if appropriate constraints are identified. The next PJM-MISO IPSAC meeting is scheduled for November 8th, 2021.</p>

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Market Operations	1) Day Ahead Market Coordination	Tim Horger	Dave Savageau	Complete, with on-going monitoring. A joint cost/benefit study evaluating potential improvements to day-ahead flowgate utilization and procedures and guidelines to facilitate Firm Flow Entitlements (FFE) exchanges in Day-Ahead Markets have been completed. PJM and MISO have also completed development and testing of exchange and settlement systems and implemented Day-Ahead Market FFE exchange on January 28, 2016 following FERC approval. MISO and PJM provided an update on implementation at the February 28, 2017 JCM meeting.
	2) RTO to RTO Data Exchange & Transparency	Rebecca Carroll	Ron Arness	Complete. Data is posted.
	3) Stakeholder Education (interchange transactions and CBM)	Rich Souder	Ron Arness	Complete. Final draft posted and final discussion took place at October 2012 JCM meeting.
	4) Interchange Scheduling Business Rule Alignment	Stu Bresler	Dhiman Chatterjee	Complete. Implemented by MISO in June 2015.
	5) Network External Designated Service - Must Offer Requirement	Stu Bresler	Renuka Chatterjee, Kevin Larson	Complete. Refer to PJM RTO stakeholder process.
	6) Transmission Outage Coordination	Rich Souder	John Harmon	Complete. The RTOs have agreed to continue analysis of reasons for short-term flowgate requests and investigate ways to reduce the volume.
	7.) Coordinated Transaction Scheduling	Phil D'Antonio	Dustin Grethren	Complete. CTS was implemented on 10/3/2017. It is a real-time market product that enables market participants to schedule energy transactions at the MISO-PJM interface, simultaneously buying from one market and selling into the other. Bid activity and cleared imports have increased significantly since March, 2019. This development has resulted in a reduction in the price spread between the two markets, down to <\$1.00/MWh in August and September 2019.
	8.) Interface Pricing	Joe Rushing	Kevin Vannoy	MISO and PJM have completed their analysis and at the May 24, 2016 JCM presented their recommendation to implement the collaborative approach for the next FTR planning year starting on June 1, 2017. Implemented as planned on June 1, 2017. Presentation at November 29, 2017 JCM.
	9) Treatment of ONT-ITC PARs in M2M Process	Asanga Perera	Ron Arness	Complete, with implementation on July 28, 2016. MISO and PJM staff have reached agreement and are now working through the implementation requirements and schedule. MISO and PJM filed JOA revisions with FERC on April 22, 2016 with a requested effective date of June 22, 2016.
	11) FTR Market coordination	Tim Horger	Zak Joundi	Complete. MISO and PJM established increased coordination for the annual and monthly auctions. On-going monitoring will continue.

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	13.) Pseudo-Tie Improvements	Tim Horger	Kevin Vannoy	<p>Complete. Due to the increase in the volume of Pseudo-Tie requests, MISO and PJM have collaborated on process improvements to ensure reliable and efficient market operations. The first phase of this effort focused on short-term deliverables to facilitate implementation of pseudo-ties by June 1, 2016. The second phase of this effort focused on criteria and improvements to support pseudo-ties by June 1, 2017. Further, MISO and PJM collaborated on and filed changes to the Joint Operating Agreement on August 1, 2017 to improve the administration and coordination by incorporating standard definitions, rules, and responsibilities. On December 29, 2017, the Federal Energy Regulatory Commission (“Commission” or “FERC”) issued an Order accepting MISO’s August 1, 2017 filing, as amended on October 30, 2017, proposing revisions to the Joint Operating Agreement between MISO and PJM (“JOA”) to improve the administration and coordination of pseudo-tied resources (“JOA Revisions”).</p> <p>Additionally, MISO and PJM collaborated on a two phase solution for over/under collection of congestion charges associated with the overlapping path between the physical unit and the PJM-MISO interface. On January 29, 2018, MISO and PJM responded to a deficiency notice issued by FERC on December 28, 2017 related to the JOA filed by the RTOs in October to address the Congestion Overlap. On May 31, 2018 PJM and MISO filed a request to implement the phase 1 solution on August 1, 2018 with the FERC. On June 1, 2018, PJM filed its phase 2 solution with a requested implementation date of August 1, 2018. The FERC issued an order accepting the phase 1 solution on July 31, 2018 and PJM’s phase 2 solution effective August 1, 2018. PJM and MISO coordinated implementation of the phase 1 solution on August 1, 2018 and PJM implemented its phase 2 solution on August 1, 2018. MISO submitted its phase 2 solution on October 2nd, with an implementation date of March 1, 2019. FERC accepted the 3/1/19 implementation on March 19, 2019. An additional compliance filing was submitted by MISO on 4/16/19. With the full solution now in place this item is now marked as complete.</p>
	14) 2016 Biennial Review Update	Asanga Perera	Ron Arness	<p>Complete. PJM and MISO successfully completed their 2nd biennial review update. The RTOs have made significant progress since 2014 report; out of the 18 initial baseline recommendations 15 are complete and three are ongoing. Eleven Change Management Tickets have been implemented since the 2014 report. The 2016 report is posted for stakeholder review via the following address: http://www.pjm.com/~media/documents/reports/miso-pjm-biennial-review-of-joa-report.ashx</p>
	15) 2020 Biennial Review Update	Aaron Scott	Gurman Kaur	<p>PJM and MISO have completed their 4th biennial review update. The RTOs worked with stakeholders to solicit feedback and incorporate edits to the report. The report was finalized in Q1 2020. The 2016 report is posted for stakeholder review via the following address: https://www.misoenergy.org/events/miso-pjm-joint-common-markets-jcm---february-25-2020/</p>

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	16.) IARR Coordination Enhancements	Brian Chmielewski	Yok Potts	Complete. MISO and PJM staffs are reviewed opportunities to improve the existing coordination of the Incremental Auction Revenue Rights (IARR) process. Through this initiative RTOs intend to provide education to stakeholders and discuss IARR process improvements. Updates have been provided at the February 22nd, May 21st, and August 27th JCM meetings. PJM stakeholders have not pursued changes to address the risk of revenue inadequacy concerning customer funded IARRs, and MISO and PJM have implemented a preliminary Transmission Upgrade Study (TUS) process to try and help mitigate any revenue inadequacy that might occur. At this time, this item can be marked as complete.
	17.) Turn Off Constraint Relaxation	Joe Ciabattoni	Zhaoxia Xie	<p>The RTOs agreed that they should pursue turning off constraint relaxation on M2M flowgates after each organization (MISO in 2012 and PJM in 2019) had already elected to do so on their own internal constraints. Constraint relaxation often results in inefficient shadow prices that distort the associated LMPs and understates the reliability cost of violating a constraint.</p> <p>Section 7 of the MISO-PJM Joint Operating Agreement (JOA) was updated to reflect the change and filed at FERC on December 19, 2019. FERC accepted the change on March 6, 2020.</p> <p>The software was put into production and the change was fully implemented on July 13, 2020.</p>
	18.) Pseudo-Tie Settlement Agreement	Joe Ciabattoni	Kevin Vannoy	Dynegy Marketing and Trade LLC, Illinois Power Marketing Company, Tilton Energy LLC, American Municipal Power, Northern Illinois Municipal Power Agency, and Illinois Municipal Electric Agency filed complaints against MISO and PJM asserting that overlapping or duplicative congestion charges were assessed by MISO and PJM to owners of generation resources or owners of shares of such resources that are pseudo-tied from MISO into PJM. On March 18, 2020 the parties filed a settlement agreement and on April 20, 2020 the settlement judge certified an uncontested offer of settlement to the commission.
Resource Adequacy	1) Fact Finding # 1 - Generation Deliverability Testing	Paul McGlynn, Stu Bresler	Vikram Godbole, Jesse Moser, Joe Gardner	Complete. See final fact-finding report posted with February 19, 2015 JCM meeting materials.
	2) Fact Finding # 2 - Import Capability Testing	Paul McGlynn, Stu Bresler	Digaunto Chatterjee, Jesse Moser, Joe Gardner	Complete. See final fact-finding report posted with February 19, 2015 JCM meeting materials.
	3) Fact Finding # 3 - Review and Resolution of Issues	Stu Bresler	Joe Gardner	Complete. See final fact-finding report posted with February 19, 2015 JCM meeting materials.
	4) Fact Finding # 4 - Document Methodology for cost-benefit analysis	Stu Bresler	Joe Gardner	Complete. See final fact-finding report posted with February 19, 2015 JCM meeting materials.
	5) Ensure that RA processes efficiently allocate the existing transmission system for the purposes of cross border capacity transactions.	Stu Bresler	Joe Gardner	Complete. See final fact-finding report posted with February 19, 2015 JCM meeting materials.

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	6) PJM to MISO capacity utilization	Stu Bresler	Jesse Moser	Complete. MISO staff proposed to move forward with the External Network Resource Interconnection Service concept as a solution to address inefficiencies in the transmission capacity utilization in the PJM to MISO direction. MISO requested additional stakeholder feedback at the August 20, 2015 JCM meeting. MISO staff provided a report on Stakeholder feedback received and next steps at the November 18, 2015 JCM. MISO submitted a compliance filing to FERC on May 31, 2016 with revisions to MISO Tariff that addresses external NRIS protocols and FERC accepted the revisions in order issued on January 3, 2017.
Transmission Planning	1) Regional Planning Coordination (MTEP/RTEP)	Paul McGlynn	Jesse Moser	Complete. MISO and PJM worked through their regional committees and the Interregional Planning Stakeholder Advisory Committee to develop a proposal that met Order 1000 compliance. FERC issued an order April 5, 2016 conditionally accepting the second round Order 1000 interregional compliance filing with an additional compliance filing due on or before June 20, 2016. MISO and PJM submitted their compliance filing on June 20, 2016, and FERC issued a ruling on October 28, 2016 denying the rehearing requests and conditionally accepted the compliance filing subject to additional compliance directives due within 30 days of the ruling. PJM, MISO and TOs submitted their third compliance filing in November with an update in December. The FERC issued its 4th Order on January 9, 2017 accepting the filing. This constitutes final Agency action in this matter.
	2) Generation Interconnection and TSR Analysis Timing	Paul McGlynn	Vikram Godbole	Complete. MISO and PJM staff will continue to monitor the existing coordination and propose future enhancements, as necessary, at future JCM meetings.
	3) Market Participant Funded Upgrades/IARR requests	Tim Horger	Laura Rauch	Complete.
	4.) Affected System Compliance Order	Joe Ciabattoni	Andy Witmeier	<p>On October 30, 2017 EDF Renewable Energy filed a complaint in Docket No. EL-18-26-000 regarding the affected system coordination procedures of MISO and PJM that are outlined in their JOA. On September 19, 2020 FERC issued an order granting EDF's complaint in part and denying it in part.</p> <p>On February 3, 2020 MISO and PJM submitted revisions to Section 9.3.3 of the MISO-PJM JOA describing how each RTO monitors each other's system during their interconnection studies. On June 30 FERC partially accepted the compliance filing but directed additional information to be provided in a follow-up compliance filing within 60 days. MISO and PJM have requested a rehearing so that the fuel-dispatch logic requirement can be reassessed.</p> <p>On October 15, 2020 FERC delivered an order addressing the concerns regarding the fuel-dispatch logic and setting aside the prior order, in part. On October 30, 2020 FERC submitted a letter order accepting the final compliance revisions to the MISO-PJM JOA.</p>

Legend

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Category	Initiative/Milestone	PJM Contact	MISO Contact	Status
			Completed	
			On Target -No issues	
			Monitor - Some Issues	
			Review - In Jeopardy	
			On Hold	