A large, light gray sunburst graphic is positioned on the left side of the slide. It features a central white circle with rays extending outwards, forming a semi-circle at the top and a larger, more complex shape at the bottom. The rays are of varying lengths and widths, creating a sense of depth and movement.

**FERC Technical Conference
Docket No. ER13-1864-000**

**Session 3:
Creation of Market-to-Market
Flowgates**

9/22/2014

Flowgates Provide Value For Congestion Management

- Congestion is the expected outcome of maximizing transmission utilization
- Flowgates enhance operators' visibility into, and reliable management of congestion on the transmission system
- Using the appropriate flowgate allows the operator to more precisely and reliably manage the loading levels on the congested facility
 - Ensures targeted re-dispatch to relieve congestion
 - Provides most accurate representation of the congestion cost

Limiting Market-to-Market (M2M) Flowgate Additions Diminishes M2M Efficiency

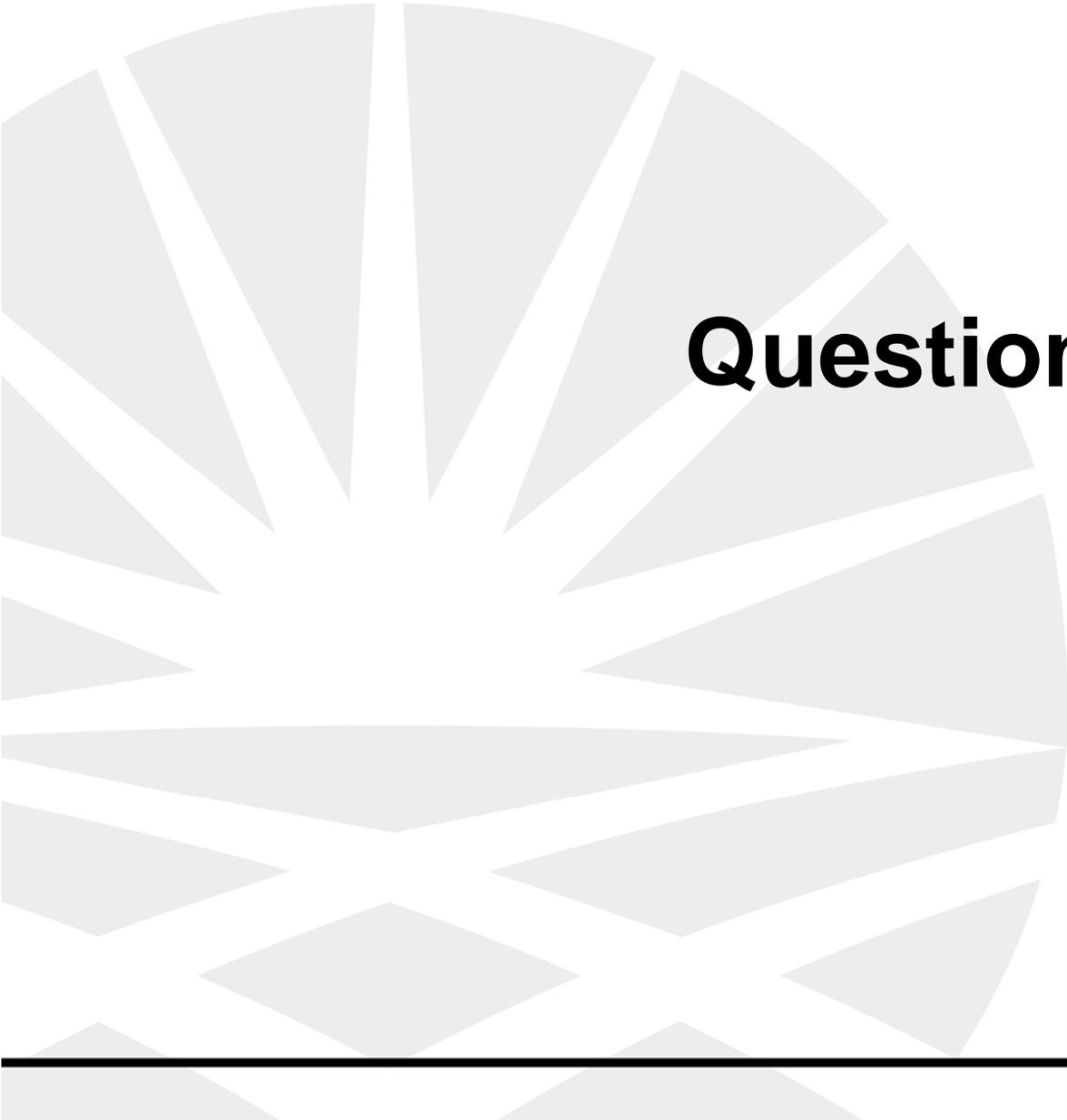
- M2M allows for the most reliable and cost effective process to jointly manage congestion at the seams (MISO-PJM and MISO-SPP)
- Restricting flowgate additions, resulting in limiting the use of M2M, leads to higher production costs
 - Less efficient dispatch
 - Increased reliance on TLR
- MISO does not support any provision that would inhibit or limit the use of this proven and efficient congestion management tool

Flexibility captures dynamic system conditions

- Constant changes on the system render it difficult to always determine the flowgate using a long lead time:
 - Weather forecast, Load pattern, Wind forecast
 - Generation dispatch (internal and external), Resource offers (influenced by fuel prices), Transfer levels, etc.
- For reliability and efficient market operations, both RTOs will always re-study expected conditions as the operating day approaches, which could result in the identification of new flowgates due to better forecast of the system conditions
- Restricting flowgate creation will lead to the exponential increase of unnecessarily created M2M flowgates to insure that all conceivable study scenarios are captured

Key Takeaways

- Creation of flowgates enables the effective use of Market-to-Market on the facilities where congestion is being experienced but is not in itself a driver of the congestion
- The identification of the actual flowgates needed per a specific timeline may be challenging, mainly due to unpredictable and changing system conditions (transmission and generation outages, load forecast)
- MISO requests that FERC reject the newly proposed language on this topic which deviates from the FERC approved MISO-PJM Interregional Coordination Process
 - MISO, SPP, and PJM should continue the discussion on this topic at the appropriate joint stakeholder forums

A large, stylized sunburst graphic composed of numerous light gray triangular segments radiating from a central point. The segments are arranged in a semi-circular pattern, with some pointing towards the center and others pointing outwards. The overall effect is that of a rising sun or a fan of rays.

Questions
