PJM/MISO Seams Coordination and Capacity Deliverability

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Capacity imports are increasing and competitive.
• PJM is committed to efficient and reliable interregional market coordination

• The revitalized JCM process is working well
  – PJM is committed
  – Both PJM and MISO Stakeholders are engaged
  – State Commissioners are engaged

• Stakeholders have established priorities

• Substantial progress has been made
## MISO and PJM Joint Stakeholders Survey Results

<table>
<thead>
<tr>
<th>Points Based Urgency</th>
<th>Survey Score (sum of participants score on 1 to 5 scale)</th>
<th>Rank Order Prioritization</th>
</tr>
</thead>
<tbody>
<tr>
<td>RTO-to-RTO Data Exchange and Transparency</td>
<td>561</td>
<td>1</td>
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<td>Transmission and Generation Outage Coordination</td>
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<td>2</td>
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<td>Day-Ahead Market Coordination</td>
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<td>Interchange Scheduling Business Rule Alignment</td>
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<td>Freeze Date for Firm Flow Entitlement calculations</td>
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<td>Regional Planning Coordination (MTEP/RTEP)</td>
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<td>Interchange Pricing</td>
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<td>Generation Interconnection and TSR Queue Coordination</td>
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<td>Treatment of ONT-ITC PARs in M2M Process</td>
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<td>Constraint Relaxation</td>
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<td>Interchange Optimization</td>
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<td>Coordination of capacity deliverability modeling and assumptions</td>
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<td>12</td>
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<tr>
<td>Market Participant Funded Upgrades/IARR requests</td>
<td>300</td>
<td>13</td>
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<td>Coordination of capacity product definition</td>
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<td>14</td>
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<td>Ensure that RA processes efficiently allocate the existing transmission system for the purposes of cross border capacity transactions</td>
<td>238</td>
<td>15</td>
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</table>
Significant Accomplishments of the JCM Effort

**Accomplishment**
- Day-Ahead / Real-Time Market Coordination
- RTO to RTO Data Exchange
- Transparency
- System Planning Coordination
- Order 1000 Compliance
- Capacity Deliverability (Short Term Items)

**Stakeholder Value**
- Operational Efficiency
- Participant Certainty
- Participant Understanding
- Planning Efficiency
- Planning Efficiency
- Market Access
A Path Forward – Next Steps

• The JCM process identified key priorities to address the seams issues that will have highest value impact from stakeholder perspective.

• PJM is committed to addressing the identified High Priority Items
  – Day-ahead / Real Time Market operations
  – Data Exchange / Transparency Improvements
  – Transmission Outage Scheduling Coordination
  – Transmission Planning Coordination

• Although capacity deliverability received low priority ranking, PJM expects continuing discussion with MISO and stakeholders
MISO’s Proposal Appears to Ignore the Reliability Link

System Planning Analyses

Market Operations

Reliability requires the capacity construct and system planning to be consistent with actual grid operations.
PJM evaluates deliverability from internal and external generators identically.
MISO’s Proposal Appears to Ignore Operational Constraints

• Jeopardizes Reliability
• Shifts Costs to PJM Customers

Evaluating deliverability to PJM from a pooled group of generators ignores constraints that exist when generators perform differently in real time than assumed in the planning studies.