



Joint and Common Market

II. FREEZE DATE ALTERNATIVES

Overview

- Purpose
 - Provide status update and solicit feedback on Freeze Date Alternatives discussion
- Key Takeaways
 - CMPWG Task Force targeting to report recommendations to CMP Council in Oct 2014
 - Potential use of Capacity Resources to address primary concern related to Freeze Date Generators – Generation Retirements and physical location of Firm (Network/Capacity) Generators

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 freeze date become prominent
 - Generation Retirements causing insufficient DNRs to serve load in historic control area
 - No specific criteria to add post freeze date (new) DNRs to the freeze date DNR list
- RTOs and their stakeholders agreed that there is a need to work on Freeze date alternatives

CMPWG Task Force - Progress to date

- In Aug 2013, CMP Council directed CMPWG to work on Freeze Date alternatives
- RTO Staff presented guiding principles at the Sep 2013 JCM meeting
- CMPWG formed a task force to work on Freeze Date alternatives in Jan 2014. Held 7 conference calls since Jan 2014
 - At the last meeting, MISO, PJM and SPP presented processes used by the respective RTO to identify Network/Capacity Resources to meet Firm Capacity requirements
- Task Force is targeting to finalize set of potential solutions by the end of Sep 2014 and report recommendations to CMP council in Oct 2014

RTO's Primary Concern

- Generation Retirements and Physical Location of New Resource
 - Current Logic is to use Internal Historic Control Area Generation (LBA) to serve load within the same Historic Control Area (LBA)
 - Post freeze date Generators are used to meet load growth and to account for Retirements that has occurred since 2004
 - Network/Capacity Resources located physically outside of LBA/RTO are not recognized

Potential Solution

- Use Capacity Resources - results of PJM and MISO's Capacity Designation Process
 - Need to develop criteria to use Capacity Resources as post freeze date Firm Resources
 - Need to develop criteria for Capacity Resources located physically outside of LBA/RTO to allocate Entitlements

Next Steps

- Continue discussions with CMPWG Task Force members to understand each other's processes to identify Network/Capacity Resources needed to meet Firm Capacity requirements
 - Identify similarities and differences in each other's processes
- Develop set of potential solutions and recommendations for CMP Council
- Provide update to stakeholders and solicit feedback at the future meetings (respective stakeholder meetings and/or JCM meetings)