

Market Flow Threshold Joint and Common Market Initiative



**Joint Stakeholder Meeting
October 5, 2007**



Introduction – Reason for Change in Threshold

- **Market flows are assigned an amount of relief by the IDC based on level of TLR, amount of curtailment requested and the priority/sub-priority of tags relative to the market flows.**
- **On some flowgates, Midwest ISO and PJM are unable to consistently accomplish their relief where they have very small impacts.**
- **On some flowgates, the markets will either have no generation they can move or will require a large amount of redispatch for a small amount of relief.**

Market Flow Threshold Field Test

- The NERC ORS and NERC Standards Committee approved a field test to calculate relief requests based on a down to three percent market flow. This is for all entities that report market flows.
- Conditions placed on field test:
 - 12 month test to be completed by December 31, 2007
 - Can start before June 1, 2007, or after September 1, 2007
 - Must start no later than December 31, 2007
 - At least one market must be ready to start
 - NERC TLR Standard Drafting Team will monitor progress and make periodic reports to the NERC Standards Committee.

Implementation



- On May 29, 2007, the field test began. In addition to reporting market flows down to zero percent, PJM started reporting market flows to the IDC down to three percent.
- On May 29, 2007, the IDC began calculating PJM relief based on the down to three percent market flows.
- SPP will implement by October 1, 2007.
- Midwest ISO will implement by November 1, 2007.
- A preliminary review has been made of the results from the first three months of the field test. A detailed review will follow using NERC ORS Task Force.

Review of June, July & August TLR Events

- The review focused on July and August due to some start-up issues involving June.
- Prior to Midwest ISO and SPP participation, the reports are limited to PJM Coordinated Flowgates (including RCFs).
- Reports where TLR did not exceed level 1 have been screened (no relief obligation).
- Not all TLR 3 and higher events resulted in relief obligation to one of the three markets.

Failure to Meet TLR Relief Obligations

- What does it mean to have a failure?
 - PJM did not meet its relief obligation based on a three percent threshold.
 - Midwest ISO and/or SPP did not meet its relief obligation based on a zero percent threshold.
- If one or more five minute window failed to meet the relief obligation, this was counted as a violation event.
- In reality, you cannot expect an instantaneous change in market flows to meet relief obligations.

Preliminary Results

- IDC threshold reports analyzed for July and August.
- The table below shows the number of TLR's where an entity was unable to provide the IDC requested market flow relief.

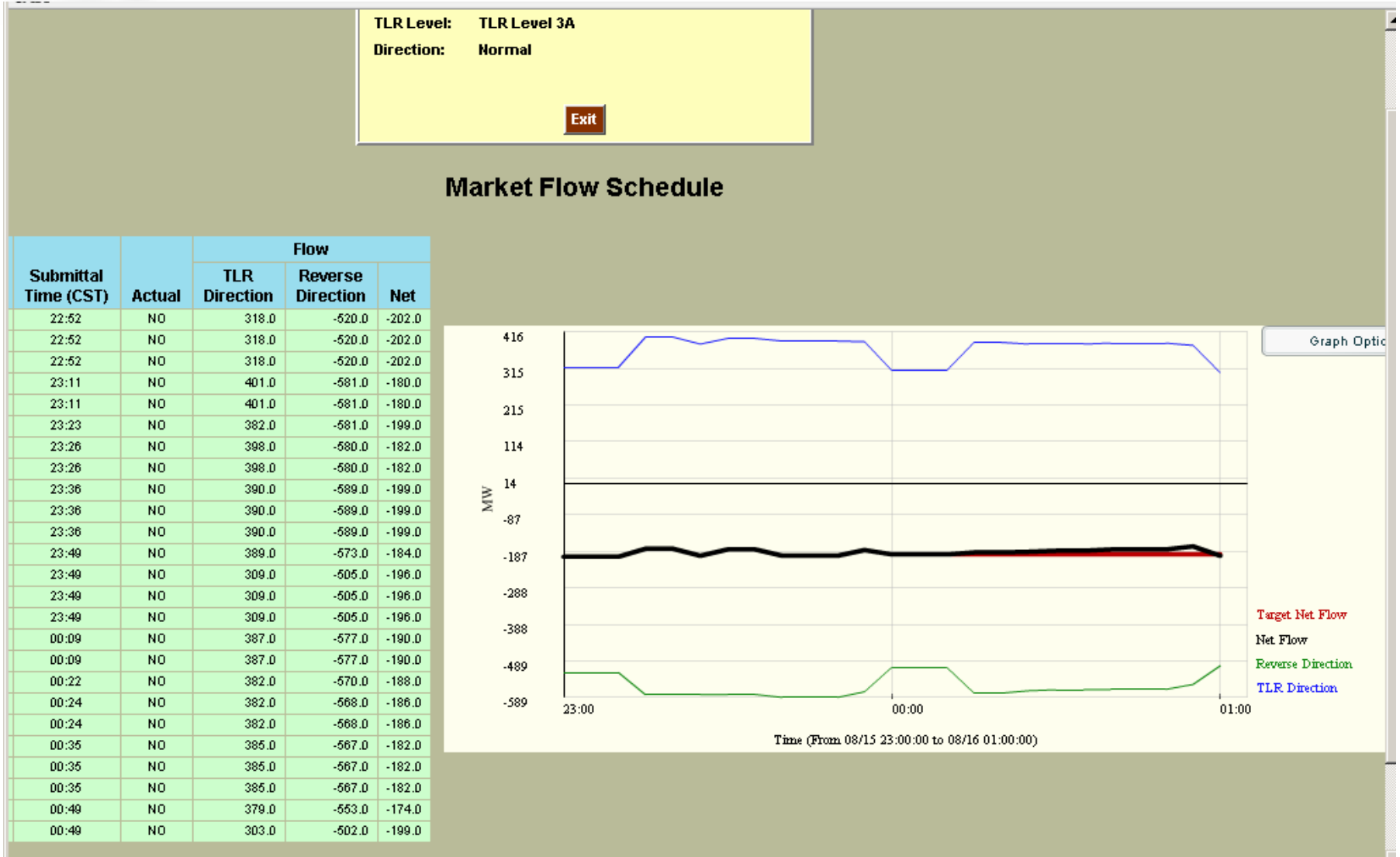
	Midwest ISO	PJM	SPP	Total TLR 3+ Reports
July	5	3	0	27
August	26	4	1	52

Next Steps

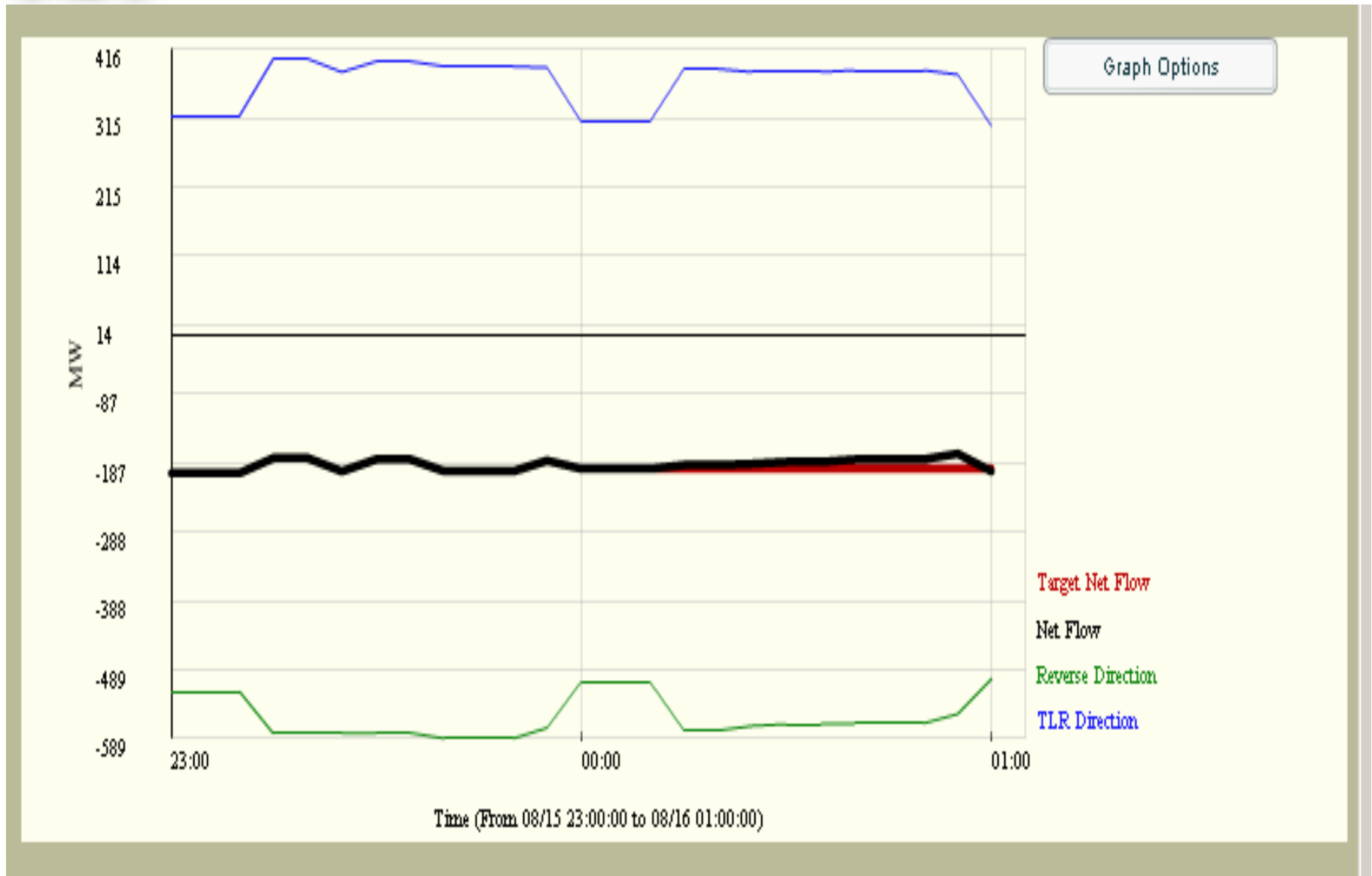


- **Continue to collect data.**
- **Reassemble the ORS Task Force to analyze the data.**

Sample Data Being Collected – PJM MF During TLR



Sample Data Being Collected



Questions

