

# Regional Transmission Expansion Process (RTEP) Incremental Auction Revenue Rights (IARRs) MIC Update for 2019/20 Planning Period

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- Overview
  - PJM Operating Agreement requires annual RTEP IARR analysis
  - The analysis may trigger IARRs for following RTEP:
    - Backbone Upgrades
    - Non-Backbone Upgrades: cost responsibility is assigned to 1) non-contiguous zones or 2) Merchant Transmission Providers
  - The analysis must be completed before Annual ARR process
- Key Takeaways
  - No RTEP IARRs could be awarded for 2019/20 planning period

- Prior to awarding an IARR path for an eligible RTEP project, PJM evaluates a constraint that is most relieved by an RTEP upgrade (i.e. “Impacted Facility”)
- Once an impacted facility is identified, PJM will then evaluate an eligible IARR path that could be awarded subject incremental transfers based on following:
  - IARR Source Points are aggregated pricing points (comprised of up to ten generator busses) with most flow increase
  - Sink Points are aggregated pricing point consisting of the zone with the most flow increase

- IARR analysis comprised of a incremental transfer study

Transfer Type	Description	Table Reference (Appendix)
Pre Upgrade Transfer	Prior to applying the upgrade using IARR path, perform a transfer capability assessment	Pre-Upgrade ARR Capability
Post Upgrade Transfer	After applying the upgrade using IARR path, perform a transfer capability assessment	Post-Upgrade ARR Capability
Incremental Transfer	Calculate delta transfer capability by subtracting pre transfer capability from post transfer capability	IARR MW

- All IARR-eligible RTEP upgrades scheduled to be in-service by end of 2019/20 planning period were analyzed
- All IARR-eligible RTEP upgrades did not produced IARRs

# APPENDIX



# RTEP IARR Analysis Results for 2019/20 Planning Period

Project #	Type	Upgrade Description	In-Service Date	Impacted Facility*	Pre-Upgrade ARR Capability	Pre-Upgrade Limit	Post-Upgrade ARR Capability	Post-Upgrade Limit	IARR MW
b2766.1 b2766.2	Backbone	Upgrade substation equipments at Conastone and Peach Bottom 500 kV (on the Peach Bottom – Conastone 500 kV circuit) and increase facilities' ratings	6/1/2020	Peach Bottom - Conastone 500 KV	0	BAGLEY 230 KV BAG-GRA I/o L230.Bagley-RaphaelRoad.2313	0	BAGLEY 230 KV BAG-GRA I/o L230.Bagley-RaphaelRoad.2313	0
b2694	Merchant	Increase ratings of Peach Bottom 500/230 kV transformer to 1479 MVA normal/1839 MVA emergency	6/1/2019	Peach Bottom - Conastone 500 KV	0	BAGLEY 230 KV BAG-GRA I/o L230.Bagley-RaphaelRoad.2313	0	BAGLEY 230 KV BAG-GRA I/o L230.Bagley-RaphaelRoad.2313	0
b2692.1, b2692.2	Merchant	Replace station equipment at Nelson, ESS H-471 and Quad Cities; Upgrade conductor ratings of Cordova - Nelson, Quad Cities - ESS H-471 and ESS H-471 - Nelson 345 kV lines and mitigating sag limitations	6/1/2019	Cordova - Nelson 345 KV	0	15616 Cherry Valley-Silver Lake I/o 15502 Nelson-Electric Jct.	0	15616 Cherry Valley-Silver Lake I/o 15502 Nelson-Electric Jct.	0
b2973	Merchant	Reconductor Michigan City - Bosserman 138kV	6/1/2020	Michigan City - Bosserman 138 kV	0	Dumont - Stillwell 345 flow Dumont - wilton center 765	0	Dumont - Stillwell 345 flow Dumont - wilton center 765	0
b2975	Merchant	Reconductor Roxana - Praxair 138kV	6/1/2020	Roxanna - Praxair 138 kV	0	Burnham-Munster 345 I/o Dumont - Wilton Center 765	0	Burnham-Munster 345 I/o Dumont - Wilton Center 765	0