



2018-2019 Stage 1A ARR 10 Year Analysis Update

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- Purpose:
 - Update stakeholders on PJM’s Stage 1A 10-Year Auction Revenue Rights (ARR) analysis

- Key Takeaways
 - PJM completed its 2018 Stage 1A 10-Year ARR analysis
 - PJM observed internal and external(M2M) infeasible facilities
 - The internal infeasible facility is expected to be mitigated through expected planning upgrades
 - The external infeasible facilities will be reviewed with the PJM and MISO interregional planning groups

- ARR (Auction Revenue Rights) are allocated to firm network and point-to-point customers because they fund the embedded costs of the transmission system
- On an annual basis:
 - PJM allocates ARRs through a multi stage process (Stage 1A, 1B and 2)
 - PJM conducts a simultaneous feasibility test for stage 1A ARRs which shall access the simultaneous feasibility for a 10-year period

- Results of 10-year analysis on 2018/19 Stage 1A ARRs:

| Facility Name | Facility Type | First Year of Violation | Upgrade expected to fix infeasibility | Expected in-service date |
|--|---------------|-------------------------|---|--------------------------|
| EMILIE 138 KV EMI-FAL | Internal | 1 | PJM RTEP B2774: Reconductor Emilie - Falls 138 kV line | 2020 |
| Michigan City-Bosserman 138 I/o Michigan City-Trail Creek 138 | Flowgate | 1 | PJM RTEP B2973: Reconductor Michigan City - Bosserman 138kV | 2020 |
| Monroe-Bayshore 345 kV I/o Allen Jct-Morocco 345 kV | Flowgate | 1 | PJM RTEP B2972: Reconductor limiting span of Lallendorf - Monroe 345kV (crossing of Maumee river) | 2020 |
| Eugene-Cayuga 345 I/o Rockport-Jefferson 765 | Flowgate | 2 | PJM RTEP B2777: Reconductor the entire Dequine - Eugene 345 kV circuit #1 | 2021 |
| Tanners Creek-Miamifort 345kV I/o East Bend-Terminal 345kV | Flowgate | 1 | PJM RTEP B2968/2831: Upgrade and/or Rebuild the Tanner Creek - Miami Fort 345kV line | 2021/2022 |
| Miami Fort 345/138 Xfm I/o East Bend-Terminal 345 | Flowgate | 3 | PJM RTEP B2968/2831: Upgrade and/or Rebuild the Tanner Creek - Miami Fort 345kV line | 2021/2022 |
| 6101-Hennepin 138 I/o Princetp 138 Sub | Flowgate | 3 | MTEP 7820: Reconductor Hennepin-Kewanee 138 kV line (line 6101) | 2018 |
| Miami Fort-Hebron 138kV I/o Eastbend-Terminal 345kV | Flowgate | 3 | PJM RTEP B2968/2831: Upgrade and/or Rebuild the Tanner Creek - Miami Fort 345kV line | 2021/2022 |
| Lakeview-Zion 138 I/o Pleasant Prairie-Zion 345+Pleasant Prairie-Zion EC 345 | Flowgate | 6 | MTEP 8065: Connect 345 kV line 2224 (Zion - Libertyville 345 kV) | 2021 |

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