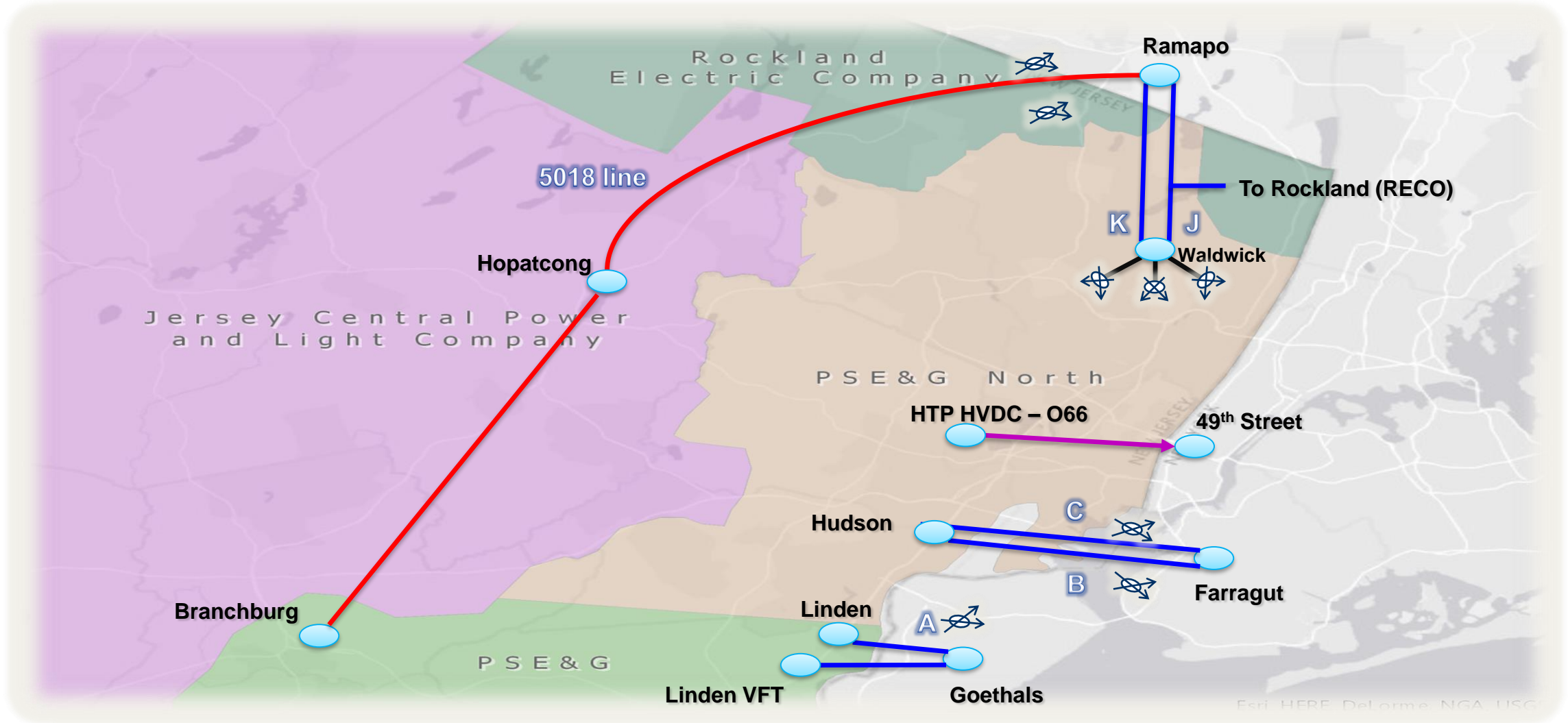


Notice to Eliminate 400 MW OBF

Phil D'Antonio
Manager, Interregional Market
Operations
Joint PJM/NYISO Meeting
April 2, 2018

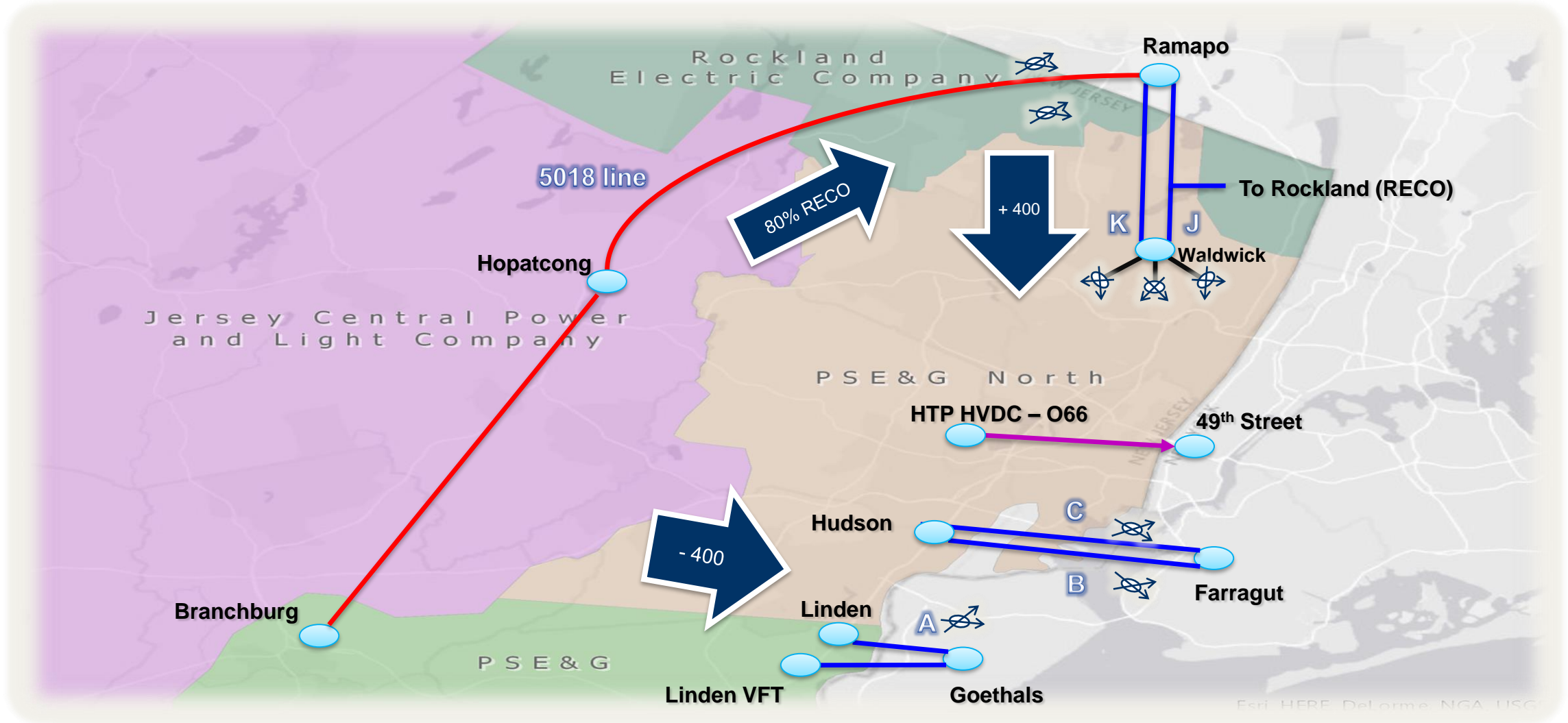


- PJM/NYISO PAR Coordination process replaced the PSE&G/ConEd Wheel on May 1, 2017
- PAR Coordination process includes the following:
 - An Operational Base Flow (OBF) as a starting point - 400 MW
 - An AC Interchange percentage distribution:
 - 5018: 32%
 - JK: 15%
 - ABC: 21%
 - RECO Load:
 - 80% applied to the 5018 Target Flow
 - 20% considered to flow over Western ties

- **OBF** - shall mean an equal and opposite MW offset of power flows over the Waldwick PARs and ABC PARs to account for natural system flows over the JK Interface and the ABC Interface in order to facilitate the reliable operation of the NYISO and/or PJM transmission systems
- The OBF was implemented as a short term solution designed to provide PJM and NYISO operators with additional operational flexibility as they coordinate the PAR Coordination process
- Only applied to the JK and ABC interfaces

PAR Coordination Interfaces:

- 5018 Interface: Hopatcong – Ramapo 500 kV line
- J & K Interface:
 - Waldwick – South Mahwah – Ramapo 345 kV lines
 - Waldwick – Hawthorne E-2257
 - Waldwick – Hillsdale F-2258
 - Waldwick – Fairlawn O-2267
- ABC Interface:
 - A: Linden – Goethals 230 kV line
 - B: Hudson – Farragut 345 kV line
 - C: Marion – Farragut 345 kV line



- Assumptions:
 - Net AC interchange to NYISO = 1,000 MW
 - RECO load = 300 MW
 - RECO load treatment:
 - 80% applied to 5018
 - 20% flows over western PJM/NYISO ties
 - Operational Base Flow: 400 MW
 - Applied Interface percentages:
 - 5018 – 32%
 - JK – 15%
 - ABC – 21%
 - Western Ties: 32% of net AC Interchange

- **5018 = 560 MW to NYISO**
32% of AC Interchange plus 80% RECO load
- **JK = 250 MW to PJM**
15% of AC Interchange minus 400 MW OBF
- **ABC = 610 MW to NYISO**
21% of AC Interchange plus 400 MW OBF
- **Western Ties = 380 MW**
32% of AC Interchange plus 20% RECO load

- Bergen – Linden Corridor (BLC) 345 kV project was developed in 2013 through PJM's RTEP process to address short circuit issues in northern New Jersey
 - PJM December 11, 2013 Whitepaper details need for the BLC project: <http://pjm.com/-/media/committees-groups/committees/teac/20131211/20131211-december-2013-pjm-board-approval-of-rtep-whitepaper.ashx>
- 2021 Planning studies performed during 2016 indicated that the OBF would not be needed
 - Due in part to the BLC project
- BLC project scheduled for completion on June 1, 2018

- The PJM/NYISO JOA allows for the OBF to be modified no sooner than two years after mutual agreement
 - September 8, 2017: PJM submitted a request to take the OBF to zero
 - September 29, 2017: NYISO agreed to reduce the OBF to zero in coordination with PJM
 - PJM and NYISO have mutually agreed to reduce the OBF to zero on October 31, 2019

- Assumptions:
 - Net AC interchange to NYISO = 1,000 MW
 - RECO load = 300 MW
 - RECO load treatment:
 - 80% applied to 5018
 - 20% flows over western PJM/NYISO ties
 - Operational Base Flow: 0 MW
 - Applied Interface percentages:
 - 5018 – 32%
 - JK – 15%
 - ABC – 21%
 - Western Ties: 32% of net AC Interchange

- 5018 = 560 MW to NYISO
32% of AC Interchange +
80% RECO load
- JK = 150 MW to NYISO
15% of AC Interchange
- ABC = 210 MW to NYISO
21% of AC Interchange
- Western Ties = 380 MW
to NYISO
32% of AC Interchange +
20% RECO load

