Market Efficiency 24-Month vs 18-Month Overlapping cycles

MEPETF

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24-Month Cycle

Pros

- More time for base model verification and vetting with stakeholders
- Easier to incorporate known reliability enhancements from Reliability Windows
- Better able to incorporate the asynchronous timing of Interregional process with MISO
- Easier to justify/incorporate additional model detail after initial evaluation
- More robust analysis as it allows more time to incorporate longer-term market dynamics through mid-cycle update
- More time for Market Efficiency focused reliability and cost/constructability reviews

Cons

- Requires Mid-Cycle update
- Later in-service dates of transmission enhancements due to longer approval cycle
- Market Efficiency 2-years cycle not synchronized with the capacity market annual cycle.
- Decreased opportunity to address congestion drivers (only every other year)

18-Month Overlapping Cycle

Pros

- Eliminates the need for Mid-Cycle update
- Shorter analysis cycle means transmission enhancements can be in-service sooner
- Better synchronized market efficiency cycle timeline with the annual Reliability window
- Better synchronized market efficiency cycle timeline with the capacity market
- Single documented annual Market Efficiency case for acceleration and window process

Cons

- Shorter time for verification and vetting with stakeholders
- Creates the need for additional coordination with MISO with regard of interregional projects
- No mid-cycle update means that some longer-term market dynamics and additional model detail captured after the initial model build cannot be incorporated
- Shorter time for Market Efficiency focused reliability and cost/constructability reviews