

Regional Targeted Market Efficiency Projects (TMEP)

Niloufar Mirhosseini, Market Simulation
Market Efficiency Process Enhancement
Task Force (MEPETF)

Oct 26, 2018

- Small, low cost, short lead time upgrades to fix historical congestion
- Targeted at specific, historical congestion issues
- Criteria under consideration
 - Address persistent historical congestion related to operational challenges, which is not due to planned outages and/or is not addressed by any planned upgrades or ISA generators
 - Capital cost less than \$20M
 - To be in service by third summer season
 - Total capital cost is covered by four years of benefits
 - Benefits are calculated based on the average of past 2 years of historical congestion (Day Ahead + Balancing), adjusted for outage impacts
 - Minimize cost constructability risk and environmental impacts
- Above criteria limits process to line or substation equipment upgrades

- Avoids complicated analysis which would delay implementation
- Helps building a more robust base case for the Market Efficiency window
- Ability to address the types of historical congestion that may be difficult to simulate in a production costing model (e.g. load switching schemes, special protection schemes, etc.) or that may be lower than the \$1 million threshold used for the Market Efficiency window

- Market Efficiency historical model may not be shared as it may include market sensitive information
- Must use historical model due to low or no congestion in the forward looking Market Efficiency models
- Analysis timeline constrained by overlap with the existing Market Efficiency window, acceleration, and reevaluation schedules

Item	Without Window	With Window
Analysis Complexity	Relatively quick analysis	More complex and potentially time consuming analysis
Interaction with Market Efficiency Window	No conflict	Potential conflict with the ME window
Cost/Constructability & Environmental Risks	Lower risk as selected solution is an upgrade	Higher risk as selected solution may require CPCN