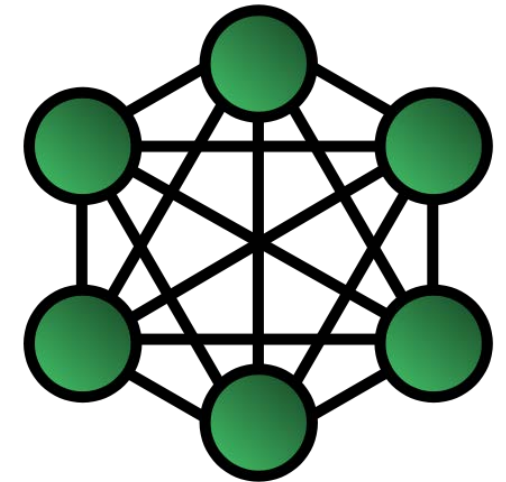


Firm Flow Entitlement

Asanga Perera
Senior Lead Engineer
URMSTF External Capacity Enhancement

- Firm Flow Entitlement – FFE
- Firm Flow Limit – FFL
- Market Flow – MF
- Congestion Management Process – CMP
- Market to Market – M2M
- Transmission Load Relief – TLR
- Designated Network Resource – DNR
- Transmission Service Request – TSR
- Flowgate - FG

- Electricity flows through the path of least resistance
- RTOs utilize each others networks
 - Results in unscheduled loop flows
- These unscheduled flows are measured as MF
 - Transmission Constraints (Flowgates)



- CMP was initiated by MISO and PJM
 - Additional entities joined CMP over the years
- Intent is to coordinate and take actions to minimize MF
- In order to minimize MF, entities agreed to the following:
 - Certain levels of MF would be considered as firm flow
 - MF beyond firm flows are liabilities



- In M2M, PJM and MISO's entitled firm usage is classified as FFE
- In TLR*, Market Entities' entitled firm usage is classified as FFL
- FFE/FFL is used as financial limits in FTR, DA and RT

Process	MF	FFE / FFL	Firm MF	Non Firm MF
M2M / TLR	100	75	75	25

*TLR utilized for non-market entities

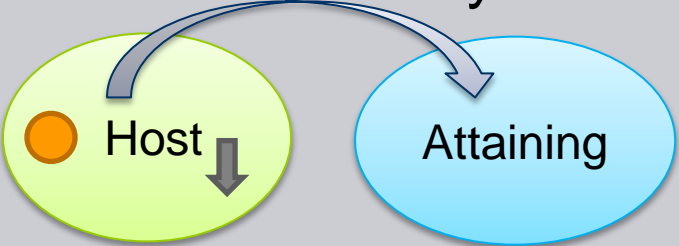
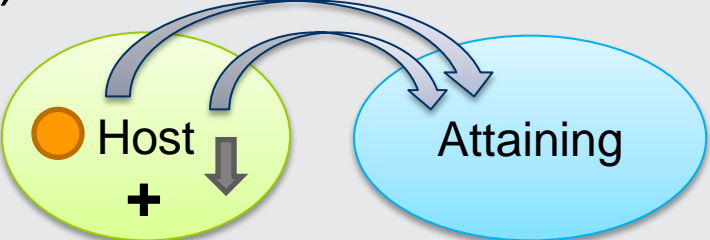
Calculated to grandfather historical flows assuming NO RTOs formed

Pre integration (Local BA)	Post Integration (Consolidated BA)
<p>COMED MF = 50 AEP MF = 25 FFE = COMED MF + AEP MF = 75</p>	<p>PJM MF = 100 FFE = COMED MF + AEP MF = 75 PJM Non Firm MF = 25</p>

- To grandfather historical flows a freeze date was established (4/1/2004)

Resource Type	Met Freeze Date?	Eligible to receive FFE/FFL?
DNRs	Yes	All
TSRs	Yes	All
Non DNRs	No	Some
Pseudo Ties	N/A	None

- Attaining BA calculates MFs for Pseudo Ties
- FFE/FFL Pseudo Tie Rules:

Pseudo Tie Scenario	Pseudo Tie FFE/FFL
<p>1) Pseudo Tie Only</p> 	<p>Host BA</p>
<p>2) Pseudo Tie + Load</p> 	<p>Attaining BA</p>

Load Forecast



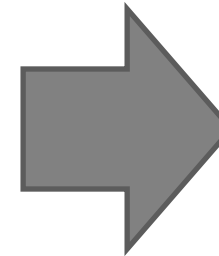
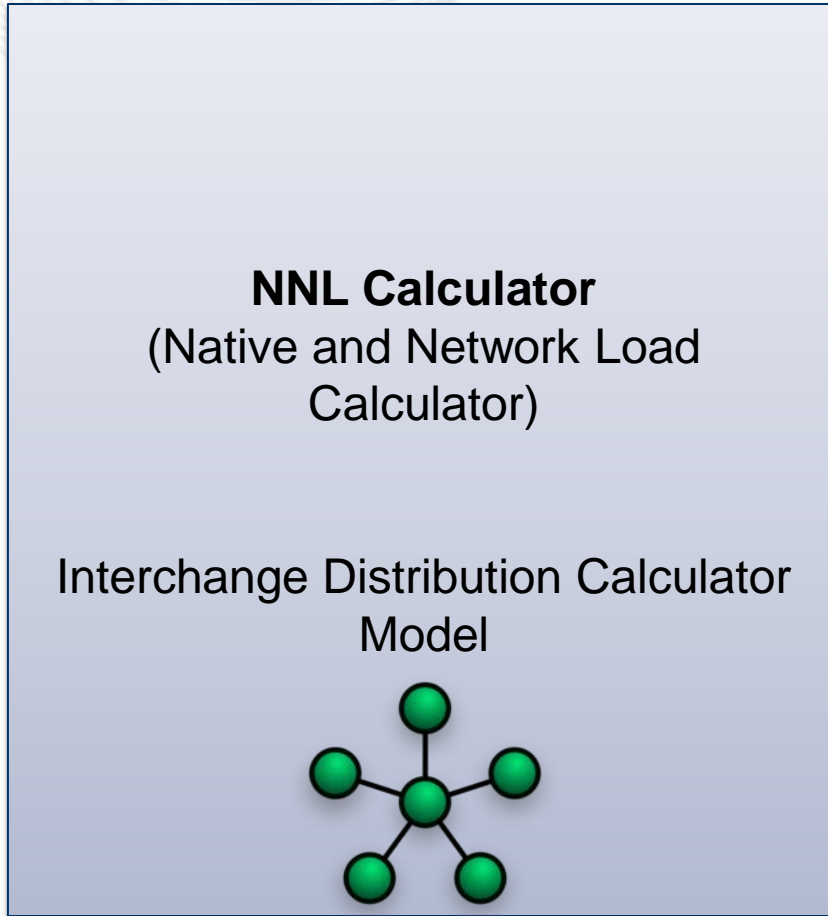
Resource Priority (DNRs, TSRs & Non DNRs)



Outages

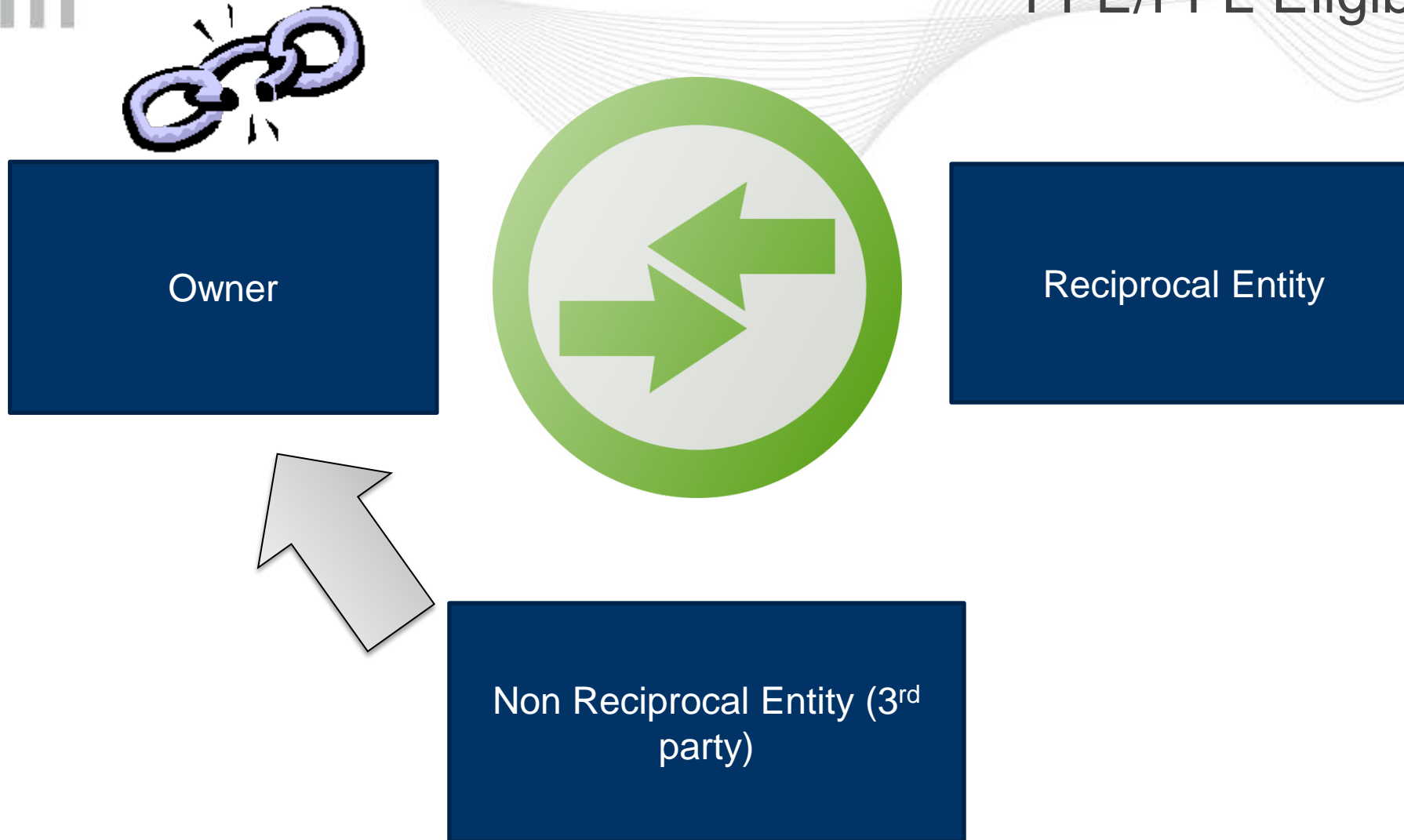


FG Information (Owner, Rating)



FG FFE/FFL
RT every 15 min





Capacity Item	Owner	Reciprocal Entity	3rd Party
>= 5% Impacts	Yes	Yes	Yes
< 5% Impacts	Eligible	Eligible	NA
Excess Capacity	Eligible	Eligible	NA

FG Capacity is 500 MW

Item	Owner	Reciprocal	3 rd Party
$\geq 5\%$	100	100	100
$< 5\%$	50	50	NA
Excess	50	50	NA
Final	200	200	100

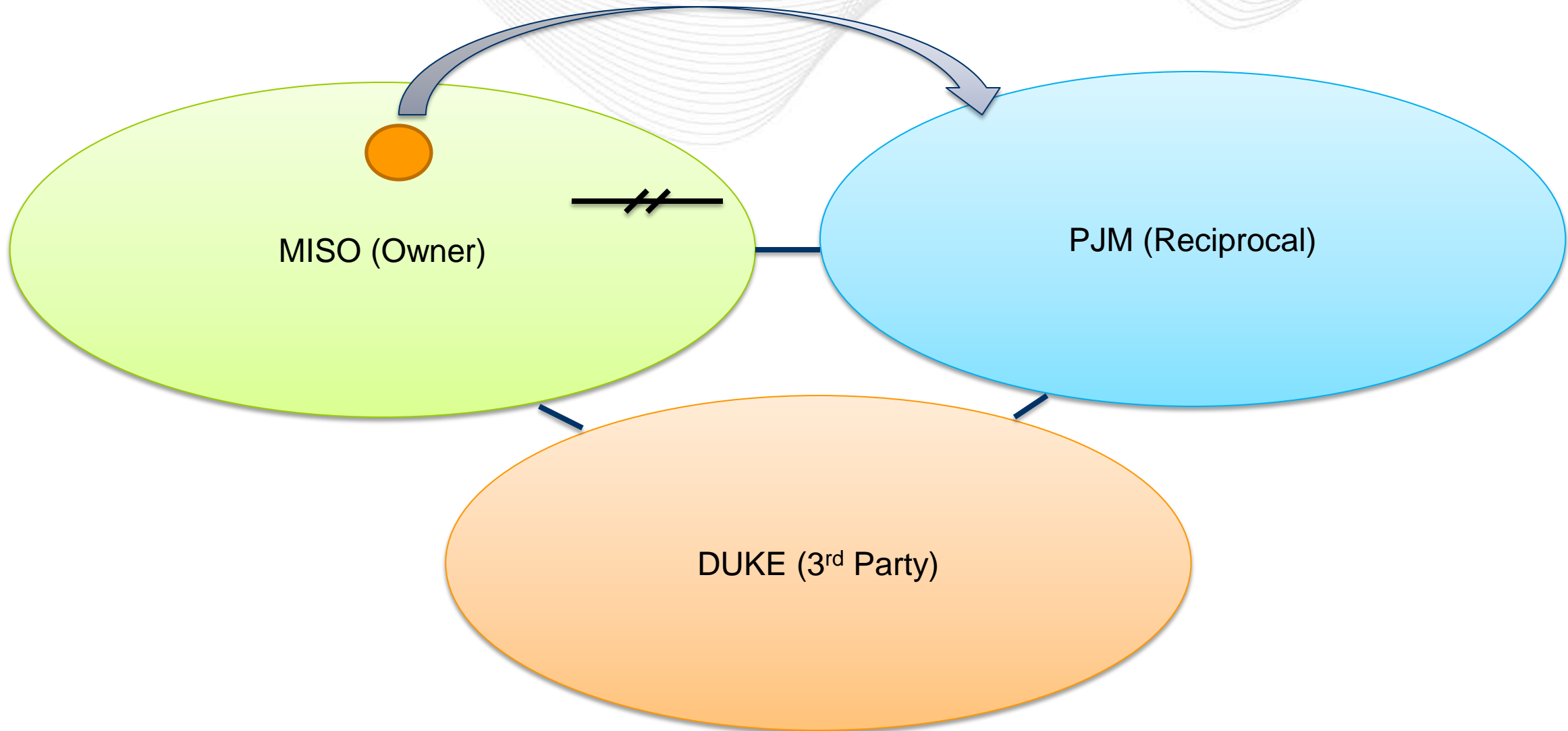
FG Capacity is 360 MW

Item	Owner	Reciprocal	3 rd Party
$\geq 5\%$	100	100	100
$< 5\%$	50	50	NA
Excess	0	0	NA
Final	130	130	100

FG Capacity is 360 MW





Item	Owner	Reciprocal	3 rd Party
$\geq 5\%$	200	0	100
$< 5\%$	50	50	NA
Excess	0	0	NA
Final	250	10	100

Hypothetical Pseudo Tie Example Setup







Hypothetical Pseudo Tie Example Continue



FG Capacity is 360 MW

Item	Owner		Reciprocal		3 rd Party	
	FFE	MF	FFE	MF	FFE	MF
$\geq 5\%$	200	100	0	100	100	100
$< 5\%$	50	50	50	50	0	0
Final	250	150	10	150	100	100
Outcome			 140 			

FG Capacity is 360 MW

Item	Owner		Reciprocal		3 rd Party	
	FFE	MF	FFE	MF	FFE	MF
$\geq 5\%$	100	100	100	100	100	100
$< 5\%$	50	50	50	50	0	0
Final	130	150	130	150	100	100
Outcome			 20 			

FG Capacity is 360 MW

Item	Owner		Reciprocal		3 rd Party	
	FFE	MF	FFE	MF	FFE	MF
$\geq 5\%$	100	100	100	100	100	100
$< 5\%$	50	50	50	50	0	0
Final	150	150	110	150	100	100
Outcome			 40 