

UNITED STATES OF AMERICA BEFORE THE FEDERAL ENERGY REGULATORY COMMISSION

Midwest Independent System Operator, Inc.)

Docket No. ER19-650-000

NOTICE OF INTERVENTION AND COMMENTS OF THE ORGANIZATION OF MISO STATES

Pursuant to section 214(a)(2) of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission (“Commission”), 18 C.F.R. §385.211 and §385.214(a)(2), the Organization of MISO States¹ (“OMS”) submits its Notice of Intervention and Comments in the above-captioned docket.

On December 21, 2018, the Midcontinent Independent System Operator, Inc. (“MISO”) filed proposed revisions to its Open Access Transmission, Energy, and Operating Reserves Market Tariff (“Tariff”) amending the requirements placed on Load Modifying Resources (“LMRs”).² The changes are part of an ongoing and extensive stakeholder process, known as Resource Availability and Need (“RAN”), to evaluate and improve access to resources when they are needed by MISO. The OMS has supported the RAN initiative since its inception in 2017. The OMS believes that the issues MISO has identified within the RAN Issue Paper³ are

¹ The Indiana Office of Utility Consumer Counselor, an OMS Associate member, also joins in these comments.

² MISO defines Load Modifying Resources, or LMRs, as “Demand Resources and Behind the Meter Generation not typically modeled or measured as part of MISO’s operations, but used during capacity shortages to help meet the energy balance.”

³ Available at:

<https://cdn.misoenergy.org/Resource%20Availability%20and%20Need%20RAN%20Evaluation%20Whitepaper274537.pdf>

ripe for stakeholder discussion and resolution and this filing represents one step in working toward longer-term, holistic solutions.⁴

I. Notice of Intervention

The OMS is a non-profit, self-governing organization comprised of representatives from the seventeen regulatory bodies with jurisdiction over entities participating in MISO and serves as the regional state committee. The purpose of the OMS is to coordinate regulatory oversight among its members; make recommendations to MISO, the MISO Board of Directors, the Commission, and other relevant government entities and state commissions as appropriate; and intervene in proceedings before the Commission to express the positions of the OMS member agencies. As such, the OMS files its Notice of Intervention in this proceeding under Rule 214(a)(2), 18 C.F.R. §385.214(a)(2), of the Commission’s Rules of Practice and Procedure.

Service of pleadings, documents, and communications should be made on the following:

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II. Comments

Some of the issues that MISO intends to address within this process have been a focus of the states⁵ for years. Specifically, the OMS has been supportive of investigating the improvements to the visibility of resource availability and capability since 2015.⁶ In the past, the

⁴ At this time, the OMS does not take any position on the future additional RAN-related filing MISO describes in the filing. See Midcontinent Independent System Operator, Inc.’s Filing to Enhance LMR Participation in MISO Markets, Docket No. ER19-650-000 (filed Dec. 21, 2018) at 1; note 2.

⁵ Throughout this filing the term “states” should be understood to include the Council of the City of New Orleans.

⁶ See, OMS Response to February 2015 MISO Hot Topic, p. 2, available at: <http://misostates.org/images/stories/Filings/HotTopics/2015/HotTopic-Feb15-ResourceAdequacy.PDF>

OMS has supported investigating a seasonal resource adequacy construct within the MISO footprint to enable a more accurate picture of resource availability. After incorporating stakeholder input and feedback, MISO has arrived at appropriate near-term solutions in this filing, including availability reporting requirements that begin to address some of the goals of a seasonal construct.

The OMS supports the new requirements placed on LMRs proposed in this filing. The modifications will provide MISO operators with much needed visibility and certainty around the availability of LMRs. Although not required to perform, LMRs are currently utilized throughout non-summer periods, and these tariff changes clarify the registration process and help to ensure an accurate picture of resource availability throughout the entire year. These changes also address the perverse incentive to register LMRs with the least-restrictive capabilities (i.e., long notification times) that do not represent a resource's actual capability and provide the least value to the system.

Through the stakeholder process, MISO listened to concerns regarding non-physical constraints placed on LMRs either through retail tariffs, or other contractual obligations, and modified the proposal to accommodate them. When a retail tariff defines the parameters an LMR must operate within, the MISO requirement is superseded by the requirement put in place through the Electric Distribution Company's retail tariff. Similarly, contractual obligations that are in place as of December 21, 2018, would have a two-year transition period. The OMS supports these exemptions and looks forward to working through the stakeholder process toward continued improvements in the coordination of retail and wholesale demand response products.

Lastly, the OMS supports further development of demand response products and requirements in the future to clearly define values and needs of the system. More time is needed

to evaluate potential larger changes and allow for coordination between customers, retail tariffs, and wholesale market requirements. The OMS looks forward to continued stakeholder engagement in the RAN initiative to ensure that MISO markets provide the appropriate signals to maintain reliability and efficiency in a changing resource mix.

The OMS submits these comments because a majority of its members have agreed to generally support them.⁷ Individual OMS members reserve the right to file separate comments regarding the issues discussed in these comments.

Respectfully Submitted,
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⁷ The Manitoba Public Utilities Board did not participate in this filing.

Dated: January 16, 2019

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated this 16th day of January, 2019.

Marcus Hawkins