

OMS Feedback to MISO RASC

June 9, 2023

The Organization of MISO States (OMS) Board of Directors appreciates the time and attention MISO and its stakeholders have dedicated to developing a solution to address the region's resource adequacy needs. OMS also appreciates the opportunity to provide feedback to MISO on its latest update to its Reliability-Based Demand Curve (RBDC) proposal and design elements. This feedback is submitted because a majority of OMS members support it.¹

Question 1: Please provide comments and guidance on the premise of the creation of RBDC curves, namely that additional MWs above the 0.1 LOLE reliability target have incremental value which should be reflected in the construct, and the rationale if otherwise.

OMS notes that the fourth point of the organization's *Position on Consideration of a Revised Demand Curve in MISO's Planning Resource Auction* states that "Continued reliance on a vertical demand curve may not appropriately value the reliability benefits of excess capacity."² Since this position statement was issued, the 2023/2024 Planning Resource Auction cleared at very low prices, which OMS believes do not accurately reflect the value of capacity or the tight conditions the region faces.

Question 2: Comment on the appropriateness of the steps involved in the calculation of Net CONE, and the rationale if otherwise.

The OMS Resource Work Group intends to submit comments on this matter and the OMS board declines to comment on this topic at this time.

Question 3: Comment on the newly proposed multi-season block participation model for enhanced market participation that allows resources looking for multi-season but not all-season commitments.

The OMS Resource Work Group intends to submit comments on this matter and the OMS board declines to comment on this topic at this time.

Question 4: Existing participation models (e.g., FRAP) in the PRA remain unchanged. Comment on the newly proposed RBDC Opt-out option that will significantly mitigate quantity uncertainty and respect IRP processes and states' rights toward resource adequacy.

OMS appreciates MISO's continued efforts to modify the opt-out provision in a way that addresses concerns expressed by various OMS members. OMS believes the RBDC Opt-Out that MISO proposed and presented to stakeholders at its May 24th RASC meeting is a significant improvement over the original AFRAP proposal. OMS is encouraged by the general framework of the new proposal, as it strikes a more appropriate balance between those interested in quantity certainty and those supporting a viable market outcome. OMS looks forward to continuing to work with MISO to refine this opt-out proposal and ensure that it provides comparability to those that choose to participate in the Planning Resource Auction once the RBDC is implemented.

¹ The Arkansas Public Service Commission, the Louisiana Public Service Commission, the Minnesota Public Service Commission, and the Mississippi Public Service Commission abstained from the vote on this feedback.

² [Revised_Demand_Curve_Position_11142022.pdf \(misostates.org\)](#)