

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Midcontinent Independent System Operator, Inc.)
Operator, Inc.) Docket No. ER20-1846-000

**NOTICE OF INTERVENTION AND
COMMENTS OF THE ORGANIZATION OF MISO STATES, INC.**

Pursuant to Rules 211 and 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 States (“OMS”) submits its *Notice of Intervention and Comments* in the above-captioned docket and comments in support of the Midcontinent Independent System Operator, Inc.’s (“MISO”) tariff revisions regarding the accreditation of Load Modifying Resources (“LMRs”).¹ In its transmittal letter, MISO wrote,

[C]ertain state regulatory authorities expressed concern about implementation timing and whether there would be sufficient time to modify underlying contractual arrangements or state regulatory requirements that could affect compliance with the new LMR accreditation requirements. MISO values the feedback from all of its stakeholders, but is particularly attentive to concerns raised by state regulators, the entities that have primary jurisdiction over resource adequacy in the MISO Region.²

The OMS appreciates MISO’s request that this proposal go into effect beginning with the 2022/2023 Planning Year (“PY”). This will ensure that the state regulatory authorities in the MISO footprint have time to make the necessary modifications to retail tariffs and other relevant agreements to accommodate these changes.³

¹ The Minnesota Department of Commerce, an associate member of the OMS, joins these comments.
² *Midcontinent Indep. Sys. Operator, Inc.*, “Filing to Enhance Accreditation of Load Modifying Resources Participating in MISO Markets,” Docket ER20-1846 at 17 (filed May 18, 2020) (“Proposal”).
³ While the Michigan PSC believes that there is an opportunity and procedural paths at the state level to modify existing retail demand response tariffs under the Michigan PSC’s jurisdiction prior to the proposed LMR changes taking effect, the LMR changes could still have material impacts on LMR/demand response participation overall and exacerbate capacity constraints and result in associated increased costs in Zones 2 and/or 7. Moreover, the Michigan PSC requests additional flexibility for behind the meter generation in conforming to the proposed LMR specifications or investigating and implementing alternative configurations for the generation. This would assist owners of LMRs

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, to make recommendations to MISO, the MISO Board of Directors, the Commission, and other relevant government entities and state commissions as appropriate, and to 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 in this proceeding should be made on the following:

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II. INTRODUCTION AND BACKGROUND

On May 18th, 2020, MISO filed tariff revisions that revise the accreditation methodology for LMRs to enhance these resources' availability during emergencies.⁴ This is the second round of revisions to MISO's LMR tariff provisions since the beginning of 2019. Last year, FERC approved MISO's tariff revisions that added availability reporting requirements to LMRs for all time periods and to deploy on the shortest notification time based on physical and contractual

from having to incur potentially costly expenditures or operational changes for units that may be retired in the near future.

⁴ Proposal at 6-15.

limitations, not to exceed 12 hours.⁵ OMS supported these proposals because they provided MISO with “much needed visibility and certainty around the availability of LMRs.”⁶ At that time, the OMS recognized that additional, larger changes could be needed in the future and the instant filing represents just that.⁷

Now, MISO proposes to further firm up its LMR accreditation methodology to better ensure resources can respond during emergencies as needed. To do this, MISO has proposed to accredit LMRs based on the number of calls a resource can respond to and how quickly it can respond to those calls.⁸ Beginning with the 2022/2023 PY, LMRs with a notice time of six hours or less and the ability to respond to a minimum of ten calls will continue to receive a 100% capacity credit. LMRs that can’t respond in six hours or less but can respond in 12 hours or less will receive a 50% capacity credit if they can be called at least 10 times in a year.⁹ Demand Resources (“DR”) will be accredited at 80% if they can respond to 5 to 9 calls in six hours or less, and Behind the Meter Generation (“BTMG”) will be accredited as they are currently accredited if they can respond to 5 to 9 calls in six hours or less.¹⁰ Beginning with the 2023/2024 PY, LMRs that can’t respond in 6 hours or less will not receive any capacity credit at all.¹¹

III. COMMENTS

OMS members have been active in the stakeholder discussions that led to this proposal. MISO carefully considered the views of all stakeholders throughout the stakeholder process and modified its proposal where appropriate. During these stakeholder conversations, OMS members

⁵ *Midcontinent Indep. Sys. Operator, Inc.*, 166 FERC ¶ 61,116 (February 19, 2019).

⁶ *Midcontinent Indep. Sys. Operator, Inc.*, “Notice of Intervention and Comments of the Organization of MISO States,” Docket ER19-650 at 3 (filed January 16, 2019).

⁷ *Id.* at 3-4

⁸ Proposal at 7-8.

⁹ *Id.* at 7

¹⁰ *Id.*

¹¹ *Id.*

were opposed to MISO's use of Market Communication System ("MCS") data to accredit resources, arguing that using this data to de-rate a resource for an entire year might not accurately represent the resource's availability in all seasons. MISO responded by removing the use of MCS data from this proposal.¹² Some OMS members were concerned with the implementation schedule given the interconnected nature of many LMRs to retail tariffs that are under state jurisdiction. OMS members requested inclusion of an 18 to 24 month transition period, and MISO acquiesced to both of these requests. This filing proposes to implement these changes beginning with the 2022/2023 PY with an additional one-year concession for LMRs that cannot respond in 6 hours or less. These long-lead resources will be accredited at 50% for the 2022/2023 PY before receiving no capacity credit beginning with the 2023/2024 PY. OMS is supportive of these revisions because they make it more likely that committed capacity will be available during emergencies and because it better accommodates the necessary state-level proceedings required to accommodate the new requirements.

IV. CONCLUSION

For the reasons stated above, the OMS is supportive of MISO's LMR accreditation proposal and believes the implementation schedule is reasonable, and the Commission should accept these revisions as filed. The OMS submits this *Notice of Intervention and Comments* because a majority of OMS members support this filing. Individual OMS members reserve the right to file separate comments regarding the issues discussed in these comments. The following members generally support this request:

Arkansas Public Service Commission
Illinois Commerce Commission
Indiana Utility Regulatory Commission
Iowa Utilities Board
Kentucky Public Service Commission

¹² Proposal at 16.

Louisiana Public Service Commission
Michigan Public Service Commission
Minnesota Public Utilities Commission
Mississippi Public Service Commission
Missouri Public Service Commission
Montana Public Service Commission
New Orleans City Council Utilities Regulatory Office
North Dakota Public Service Commission
South Dakota Public Utilities Commission
Public Utility Commission of Texas
Wisconsin Public Service Commission

The Manitoba Public Utilities Board did not participate in the vote on this filing.

Respectfully submitted,

/s/ Marcus Hawkins

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Dated June 17th, 2020

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list prepared by the Secretary for the above-captioned docket in accordance with the requirements of Rule 2010 of the Commission's Rules of Practice and Procedure. 18 C.F.R. § 385.2010.

DATED at Madison, Wisconsin this the 17th of June 2020.

/s/ Marcus Hawkins

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