

## MISO AC Hot Topic Response: Stakeholder Process

State Regulatory Sector<sup>1</sup>

December 7, 2016

- 1. Overall, in what ways have the stakeholder process changes met the goals of the redesign effort (i.e., improving the efficiency and effectiveness of the stakeholder process), and are there any areas that have fallen short? Within your response, please address your assessment of MISO's efforts to support the efficiency and effectiveness of the stakeholder process.**

Changes to the stakeholder process have led to incremental increases in efficiency, but the impact on effectiveness is less certain. With varying degrees of success, the goals of increasing efficiency and having a clearly defined issue prioritization and navigation process have been met. Efficiency has been increased to a certain degree through the reduction in duplicative meetings as well as an increased emphasis on moving proposals briskly through the stakeholder process. Further efficiency gains have been realized through the more appropriate organization of stakeholder committees. In addition, the new process for issue tracking and sorting through the Steering Committee seems to be functioning well, helping to meet the goal of having a clearly defined process of working issues through the stakeholder process.

OMS has identified several areas where the stakeholder process redesign has fallen short in achieving its goals. Collectively these shortfalls are preventing a more effective stakeholder process from being realized. The primary shortfalls are related to meeting quality and an observed push for efficiency, possibly at the expense of effectiveness.

The redesign effort has fallen short in achieving the goal of having high quality meetings. The purpose of this goal was to ensure MISO understands stakeholder positions and provides transparency in how MISO arrives at an outcome. An example that OMS has observed is a preference for written feedback over verbal. Stakeholders operating under the assumption that MISO will respond to verbal feedback just as they would written may discover too late that their input is not being considered on equal footing. This then has the impact of limiting valuable discussion, since stakeholders may withhold thoughts for their written feedback. Meeting quality has also suffered from the continued practice of untimely posting of meeting materials.

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<sup>1</sup> The Public Utility Commission of Texas has more fundamental concerns with the efficacy of the MISO Stakeholder Process than what is included in these comments. However, these concerns may be the result of administering an RTO as geographically large as MISO so there are no easy answers.

## **2. Going forward, where should MISO and the Stakeholders focus additional efforts on the continual improvement of the Stakeholder Process?**

OMS believes there are several key areas that can be focused on to improve the effectiveness of the stakeholder process moving forward. These areas might not be as easily tracked as some of the efficiency metrics, but that doesn't mean they should not be pursued.

The quality of meetings could be improved with a concerted effort by MISO's subject matter experts to be open to brainstorming and discussion during meetings. Any hesitation on this front limits the free flow of potentially useful information and clouds the transparency around the MISO decision making process. OMS has observed limited instances where it is easier to get information in hallway discussions at meetings than during the meeting itself. This is problematic since other stakeholders do not receive the benefit of the information exchange and access is limited to those physically present at the meeting. Although this issue was not caused by the stakeholder redesign, it should be remedied in order to achieve the goals established for the redesign effort. Pursuing uniform treatment of stakeholder feedback – both written and verbal discussion – across the entire stakeholder process can also help address this issue.

Another focus area should be improving meeting materials, and the timely posting thereof. A simple improvement would be to clearly indicate if stakeholder feedback is going to be requested next to each item on a meeting agenda. This would alert stakeholders that a feedback request will be made in the presentation, and help focus attention during preparation. This could reduce the amount of time needed for stakeholders to submit feedback, leading to MISO having a better understanding of stakeholder positions and further improving efficiency. Similarly, there should be a fixed time requirement for when formal feedback requests get sent out following a meeting. Although improvements have been made in this area, there are still instances where feedback requests get sent out a week or more after a meeting occurs.

MISO should also consider how improvements to its website could lead to improvements in the stakeholder process. A simple calendar of feedback requests, for example, would be much easier to manage than disparate emails and meeting materials. A larger, but worthwhile, effort would be to group materials by issue, instead of only grouping by meeting date. This should be considered for "big ticket" issues as a starting point. There is a large amount of time wasted during meetings trying to point stakeholders to the relevant meeting materials they are interested in. The main issues that each committee is working on could be listed on their respective webpage along with corresponding feedback requests and submissions. In addition, it's important that MISO maintain a historical list of feedback requests. The current practice of maintaining a single month of requests is not sufficient.

Lastly, how stakeholders interact with MISO staff is a critical component of the stakeholder process. With various personnel changes at MISO, which are not always accompanied by an official replacement announcement, it can be difficult to ascertain who the appropriate contact person for different issues is. It would be helpful if MISO could provide an employee organization chart as well as an updated phone/email list.

**3. Specifically, what additional changes to the Stakeholder Process could result in improved Stakeholder engagement with MISO on high-level policy and strategy matters? Within your response, please share any recommendations on how the Advisory Committee Hot Topic process could be further improved.**

OMS believes that the implementation of an overarching process to working through issues once they arrive at the appropriate committee could improve engagement on high-level policy matters. An example process could be: (1) issue identification and scoping, (2) drafting of an initial proposal, (3) technical analysis, (4) policy development, and (5) final tariff or BPM language development. There would be clearly identified opportunities for stakeholder feedback in between these various steps, and possibly multiple opportunities within steps. Having a clearly defined and well known process for working through issues would help maintain realistic stakeholder expectations and provide for an efficient use of stakeholder effort at the various steps along the process.

In order to improve the Advisory Committee Hot Topic process, OMS recommends splitting the structure of the Hot Topic into two distinct components, a high-level and a current issue. This would be similar to what was used for the September 2016 Hot Topic discussion. The first half of the meeting was a higher-level policy discussion on resource adequacy, and the second half of the meeting was dedicated to a deeper dive into a very current issue, the Competitive Retail Solution. This approach would help alleviate the concern that hot topic responses are stale by the time of the AC meeting. The “current issue” would not have to be determined as far in advance as the “high level” topic and may not even require a written submission.