



Organization of MISO States

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To: MISO Planning Advisory Committee

From: William H. Smith, Jr.
Executive Director

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Re: MTEP 14 Scope

The OMS Board of Directors, acting as the OMS Committee pursuant to Article II, Section VI.C, of the MISO Transmission Owners' Agreement, suggest two planning studies for MTEP 14. With its access to data and the technical capability to analyze that data, MISO is in a unique position to perform specific targeted studies that address very granular issues within the MISO footprint. The OMS understands that targeted studies take time and resources. However, the OMS Committee believes these issues are ripe for analysis in MTEP 14. Therefore, the OMS Committee offers the following two New Initiative Planning Studies for MTEP 14.

Study of import limits between local resource zones

Recently, MISO changed the transfer analysis methodology in the annual loss of load expectation study which is used to determine the amount of capacity that can be delivered between local resource zones. Preliminary results indicate that capacity import limits are significantly reduced for local resource zones 2, 3, 4, 6 and 7. Analysis conducted by MISO indicates the proposed multi-value projects will greatly increase these limits, but they are not expected to be in service before 2016 when the region-wide reserve margin is projected by MISO to be lower than at present. While it is not likely that capacity import limits will bind in the next planning reserve auction, the OMS suggests that MISO model the effects on the transmission expansion plan of alternative approaches for addressing binding capacity transfer limits

between local resource zones. One approach would be to model the elimination of binding capacity transfer limits through transmission construction, and the other approach would be to model the elimination of constraint binding through developers' decisions to locate generation within certain zones. The purpose of the study would be informational only. Since resource adequacy is a state responsibility, this kind of information would assist states in conducting their resource adequacy responsibility.

Analysis of new MISO seams

MISO is already a neighbor with regions such as AECI and SPP. The addition of Entergy to the MISO footprint would create new seams areas, such as within Missouri and Oklahoma that MISO may be less familiar with than existing MISO seams. While the current proposed MTEP14 scope includes Order 1000 studies with both PJM and SPP, there is a need for progress on these newly formed seams with current neighboring regions. OMS recommends MISO perform an analysis of its Entergy seams new to MISO within the scope of MTEP14. This work would analyze the reliability and economic issues and concerns on both the MISO system and the new seams areas in neighboring regions. We would like MISO to identify transmission issues in the Entergy Region and its neighboring regions where MISO has not previously operated a market or conducted formalized transmission planning. This work may or may not create the opportunity for solutions to be proposed within MTEP14, as either potential regional or interregional projects. Even if no solutions are developed in the near future, increased familiarity with new seams should improve future transmission planning operations. If only one type of analysis (economic versus reliability) can be conducted during MTEP14, then OMS requests that a reliability analysis be conducted.