

Questions OMS Executive Committee Would Like Addressed Before MISO Requests More Substantive Feedback and Creates BPM Language¹

The OMS remains concerned with the top-down planning presentations. The top-down planning presentations have been vague and have not addressed the feedback issues and questions provided by the PAC sectors. In an effort to move forward on the vetting of substantive content we would like to see the following issues addressed at PAC and RECB before MISO proceeds.

1. MEP portfolios have been defined as a “collection of noncontiguous facilities to address a transmission issue.” Which transmission issues will be addressed by MEP portfolios?
2. How localized will the “transmission issue” be that is intended to be solved by an MEP? Is the existing definition of “transmission issue” found in Module A 1.667b² sufficient to be the driver of a single MEP versus multiple MEPs? These questions relate to the use of term “transmission issue” from slide 5 of the May 16th MEP Grouping Presentation at RECBTF³ and slide 4 of the May 15th Project/Solution Submission Process Presentation at PAC⁴.
3. As discussed in the RECB presentation on May 16 the term “congestion issue” needs to be defined
4. If MEPs are going to address reliability can we limit the benefit and cost allocation to APC? Given that MEPs are meant to address flowgate congestion, it seems appropriate to only use the adjusted production cost benefit in determining whether a project meets the MEP criteria. If additional benefit metrics, such as avoided reliability project cost or capacity deferrals in a Local Resource Zone (LRZ), are used in the benefit/cost ratio calculation, would it be possible for MISO to justify an MEP designed for capacity deferral in a LRZ that does not address flowgate congestion?
It is important that benefit metrics and cost allocation of these projects be vetted and decided on before BPM language on top-down planning can be written.
5. Slide 5 on the PAC presentation⁵ says the following: “...projects which qualify as BRPs and MEPs under the MISO Tariff must be classified as MEPs for the purposes of cost allocation.” But slide 6 says: “Project classification and cost allocation is based upon the final benefits and distribution of those benefits for a given project/portfolio.” Further clarification is needed.

¹ Due to the timing for feedback, the full OMS Board of Directors was unable to review this document, however it has been reviewed and endorsed by the OMS Executive Committee.

² The current publically posted version of Module A does not contain this definition. OMS staff has brought this to MISO staff's attention.

³<https://www.midwestiso.org/Library/Repository/Meeting%20Material/Stakeholder/RECBTF/2013/20130516/20130516%20RECBTF%20Item%2002%20Market%20Efficiency%20Project%20Facility%20Grouping.pdf>.

⁴<https://www.midwestiso.org/Library/Repository/Meeting%20Material/Stakeholder/PAC/2013/20130515/20130515%20PAC%20Item%2004%20Project%20%20Solutions%20Ideas%20Submission%20Process%20Discussion.pdf>

⁵<https://www.midwestiso.org/Library/Repository/Meeting%20Material/Stakeholder/PAC/2013/20130515/20130515%20PAC%20Item%2003%20Top%20Regional%20Planning%20Discussion.pdf>

6. What tariff changes will be necessary to allow for this type of planning and these types of projects?
7. Does MISO Staff plan to make changes to BPM, tariff language, planning or definitions for MEPs at the same time as any tariff or BPM changes related to “top down planning”?
8. How will MEPs differ from MVPs (i.e., scope, need drivers)?
9. How will the decision be made as to which facilities to combine into a “collection”?
10. How does MISO plan to “capture the synergies while avoiding diminishing returns” (see slide 8 of the PAC presentation)? Does the quoted statement above describe how MISO Staff plans to combine different facilities into a single Market Efficiency Project?
11. MISO needs to explain “what makes a particular facility valuable in a collection” (see slide 8 of the PAC presentation on top-down planning on May 15, 2013⁶).
12. Will individual projects that are combined into a portfolio have to meet the B/C criteria of 1.25?
13. Are there other eligibility criteria for the individual projects?
14. Any MEP project should have, at least for informational purposes, analysis of noncontiguous portions of a project.
15. MISO needs to explain and provide detail how the reassessment process will work? Needs assessment is a crucial part of transmission planning, and the process of MISO re-analysis of previously approved projects should be subject to stakeholder input and review. While we understand that previously approved Appendix A projects are always included in current MTEP modeling, in light of the magnitude of an MVP portfolio, specific attention needs to be paid to this area. A review of previous MVP portfolio(s), in terms of what needs it was planned to meet when it was approved, versus what needs it meets under updated load growth assumptions, and current public policies and the new RTO footprint needs is necessary to protect ratepayers from paying for projects that are no longer prudent.

⁶<https://www.midwestiso.org/Library/Repository/Meeting%20Material/Stakeholder/PAC/2013/20130515/20130515%20PAC%20Item%2003%20Top%20Regional%20Planning%20Discussion.pdf>.