

OMS Feedback on MISO-proposed Competitive Retail Solution

The Organization of MISO States (OMS)¹ appreciates that MISO continues to refine the Competitive Retail Solution (CRS) proposal to address some of the concerns raised by stakeholders. The OMS members share significant concerns about the opt-in provision for LSE demand in non-retail choice jurisdictions from the prior proposal and are pleased to see that it was removed from the most recent revision. Allowing such LSEs in noncompetitive retail areas to opt-in to the competitive process designed specifically to address issues in retail choice jurisdictions would put at risk long-term state and local resource adequacy plans and pose a direct challenge to the resource adequacy authority of retail regulators.

Though removal of the opt-in provision is an important change in the CRS proposal, MISO should go further and include prohibitory language to make it clear that the demand of LSEs in non-retail choice jurisdictions cannot participate. Otherwise, ambiguity may remain in the process that poses the same concerns stated above. Further, there would be value to additional study and discussion about the rules and impacts of generators in non-retail choice jurisdictions continuing to have the ability to opt-in.

Finally, there is one additional change that would address the unique situation in Michigan.² Notwithstanding the OMS's support to remove the opt-in language, the OMS believes it would be appropriate for LSEs in a retail choice jurisdiction that are not otherwise required to participate in the CRS to be able to opt-in to the CRS if so authorized by the state regulator. This circumstance could arise in the event that Michigan passes legislation to provide a state solution to ensure resource adequacy for all energy providers, including alternative energy suppliers that are not regulated by the MPSC. Thus, the state would not be required to participate in MISO's CRS but it may be appropriate to

¹ Minnesota and Manitoba abstain from these comments.

² Michigan has retail choice available to ten percent (10%) of the load in each utility service territory.

allow providers to opt-in to MISO's CRS as a way for providers to meet the state requirements. This should only be permitted, however, with state commission approval.

OMS will continue to remain engaged in these important discussions and look forward to providing further feedback as the CRS proposal evolves. It is important that the outcome of this effort results in a process that best serves the needs of the customers across the MISO footprint while maintaining state prerogatives as to regulatory methods to ensure resource adequacy.