March 28, 2014 OMS Regional Planning Work Group

Comments on the MISO proposal to use the IMPLAN model to estimate job and income impacts of transmission construction on local economies

The RPWG is opposed to MISO staff spending time estimating the job and income impacts of transmission construction on local economies. While the RPWG agrees that transmission projects can have significant impacts on local economies, this type of analysis is typically used by a utility when it applies for a certificate of public convenience and necessity from a state public service commission. If the utility/transmission owner finds it necessary to perform and present an economic impact study in its application for a project, then it should conduct and fund the study—not MISO. The transmission developers that might benefit from this type of study have the resources to fund their own studies. It is inappropriate for the MISO ratepayers to fund these types of analyses for transmission projects that are at the conceptual level and have not yet been assigned to a particular transmission developer.

The RPWG notes that one element of the MISO Strategic Plan is "Expand our role as an independent public policy educator." However, in this case it appears that using IMPLAN to study many (or all) significant transmission projects for the MTEP report would entail significant MISO staff time and include the expense of a license to use the IMPLAN model to conduct these studies (https://implan.com/index.php?option=com_content&view=article&id=867&Itemid=145). Since study results would not be used to justify transmission projects for MTEP, it is not appropriate for MISO to take on a role that is normally the purview of the utility applying to construct a project. While the MISO transmission owners might be in favor of MISO generating this information, there are other stakeholders in MISO who may be in opposition to the construction of a particular project. So while MISO may believe that it would be an unbiased source of information, some stakeholders and parties may view this type of analysis as biased in favor of transmission building.