

**RASC: Proposed Options of Construct Design Elements (RASC010, 011, 012) (20210324)
OMS Resources Work Group**

In the March 10 meeting of the Resource Adequacy Subcommittee (RASC), stakeholders were invited to submit feedback on Resource Availability and Need (RAN) reliability requirements and sub-annual construct proposed options of construct design elements. Please reference slide numbers where feedback directly responds to content from the presentation.

Comments are due by March 24.

<https://www.misoenergy.org/stakeholder-engagement/stakeholder-feedback/rasc-proposed-options-of-construct-design-elements-rasc010-011-012-20210310/>

The OMS Resources Work Group (RWG) appreciates this opportunity to provide feedback to MISO on its current work on the RAN initiative. This feedback does not constitute a position of the OMS Board of Directors.

ACAP Proposal

As a general opening comment, the OMS RWG is supportive of the principle of accrediting resources based on their expected ability to perform when they are needed most.

Several members of the OMS Resources Work Group have significant concerns with the proposed ACAP accreditation. This proposal represents a significant shift from current practice and given that the proposal was just released for stakeholder review, there is concern that rushing this through will not give stakeholders enough time to process, become educated on, or fully understand the ramifications of the proposal. As more education is needed, MISO should provide a workshop on resource accreditation, including a 101-level discussion on its ACAP proposal and also explain issues and deficiencies with the existing UCAP method.

There are concerns related to potential unintended consequences on planned outages. As planned outages would be subject to the same accreditation penalty as forced outages, MISO needs to explore whether or not ACAP will impact, or be a substitute for, continued efforts to improve planned outage coordination. One of the most important benefits of the shift to a sub-annual construct is the ability to take cost-saving economic outages during seasons when a resource will not be needed to meet resource adequacy requirements, and MISO must ensure that this benefit is fully realized. Some members believe that means MISO should not subsequently file a physical withholding-like proposal that would require these units that are not offered into the PRA for any season to nonetheless be obligated to offer into the market for dispatch, which would eliminate the value of the seasonal construct.

Some OMS RWG members support continued work on the ACAP proposal and encourage MISO to add additional time for work through outstanding issues with interested stakeholders. These members believe that as of today, no one identified potential negative consequences which can outweigh the potential benefit of proposed ACAP.

Other members request that MISO delay the ACAP accreditation change, and once MISO addresses the concerns voiced by stakeholders, file it separately from the sub-annual construct. These members believe that MISO's ACAP proposal is not ready for prime time, has not been used in any other RTO/ISO, and MISO has offered no modeling to explain how this will affect LSEs ability to meet RA requirements.

Other Considerations

On the proposed options for the sub-annual construct, the OMS RWG shares the following comments and clarifying questions:

- How should Resource Adequacy Hours be defined?

The OMS RWG has asked for the inclusion of a minimum number of hours to be included in each season previously. A resource that clears in a given season should be expected to be available for the tightest margin hours of that given season. We continue to encourage MISO to consider a minimum number of hours in each season.

- Would Resource Adequacy hours impact the ELCC calculation? (Slide 20 of presentation)

The OMS RWG wants clarification on whether this proposed change would impact how the system-wide ELCC is calculated or if it would change how the accreditation for individual renewable resources works. We see value in discussing and comparing the resource accreditation treatment.

- Should a summer season include May or September? (Slide 21 of presentation)

As other stakeholders requested during the RASC discussion, the OMS RWG supports additional data on the relevant information for May and September, as the months should be placed in the season with which they are most aligned. This could also include splitting a month between seasons, if appropriate (i.e. first half of May in Spring, latter half in summer). Additionally, the ARR/FTR seasons should be changed to align with whatever set of seasons is ultimately decided upon for the sub-annual construct.