



SPP-MISO INTERREGIONAL PLANNING STAKEHOLDER ADVISORY COMMITTEE

July 13, 2018

Net Conference

• A G E N D A •

1:30 p.m. – 3:30 p.m. CST

- 1) Introductions 1:30 to 1:45
- 2) Review of Stakeholder Feedback on CSP Process Enhancements 1:45 to 2:15
- 3) SPP-MISO Staff Proposal on CSP Process Enhancements 2:15 to 2:45
- 4) IPSAC Discussion and Next Steps..... 2:45 to 3:15
- 5) Next Steps & Closing 3:15 to 3:30

CSP Process Improvements – Proposal

MISO-SPP IPSAC

July 13, 2018

Overview

- Based on stakeholder feedback, SPP and MISO staff have collaborated on a proposal for which process enhancements to implement
- SPP and MISO presented proposal at regional stakeholder groups
 - SPP’s Seams Steering Committee (SSC) – June 6, 2018
 - MISO’s Planning Advisory Committee (PAC) – June 13, 2018

Joint Model

Proposal

- Remove Joint Model requirement
- Leverage SPP and MISO regional processes for the evaluation of interregional projects
 - SPP's ITP
 - MISO's MTEP

Rationale

- Removes inconsistencies in the Joint Model and Regional Models
- Shortens the lengthy study process by eliminating the joint model build
- Eliminates the perceived “triple hurdle”
- Ability to study more potential projects under more futures
- The RTOs' regional models reflect regional differences and assumptions acceptable to stakeholders in each region
- MISO & SPP will provide cost allocation examples to address equitable cost allocation concerns
- JOA changes will reflect clear timelines and touchpoints

Benefit Metrics

Proposal

- Evaluate Adjusted Production Cost (APC) and Avoided Cost for all Interregional Project types
 - Utilize SPP and MISO's respective regional calculations of each metric
- Both APC and Avoided Cost metrics to be used for interregional cost allocation
- Explore the potential of a Market-to-Market benefit metric

Rationale

- Broadens the current JOA prescribed benefit metrics used for Economic and Public Policy projects
- MISO and SPP will ensure rigor of avoided reliability projects
- Continue to explore additional metrics that make sense for Interregional Projects

JOA Interregional Project Criteria

Proposal

- Remove the cost threshold requirement of \$5,000,000
- Do not change the other existing criteria
 - 5% benefit
 - In-service within 10 years
 - Not required to be a tie-line
 - Approved by both SPP and MISO

Rationale

- Expands the solution options which can be evaluated and pursued
- Past studies have identified mutually beneficial projects that have not met this criteria
- Projects will still need to meet the respective RTO's regional metrics

Other Enhancements – Not being proposed at this time

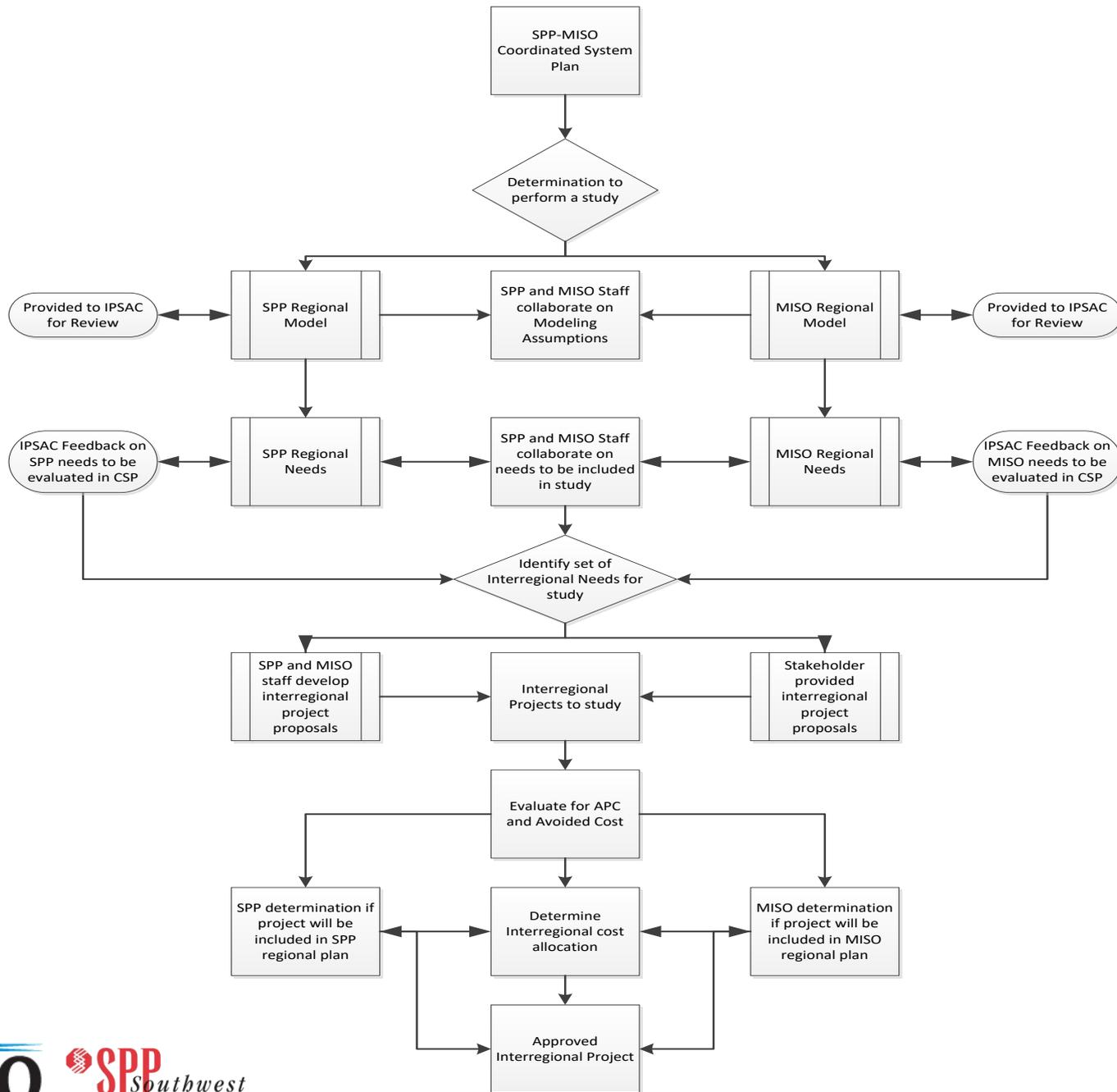
- Requiring all projects be voted on by each RTO's Board of Directors (up or down)
 - MISO does not see this as necessary
 - Removing the joint model will improve the clarity of the approval process by eliminating the separate regional review
- Add language that allows RTOs the option to explore different cost allocations to potentially get projects approved
 - Generally not supported by stakeholders in feedback received
- Lowering MISO Voltage Threshold
 - SPP continues to encourage MISO to pursue lowering its current 345 kV voltage threshold for SPP-MISO Interregional Projects
 - MISO views this as exclusively a regional issue
 - Discussion ongoing at MISO RECB Working Group

POTENTIAL STUDY STRUCTURE



Study Process

- Determination to initiate/perform a study
- Regional model review
- Regional needs review / Determination of interregional needs
- Interregional project proposals
 - Staff and Stakeholders
- Interregional Project evaluation
 - APC and Avoided Cost
- Determine interregional cost allocation
- Regional approval
- Approved Interregional Project



NEXT STEPS

Moving forward...

- Continue to review regional study timelines and the details of future studies
- Propose draft redlines to the JOA (and tariff) as needed at future IPSAC
- Meet with regional stakeholder groups as necessary
- Final Review and FERC Filing

CSP Process Enhancements Work Plan

2018 MISO-SPP Interregional Process Improvements	Q1 2018		Q2 2018			Q3 2018			Q4 2018		
	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
MISO & SPP present process improvement ideas to PAC, SSC & IPSAC	Complete										
Request feedback from the IPSAC (Due March 30 th)	Complete	Complete	Complete								
Review feedback & Develop staff recommendations			Complete	Complete							
Share recommendations with SSC, PAC, & IPSAC					Complete	On-going					
Propose draft redlines to the JOA and Tariff if applicable						Not Started					
Provide IPSAC with draft redlines							Not Started				
Request feedback from the IPSAC							Not Started				
Review feedback							Not Started				
Incorporate IPSAC feedback on proposed redlines to the JOA								Not Started			
Provide SSC and PAC final JOA redlines								Not Started			
Final stakeholder feedback on JOA redlines									Not Started		
FERC filing, if necessary										Not Started	Not Started

Complete

On-going

Not Started



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CSP Process Improvements – Stakeholder Feedback

MISO-SPP IPSAC

July 13, 2018



February IPSAC

- SPP and MISO held an Interregional Planning Stakeholder Advisory Committee (IPSAC) meeting on Feb. 27
- Based on feedback from the IPSAC, SPP and MISO staff have opted not to perform a Coordinated System Plan (CSP) in 2018
- Staff will focus on developing a new CSP process to implement process improvements identified through the lessons learned of the previous joint studies
 - [Link to Lessons Learned and Process Enhancements Presentation](#)

Stakeholder Feedback Request

- SPP and MISO requested feedback from stakeholders on CSP enhancements on March 5, 2018
 - Requested by March 30, 2018
- SPP-MISO Coordinated System Plan Process Improvements
 - Which of the process improvements do you support?
 - Are there additional process improvements you would like to see that weren't discussed?
 - Ideas on a study structure that will support all of the enhancements ?
 - Other thoughts or questions?

Stakeholder Response

- 13 stakeholders responded with feedback on CSP improvements
 - American Electric Power (AEP)
 - Ameren
 - ITC Holding
 - American Transmission Company (ATC)
 - Great River Energy (GRE)
 - WPPI Energy
 - Louisiana Service Commission
 - Entergy
 - Wind on the Wires, Wind Coalition, & American Wind Energy Association
 - Great Plains Institute
 - Mississippi Public Service Commission & Advisors for the Council of the City of New Orleans
 - Xcel
 - Prairie Power

Joint Model and Study Structure

- Potential enhancements
 - Leveraging regional processes and removing Joint Model
 - Removing Regional Review Process (Stand-alone interregional process)
 - Streamlining the joint study process
- Feedback was split regarding the removal of the joint model
 - Several stakeholders believed removing the joint model would eliminate barriers and streamline the process
 - Other expressed concern about equitable cost allocation, lack of joint collaboration, and study timelines
- No direct support for removing the Regional Review Process

Benefit Metrics

- Potential enhancements
 - Broader set of benefit metrics for Interregional Projects
 - Consistency between SPP and MISO in the regional calculation of benefit metrics used for the review of potential Interregional Projects
- Feedback was in support of exploring the addition of additional benefit metrics
- Some support for SPP and MISO aligning regional APC calculations
- No feedback in opposition of exploring these enhancements
- More detail and discussion requested

Project Criteria

- Potential enhancements
 - Remove \$5M cost threshold for Interregional Projects in the JOA
 - Review other JOA criteria
- Majority of feedback was in support of the removal of the \$5M cost threshold
- Some support for reviewing the in-service date of 10 years
- Some support for not changing any of the Interregional Project Criteria
 - Including \$5M and 5% benefit thresholds

Approval Process and Flexibility

- Potential enhancements
 - Require potential Interregional Projects that pass the interregional portion of the study be voted on (up or down) by each RTOs Board of Directors
 - Explore JOA language that would allow RTOs the option to explore different cost allocations
- Feedback was divided on requiring projects be voted on by each RTOs Board
- Some concern allowing flexibility in the JOA to negotiate cost allocation was too subjective
- Comments supporting the current cost allocation in the JOA and against any changes

MISO Voltage Threshold

- Potential enhancements
 - Removal of MISO requirement for MEPs to be 345+ kV to be eligible for regional cost allocation, potentially creating additional hurdles for Interregional Projects between SPP and MISO
- Feedback in support of reviewing the criteria
 - On-going effort at MISO's Regional Criteria and Benefits (RECB) Working Group
 - MISO views this as an exclusively regional issue
 - Some support for lowering the threshold to 100 kV
 - Some support for lowering the threshold to 230 kV

Additional Feedback

- Begin the Joint Study discussed in the 2016-2017 Coordinated System Plan (CSP) Study scope
 - Commence prior to FERC approval of process enhancements
- Clarify the respective Regional Review processes
- Launch ad hoc planning study on Flowgate 5375 (Neosho-Riverton 161 kV FLO Neosho – Blackberry 345 kV)
- Concern over SPP transmission service requirements related to the potential for unreserved use
- Comments in support of the current CSP process not needing a major overhaul

Contact

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