

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Southwest Power Pool, Inc.

Docket No. ER24-1317-000

PROTEST OF THE CLEAN ENERGY ASSOCIATIONS

Pursuant to Rule 211 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission (Commission),¹ the American Clean Power Association,² the Solar Energy Industries Association³, Advanced Energy United, and the Advanced Power Alliance, (collectively, the “Clean Energy Associations”) submit this protest (“Protest”) regarding Southwest Power Pool, Inc.’s (“SPP”) February 23, 2024 filing to revise its approach to capacity accreditation.⁴ In the February 23 Filing, SPP proposes to adopt an Effective Load Carrying Capability (“ELCC”) methodology for inverter-based renewable resources and a Performance Based Accreditation (“PBA”) methodology for thermal resources.

For the reasons described in further detail below, the Commission should reject SPP’s proposal. The February 23 Filing includes unjust and unreasonable design features, is missing crucial information in violation of the Commission’s longstanding rule of reason, and unduly discriminates against inverter-based resources.

¹ 18 C.F.R. § 385.211 (2023).

² The views and opinions expressed in this filing do not necessarily reflect the official position of each of ACP’s individual members.

³ The comments contained in this filing represent the position of SEIA as a trade organization on behalf of the solar industry, but do not necessarily reflect the views of any particular member with respect to any issue.

⁴ Submission of Tariff Revisions of Southwest Power Pool, Inc. to Implement Effective Load Carrying Capability Methodology and Performance Based Accreditation, Docket No. ER24-1317-000 (Feb. 23, 2024) (“February 23 Filing”).

I. BACKGROUND

A. SPP's Need for Accurate Capacity Accreditation

Developing an accurate capacity accreditation methodology in SPP is critical now more than ever, as in recent years, SPP has suffered through several periods of summer and winter extreme weather conditions in which the region had insufficient, or nearly insufficient, capacity to keep the lights on. During the last four years, SPP has been struck by three major winter events: Winter Storms Uri, Elliott, and, most recently, Gerri. In each of these events SPP was forced to rely on non-firm imports outside of the region, as well as non-firm resources within SPP. In the case of Uri, SPP was forced to require rolling outages. It has become apparent that reliability is stressed in SPP and can be 'broken' due to the inability of resources to perform as expected. Historically, all resource types in SPP have experienced vulnerability during one or all of these events. Indeed, SPP has acknowledged that in the most recent cold weather events, gas and coal resources performed below their accredited capacity, while nuclear and wind resources performed at or above their accredited capacity.⁵ With a rapidly changing resource mix, SPP needs to accurately account for the availability of all resources to ensure future reliability.

B. The November 2021 Filing

On November 10, 2021, SPP proposed to apply an ELCC methodology for capacity accreditation for inverter-based resources.⁶ Under the methodology proposed in the November 2021 Filing, capacity accreditation for wind and solar resources would be based on historical

⁵ See G. Crowson, January 2024 Winter Storm Gerri Presentation, 18-20, *available at*: <https://spp.org/Documents/71037/ORWG%20Meeting%20Materials%2020240208.zip>.

⁶ Tariff Revisions of Southwest Power Pool, Inc. to Implement Effective Load Carrying Capability Methodology, Docket No. ER22-379-000 (Nov. 10, 2021) ("November 2021 Filing").

performance, while the accreditation methodology for thermal resources would be based on their Installed Capacity (“ICAP”).⁷

In response to the November 2021 Filing, the Clean Energy Associations asserted that SPP had violated the rule of reason because it was essentially impossible to evaluate many of the key specifics of the proposed methodology, including its effect on rates, as SPP had not provided a sufficient description of the methodology in the November 2021 Filing.⁸ The Clean Energy Associations also asserted that the methodology proposed in the November 2021 Filing was unjust and unreasonable because: (1) it would have accredited thermal resources via ICAP, therefore overvaluing those resources by not accounting for forced outages (and thus failing to support system reliability); and (2) the proposed methodology unduly discriminated against inverter-based resources.⁹

In August 2022, the Commission accepted the methodology proposed in the November 2021 Filing, on the condition that SPP make a compliance filing to provide additional detail regarding SPP’s proposal.¹⁰ In March 2023, the Commission reversed its holding in the August 2022 Order, stating that SPP’s failure to include key components of its capacity accreditation approach in its tariff in the November 2021 Filing warranted a full rejection of the filing (without prejudice), rather than accepting the proposal subject to a compliance filing.¹¹ Commissioner Clements provided a concurring opinion stating, *inter alia*, that “[a]s SPP goes back to the

⁷ See March 2023 Order, Comm’r Clements Dissenting at P 5 (“An important distinction between SPP and other RTOs that have recently proposed ELCC capacity accreditation methodologies in that SPP’s existing methodology for non-ELCC resources is based on an Installed Capacity (ICAP) method that accounts only for performance in a set test and does not capture historical outages. While that method is not itself filed before the Commission in this proceeding, the ICAP method *is* the relevant point of comparison when assessing whether SPP’s proposal is unduly discriminatory.”).

⁸ See August 2022 Order at P 14 (citations omitted).

⁹ See *id.* at PP 61-64 (citations omitted).

¹⁰ See August 2022 Order at P 12.

¹¹ See *Sw. Power Pool, Inc.*, 180 FERC ¶ 61,074, at P 23 (2022) (“August 2022 Order”), *order on reh’g*, 182 FERC ¶ 61,100 (2023) (“March 2023 Order”).

drawing board, the simplest way to avoid undue discrimination would be to adopt a consistent framework, such as ELCC, for all resource types. At minimum, it may not permissibly continue to use its ICAP method for thermal resources while adopting the ELCC method for wind and solar set forth in its proposal and compliance filing.”¹²

C. The February 23 Filing

In the February 23 Filing, SPP proposes to implement: (1) an ELCC accreditation methodology for wind resources, solar resources, and Electric Storage Resources (“ESRs”); and (2) a PBA methodology for thermal and other conventional resources, which would utilize a variant of the equivalent forced outage rate (“EFORd”) method.¹³

The Clean Energy Associations acknowledge that SPP’s proposal to subject thermal resources to a PBA methodology that uses EFORd, rather than the current ICAP construct, is an improvement on the status quo. However, this change alone (and taken in concert with SPP’s ELCC proposal) cannot meet SPP’s statutory burden to ensure that its filing is just and reasonable, and not unduly discriminatory. Instead, the February 23 Filing—just as with SPP’s prior proposal submitted in the November 2021 Filing—is unjust, unreasonable and unduly discriminatory.

As noted above, SPP faces real challenges in maintaining a reliable system. The usage of SPP’s proposed methodology does not fix these problems. By failing to account for resource performance in a consistent way, SPP again jeopardizes reliability. If adopted, SPP’s proposal would also risk increasing customer rates excessively and discriminate against renewable resources and ESRs. The February 23 Filing also omits so many key elements that market participants have little indication of how resources might be valued in practice.

¹² March 2023 Order, Comm’r Clements Dissenting at P 9.

¹³ See February 23 Filing at 1.

The Clean Energy Associations support adoption of an SPP capacity accreditation framework that supports system reliability, provides clarity to market participants as to the value of resources, and treats resources comparably. The February 23 Filing fails on all counts.

II. PROTEST

A. SPP’s Proposal to Employ a Form of EFORd Endangers Reliability and Produces Unjust and Unreasonable Rates.

1. SPP’s Proposal Does Not Adequately Address Demonstrated Threats to System Reliability from Correlated Outages and Common Mode Failures.

SPP’s proposal fails to adequately address several key reliability issues. First, the February 23 Filing fails to address the correlated outage risk that the North American Electric Reliability Corporation (“NERC”) has noted with respect to the performance of natural gas-fired resources during extreme weather events. Increased reliance by regions such as SPP on natural gas for the generation of electricity renders accurate accounting of the performance and availability of natural gas units essential to ensuring reliability. NERC has previously warned:

Growing reliance on natural gas as an electricity generation fuel source increases the potential for common-mode failures that have widespread reliability impacts. Natural gas can generally be considered a “just-in-time” fuel source as natural gas is typically delivered to the generation facility through the natural gas pipeline system and not stored on-site. For example, high demand, decreased natural gas production, and decreased processing volumes occasioned by prolonged freezing temperatures and power outages resulted in a number of pipelines in the impacted areas issuing operational flow orders during the February 2021 cold weather event. These, along with critical notices, indicate potential delivery and reliability concerns on the natural gas pipeline system, translating into potential fuel supply disruptions for interconnected natural-gas-fired generation. This risk of fuel delivery curtailment is elevated for the many natural gas generators that do not contract for firm natural gas transportation.¹⁴

¹⁴ North American Electric Reliability Corporation, *2022 State of Reliability*, 45 (July 2022), available at: https://www.nerc.com/pa/RAPA/PA/Performance%20Analysis%20DL/NERC_SOR_2022.pdf.

This winter reliability risk is one that occurs principally *within* a resource class—specifically, natural gas generation.

NERC has also warned that SPP faces summer reliability risks due to potential common mode failures *across* several resource classes. In its 2022 Summer Reliability Assessment, NERC stated:

As drought conditions continue over the Missouri River Basin, output from thermal generators that use the Missouri River for cooling in Southwest Power Pool (SPP) may be affected in summer months. Low water levels in the river can impact generators with once-through cooling and lead to reduced output capacity. Energy output from hydro generators on the river can also be affected by drought conservation measures implemented in the reservoir system. Outages and reduced output from thermal and hydro generation could lead to energy shortfalls at peak demand.¹⁵

Nuclear, natural gas, and coal resources all commonly utilize once-through cooling, which can result in common mode failures in both summer and winter. Indeed, such common mode failure occurred in SPP during Winter Storm Gerri, where resources relying on the Missouri River experienced forced outages because of freezing on the Missouri River.

The February 23 Filing’s proposed EFORD approach for thermal resources falls far short of accounting for either the winter risks relating to natural-gas generator reliability, other correlated outages within classes of thermal resources, or reliability risks that could cause common mode failures among *multiple* resource classes. Notably, PJM Interconnection, L.L.C. (“PJM”) recently filed, and the Commission approved, a new methodology that moves away from the very type of proposal that SPP is now proposing to adopt.¹⁶ In its filing, PJM stated that the EFORD

¹⁵ North American Electric Reliability Corporation, 2022 Summer Reliability Assessment, 4 (May 2022), *available at*: https://www.nerc.com/pa/RAPA/ra/Reliability%20Assessments%20DL/NERC_SRA_2022.pdf.

¹⁶ See Capacity Market Reforms to Accommodate the Energy Transition While Maintaining Resource Adequacy, Docket Nos. ER24-99-000, -001 (Oct. 13, 2023) (“PJM ELCC Filing”).

approach (like the one that is now proposed by SPP) is flawed. The Commission agreed. In its recent Order approving the PJM filing, the Commission stated:

PJM itself concedes that its current EFORD approach fails to properly account for the actual reliability benefit that conventional resources provide during hours of expected system risk, and Public Interest Organizations describe this failure as “the single greatest threat to reliability” in the PJM region.¹⁷

In approving PJM’s filing, the Commission discussed the importance of assessing the performance of resources during times of need:

As the IMM points out, different resource classes perform more reliably at different periods. For example, a gas-only resource’s reliability value may be lower during an extreme winter event than a nuclear unit or dual fuel unit if there is a natural gas supply disruption (e.g., reduced natural gas production or issues with the natural gas pipeline system). But, under the current EFORD accreditation, the gas only resource’s UCAP would still be “exchangeable” with the nuclear or dual fuel resource’s UCAP. In contrast, under PJM’s proposed rules the amount of capacity accredited to the gas only resource would likely be lower than the capacity accredited to the dual fuel resource because PJM’s proposal captures correlated outage effects caused by issues such as natural gas supply disruptions. We also note that PJM’s proposed accreditation method is a clear improvement over the current approach for Unlimited Resources such as gas and dual fuel resources because it better captures a given resource’s performance over a wider range of high risk periods. Because the accreditation is more reflective of resource performance during stressed periods, the MW are more exchangeable than they are under PJM’s current rules.¹⁸

Adding to this approach, in 2023, a report published by the Energy Systems Integration Group titled “Ensuring Efficient Reliability – New Design Principles for Capacity Accreditation,” and posted to SPP’s website, acknowledged the same, stating:

¹⁷ *PJM Interconnection, L.L.C.*, 186 FERC ¶ 61,080, at P 78 (2024) (citation omitted). Although ACP and SEIA have sought rehearing on certain aspects of this order, principally focusing on unclear elements of PJM’s approach that violate the Rule of Reason, the Clean Energy Associations concur with the Commission’s findings cited on this point—that EFORD is an inadequate means of accounting for resource availability.

¹⁸ *Id.* at P 79.

Correlated outages—such as extreme weather and fuel supply disruptions—can create situations where large portions of capacity are removed from service simultaneously. While this is typically embedded in the renewable generation profiles used in accreditation, the same details are often not applied to thermal generators. Recent winter weather events during Winter Storm Uri (February 2021) and Winter Storm Elliott (December 2022) have shown unique vulnerabilities to thermal resources and the impacts of correlated outages on resource adequacy.¹⁹

Although accrediting non-inverter-based resources using a form of EFORD modestly improves upon the current ICAP method, SPP still does not show how its proposal would adequately prevent shortfalls such as the one caused by Winter Storm Gerri, or otherwise comport with the well-recognized failure of the EFORD method to capture correlated outage effects caused by issues such as natural gas supply disruptions or extreme weather events.²⁰ Instead, SPP states “[it] is aware of no information available that shows that adding gas-fired resources to the system somehow reduces the effectiveness of other existing gas-fired resources or reduces the effectiveness of the gas-fired fleet in general.”²¹

This statement mischaracterizes the risks from correlated outages. Adding gas-fired resources to the system may not reduce the “effectiveness” of any particular existing unit’s equipment, but it does concentrate the system’s reliance upon a single resource class that demonstrably does experience correlated outages. Even when new gas generators have firm supply, their risk of outages is highly correlated with existing resources—which SPP must plan for. Moreover, unless the new resources are backed by firm fuel and sufficient pipeline capacity, SPP cannot responsibly assume the same reliability contribution from the natural gas fleet as a

¹⁹ Energy Systems Integration Group, *Ensuring Efficient Reliability – New Design Principles for Capacity Accreditation*, x (Feb. 2023), available at: <https://spp.org/documents/68900/esig-design-principles-capacity-accreditation-report-2023.pdf>.

²⁰ Moreover, unlike hydro resources, the ability of wind and solar to perform is not directly correlated with water availability.

²¹ February 23 Filing at 41.

whole. Given the common mode failures experienced among natural gas generators, an increased concentration of natural gas as a percentage of supply mix amplifies outage risks, that is, unless the common mode failures are adequately accounted for through the accreditation process. An effective capacity accreditation methodology must address this issue; SPP's proposal does not.

The Clean Energy Associations submit that in light of the changes occurring in the ongoing energy transition, neither ICAP nor EFORd can be viewed as a just and reasonable approach for capacity accreditation policy. Region after region is moving away from EFORd because it sends the wrong signals for investment, fails to appropriately account for correlated outages and common mode failures that have wreaked havoc in regions such as SPP during increasingly common extreme events, and fails to account for the expected performance of different resource types in high-risk periods in the way other methodologies such as ELCC do.

2. *The February 23 Filing Would Result in Unjust, Unreasonable and Excessive Rates Because It Fails to Consistently or Accurately Account for Resource Performance.*

It is the Commission's duty to ensure just and reasonable rates. As the U.S. Court of Appeals for the District of Columbia Circuit has held, the "primary aim [of the Federal Power Act ("FPA")] is the protection of consumers from excessive rates and charges."²² In the case of capacity accreditation, this requires a policy that appropriately aligns the accreditation of a resource with its performance.

In the proposed accreditation for resources subject to the EFORd approach, SPP essentially ignores or marginalizes resource performance during the riskiest hours by either ignoring or undercounting instances of non-performance or overvaluing and inflating instances of adequate performance. This failure will increase the costs to all customers (including those who are paying

²² *Xcel Energy Servs. v. FERC*, 815 F.3d 947, 952-53 (D.C. Cir. 2016).

for better performing resources already), as high-cost power will need to be procured when resources that have been granted unrealistically high accreditation fail to supply commensurate output when it is most needed.

Additionally, the February 23 Filing fails to meaningfully reflect actual performance of inverter-based resources during the highest risk hours. Under the February 23 Filing's tiered approach, ELCC resources would lose capacity value as more inverter-based resources come online, *even if they adequately perform in the highest risk hours.*²³ So while SPP recently acknowledged that wind resources performed above their accredited levels during Winter Storm Gerri, the ELCC approach would only account for these resources' performance in a highly attenuated fashion by allocating that value within each class based upon the system's peak 3% of hours. SPP's proposal for PBA resources averages that performance with all other times when the resources have been called on, most of which are not when the system is under stress and needs their availability the most.

As it pertains to PBA resources, generators with better-performing units would not receive direct benefits from their own availability. There is a clear incentive for inverter-based generator owners to invest in improving the performance of their units (such as through investing in wind turbine cold-weather packages, or creating hybrid resources by adding energy storage), because generator owners would be properly rewarded for the improved performance resulting from such investments. However, EFORd does not send a clear signal for thermal resources, and LREs are not adequately incented to invest in dual-fuel capability, firm pipeline contracts, or other means of ensuring reliability. This lack of incentive to pursue improved performance could further exacerbate reliability impacts.

The February 23 Filing’s failure to align the accreditation of resources under EFORD with their performance effectively socializes the cost of inaccurate accreditation among all customers through an increase in the Planning Reserve Margin (“PRM”). Customers pay for higher capacity needs caused by the increase in the PRM value. The customers of Load-Responsible Entities (“LREs”) who own or contract with (and are paying for) better performing units would effectively also pay for the poor performance from other resources of LREs whose customers have *not* invested in improved reliability. This would further perpetuate the problem by muting signals to invest in improved performance, again due to the socialization of the risk through increasing PRM to all ratepayers. In turn, this makes it less likely that generator owners will invest in improvements (such as cold-weather protections, dual fuel capability, or energy storage), exacerbating reliability impacts and perpetuating unjust and unreasonable rates.

Moreover, SPP’s Loss of Load Expectation (“LOLE”) analysis is designed to test the modeled resources’ performance against the projected load needs of the region.²⁴ If the accreditation of a resource is greater than the value of the resource in the LOLE study, there will be an increase in the PRM. That translates into a socialized cost increase to all consumers, as those LREs with poorer performing resources shift costs onto those that have better performing resources. The EFORD methodology fails to incentivize better performance, and instead socializes the benefits of these investment decisions and the costs of poor performance when the units are needed most for reliability.

This problem is exacerbated by the averaging of EFORD over each entire season for a seven-year period. Thus, the ability of the resource to show up in extreme events is further diluted

²⁴ See Southwest Power Pool, Inc., 2023 Loss of Load Expectation (LOLE) 2026 Study Overview, 4-5 (Nov. 2023), available at: <https://spp.org/Documents/70591/real%20meeting%20materials%2020231128%20v2.zip>.

in terms of its accredited value. Rather than sharpen the signals to invest in improvements to performance during these higher risk times, SPP's proposal would blunt signals for investment.

Finally, the contrast in how actual performance in EFORd is accounted for in the EFORd and ELCC portions of SPP's proposal also results in unjust and unreasonable rates. The use of the EFORd methodology ensures an added increase in the PRM due to the failure of the EFORd method to capture correlated outage effects caused by issues such as natural gas supply disruptions or extreme weather events, and thus, increases accreditation of certain resources compared to their performance as described in the LOLE study. This dynamic means that LREs with higher proportions of ELCC resources (versus EFORd resources) will bear both the more conservative accreditation of ELCC, while *also* paying for the long-term increase in PRM caused by others with more EFORd resources. This cost shift caused by the adoption of disparate policies is not just and reasonable.

Accordingly, the Commission should reject the February 23 Filing because it has not been shown to be just and reasonable and does not adequately protect consumers from unjust and unreasonable rates resulting from cost shifts.

B. The February 23 Filing Is Incomplete and Continues to Violate the Rule of Reason.

Like the November 2021 Filing, the February 23 Filing violates the rule of reason, as it does not properly identify or set forth the practices that will significantly affect rates and service, that are reasonably susceptible of specification, and which SPP contemplates using as of the requested effective date.²⁵

As the Commission explained in its March 2023 Order, under the rule of reason “practices significantly affecting rates, terms, and conditions of service must be on file with the

²⁵ See *Keyspan-Ravenswood, LLC v. FERC*, 474 F.3d 804, 811 (D.C. Cir. 2007).

Commission.”²⁶ Specifically, in the March 2023 Order, the Commission affirmed that “a definition of seasonal net peak load must be clearly defined in SPP’s Tariff in order to provide sufficient notice as to how SPP will calculate its ELCC values.”²⁷ In that order, the Commission reversed its prior decision to “accept[] SPP’s filing subject to the condition that these details must be in the Tariff pursuant to the rule of reason,”²⁸ acknowledging that the Commission’s acceptance of SPP’s filing “without SPP providing a definition of seasonal net peak load . . . resulted in a lack of adequate notice to interested parties and [did] not comport with the notice requirement under section 205 of the FPA and the Commission’s regulations.”²⁹

Here, just as in the November 2021 Filing, SPP’s February 23 Filing represents only a portion of the ongoing changes that are critically interrelated with SPP’s contemplated resource adequacy policy. In fact, SPP’s PBA methodology only includes a *part* of the actual PBA mechanism that it intends to use. Based on documents posted online by SPP, the language filed in the February 23 Filing related to the PBA methodology will be replaced with revisions that substantially change the accreditation of resources under SPP’s PBA methodology. This includes a different calculation of PBA Accreditation than EFORd alone.³⁰ Rather, SPP plans to use a *combination* of EFORd and another methodology, referred to as the Effective Forced Outage Factor (“EFOF”) methodology, to accredit non-ELCC resources.³¹

²⁶ March 2023 Order at P 6 (citations omitted).

²⁷ *Id.* at P 35 (citation omitted).

²⁸ *Id.*

²⁹ *Id.*

³⁰ See Supply Adequacy Working Group Work Plan (attached hereto as “Exhibit A”); PRM Recommendation (attached hereto as “Exhibit B”).

³¹ Exhibits A and B depict that the implementation of the EFORd approach occurs for the 2026-2027 timeframe. In the schedule provided in Exhibit A, there is a reference to fuel assurance policy, which is related to the modification of the PBA methodology with a planned implementation during the 2026-2027 time frame. The appendix to Exhibit B explores the use of a blended EFOF construct that would replace the EFORd’ methodology, apparently before it is implemented.

While the exact approach is not yet finalized, these additional changes are scheduled to go into effect the year following the same effective date requested in the February 23 Filing. Thus, SPP evidently does not plan to use the methodology for non-ELCC resources that it presented in the February 23 Filing (with the exception of one winter and summer season). Also missing from the February 23 Filing is any means for SPP to establish an enforceable calculation of resource needs during all seasons. SPP’s vulnerability to outages during the winter is clear. Yet, its proposal still does not contain a full picture of how SPP’s policies will ensure the reliability of the system, making it impossible to assess whether the proposal will adequately address this important issue. The Clean Energy Associations believe that the need for an intelligible and well-designed resource adequacy policy extends to all seasons.

SPP’s proposal omits key information that will significantly affect rates, terms, and conditions of service, that is reasonably susceptible of specification, and is not commonly understood. Therefore, these terms must be included in SPP’s filing under the Commission’s rule of reason.³² Indeed, SPP’s own presentations show that the February 23 Filing does not represent its complete proposal. This constitutes another basis for the Commission’s to reject the February 23 Filing—the proposal is incomplete, warranting rejection without prejudice.

C. The February 23 Filing Is Unduly Discriminatory Because It Applies Different Accreditation Methodologies to Resources that Are Similarly Situated.

The FPA provides that any “rate, charge, classification” or any “any rule, regulation, practice, or contract affecting such rate, charge, or classification” subject to the Commission’s jurisdiction may not be “unjust, unreasonable, unduly discriminatory or preferential.”³³ As the

³² See *Keyspan-Ravenswood*, 474 F.3d at 811.

³³ 16 U.S.C. § 824e (2018).

Commission and courts have recognized, the FPA “bristles with concern about undue discrimination.”³⁴

The Commission has explained that different treatment is unduly discriminatory “when there is a difference in rates or services among similarly situated entities.”³⁵ Determining that entities are similarly situated “does not mean that there are no differences between them; rather, it means that there are no differences that are material to the inquiry at hand.”³⁶ Entities are similarly situated “if they are in the same position with respect to the ends that the law seeks to promote or the abuses that it seeks to prevent, even if they are different in many other respects.”³⁷

The use of different accreditation approaches for different resource types should only be allowed when the distinction of treatment is based upon a difference in the characteristics of the resource and its risk and benefit to reliability warrants it.³⁸ SPP’s proposal to implement the ELCC methodology for inverter-based renewable resources and the PBA/EFORd methodology for thermal resources falls short of this standard, as the disparate treatment of resources under the different methods is not driven by facts regarding the different risks of the resources and their expected reliability in the SPP region.

³⁴ *Am. Elec. Power Serv. Corp.*, 67 FERC ¶ 61,168 at 61,490 (1994) (citing *Assoc. Gas Distribs. v. FERC*, 824 F.2d 981, 998 (D.C. Cir. 1987)).

³⁵ *Calpine Oneta Power, L.P.*, 116 FERC ¶ 61,282 at P 36 (2006); *El Paso Nat. Gas Co.*, 104 FERC ¶ 61,045, at P 115 (2003); *Towns of Alexandria, Minn. v. Fed. Power Comm’n*, 555 F.2d 1020, 1028 (D.C. Cir. 1977).

³⁶ *N.Y. Indep. Sys. Operator, Inc.*, 162 FERC ¶ 61,124, at PP 10, 11 (2018) (granting, in part, and denying, in part, rehearing and clarification, and requiring further compliance).

³⁷ *Id.* at P 10 (also explaining “[c]onsistent with those precedents, the Commission has, for example, determined that new and existing generators were similarly situated for ‘reactive power compensation purposes’ because they were equally capable of providing that service, notwithstanding other significant differences.”) (citation omitted); *see also PJM Interconnection, L.L.C.*, 168 FERC ¶ 61,121 (2019) (“[N]on-federal renewable resources are similarly situated to federal hydroelectric and thermal resources for purposes of transmission curtailments because they all take firm transmission service”) (citing *Iberdrola Renewables, Inc. v. Bonneville Power Admin.*, 137 FERC ¶ 61,185, at P 62 (2011)).

³⁸ For example, as Commissioner Clements distinguished, SPP’s circumstances are distinct from PJM’s circumstances (where the Commission had found previously that “PJM need not extend the ELCC framework to Unlimited Resources to demonstrate that its filing is just and reasonable”) as “PJM already accounted for forced outages of so-called ‘unlimited resources,’ and applies a ‘capacity performance’ framework to all resources that rewards or penalizes unit-specific performance.” *See* March 2023 Order, Comm’r Clements Dissenting at P 8 (citing *PJM Interconnection, L.L.C.*, 176 FERC ¶ 61,056 (2021)).

1. *Utilizing a Deterministic Approach for Certain Resources and a Probabilistic Approach for Other Similarly Situated Resources is Unduly Discriminatory.*

As ACP noted in its 2023 Petition for a Technical Conference on Capacity Accreditation, “[i]n terms of measuring resources’ reliability contributions, there are two primary categories of methods for accrediting resources: probabilistic methods or deterministic methods.”³⁹

As ACP explained:

- *Probabilistic* methods simulate resource availability across a wide range of stochastic samples, each of which is based on variables including resource availability, generator outages, and load, using those samples to approximate the expected, or average, availability of a resource. This method relies on power system modeling and simulation of likely future weather conditions and reliability risks.
- *Deterministic* methods, on the other hand, can use either simulation or historical resource availability. Rather than evaluate a resource probabilistically across a wide range of potential conditions, deterministic approaches look at resource availability during a pre-determined time period. These time periods may include historical tight supply conditions or likely output during typically high-risk months or hours. For example, a resource may be accredited on its likely availability during peak load periods or during a predetermined month-hour window expected to have elevated system risk.

Both approaches can be used to evaluate a resource’s availability during tight supply conditions, but differ in their complexity, transparency, modeling accuracy, and linkage to actual operating conditions and real-time availability.⁴⁰

It is defensible to accredit resources based on their expected future performance (probabilistic method) or past performance (deterministic method); either approach (if consistently applied) could *potentially* prove workable, just and reasonable, and not unduly discriminatory or

³⁹ Petition of the American Clean Power Association for Technical Conference on Capacity Accreditation, Docket No. AD23-10-000, at 17 (Aug. 22, 2023).

⁴⁰ *Id.*

preferential. It is not defensible to mix-and-match probabilistic and deterministic methodologies for different, similarly situated resources, as SPP proposes to do. This is precisely what the Energy Systems Group’s report advised against, stating “[i]n order to ensure that capacity accreditation is done in a non-discriminatory manner for different resource types, capacity accreditation should be applied to all resources in a consistent manner.”⁴¹

For example, applying ELCC to inverter-based and thermal resources, if done in a consistent and transparent manner, might resolve the undue discriminatory impact identified above. Indeed, as Commissioner Clements recognized, “the simplest way to avoid undue discrimination would be to adopt a consistent framework, such as ELCC, for all resource types. At minimum, [SPP] may not permissibly continue to use its ICAP method for thermal resources while adopting the ELCC method for wind and solar set forth in its proposal and compliance filing.”⁴² The Commission has not *required* any RTO/ISO to apply an ELCC framework consistently across all resource types.⁴³ However, it has recognized that applying an ELCC framework consistently across all resource types can be just and reasonable. Indeed, the Commission’s recent findings in the order approving PJM’s ELCC method showed that applying ELCC to all resources was a critical factor in the Commission’s decision to approve the PJM proposal.⁴⁴ In SPP, applying the ELCC methodology for both inverter-based and thermal resources in a transparent and consistent manner could potentially resolve the undue discriminatory impact identified herein.

⁴¹ Energy Systems Integration Group, *Ensuring Efficient Reliability – New Design Principles for Capacity Accreditation*, p. x (Feb. 2023), available at: <https://spp.org/documents/68900/esig-design-principles-capacity-accreditation-report-2023.pdf>.

⁴² March 2023 Order, Comm’r Clements Dissenting at P 9.

⁴³ March 2023 Order at P 71.

⁴⁴ *PJM Interconnection, L.L.C.*, 186 FERC ¶ 61,080 at P 42 (accepting ELCC proposal that “accredits all resources within an ELCC class with identical performance characteristics equivalently.”).

In the instant proceeding, SPP is proposing to mix-and-match elements of both methodologies. Under the February 23 Filing, a probabilistic analysis will be used to identify potential performance risks for inverter-based resources, but a deterministic analysis (applied to thermal resources) will result in *ignoring* similar risks for thermal resources (such as the risks posed by correlated outages). For reasons explained in greater detail below, the February 23 Filing is simply excusing the lack of performance by thermal resources subject to EFORD at times that will harm the reliability of the system, while holding those resources subject to ELCC accountable (and, indeed, concentrating the effect of (under)performance in specific intervals). The result of this approach is to ignore the risks that certain thermal resources pose towards reliability, and that should be captured, while directly lowering accreditation due to the same performance metrics for inverter-based resources.

SPP is essentially giving thermal resources a pass on assessing correlated outage risk treatment that is unwarranted and preferential. This increases reliability risk and shifts costs in an unjust and unreasonable manner. Under SPP's proposal, inverter-based resources would be judged based on probabilities, influenced by the expected effects of new, similar generation, but not directly valued based upon actual performance.⁴⁵ On the other hand, thermal resources (subject to PBA using EFORD) would be judged on past performance, but *not* evaluated in a manner that accounts for probabilities based upon other similar generation.⁴⁶ In turn, this furthers the overvaluation of thermal resources.

Such a proposal allows certain generation resources to receive near-nameplate accreditation with minor adjustments, while placing significant limitations that reduce the value

⁴⁵ See G. Crowson, January 2024 Winter Storm Gerri Presentation, slides 18-20, *available at*: <https://spp.org/Documents/71037/ORWG%20Meeting%20Materials%2020240208.zip>.

⁴⁶ <https://info.aee.net/hubfs/2022%20Folders/2022%20Reports%20With%20Stickers/STICKER%20Getting%20Capacity%20Right%20-%20How%20Current%20Methods%20Overvalue%20Conventional%20Power%20Sources.pdf>

for other resources. Renewable, storage, and thermal resources have different capacity *values*, but are similarly situated with respect to their capacity *attributes* and downsides—including the existence of correlated and common mode failure risks. The Commission should deem this bifurcated approach to be unjust, unreasonable, and unduly discriminatory, and should not permit it to go into effect.

2. *SPP Proposes to Concentrate Risks for ELCC Resources, While Diluting Risks for EFORd Resources.*

SPP's approach of using EFORd for some resources and ELCC for others is unduly discriminatory. This is not simply because of the use of different methodologies. The EFORd approach excuses the performance of some resources, while holding others accountable, for issues that both categories of resources can cause. As previously noted, wind and solar resources can have a correlated effect to reliability with other resources in their class. This correlation is captured in the ELCC methodology. However, thermal resources *also have correlated outages and common mode failures*. This was on display in the gas fleet during Winter Storms Uri and Elliott. As noted above, common mode failure issues can arise for resources dependent on water for cooling that are using a common source of water (such as the Missouri River). Yet, EFORd does not adequately capture this characteristic, despite its importance to the reliability of the grid. This difference in treatment between EFORd and ELCC translates into a more severe test for the accreditation of wind, solar, and storage resources under ELCC than the resources evaluated under EFORd. The use of different assessment mechanisms is not driven by any meaningful distinction in the different benefits and risks of the resources to the reliability of the region. Therefore, SPP's proposal, if accepted, would result in undue discrimination against resources accredited by ELCC; conversely, it would provide an undue preference for those accredited under the EFORd methodology as proposed in the February 23 Filing.

The disparate treatment does not stop there. As discussed above, the EFORd methodology dilutes the performance of thermal resources during the highest risk periods, while the ELCC methodology concentrates risk during those periods for renewable and storage resources. The proposed EFORd approach looks at the performance of the individual resources over the entirety of the season for seven years. Thus, the highest risk periods are overwhelmed by the data for performance for the rest of each season over the seven-year period, when the risk of outages are much lower. Meanwhile, the proposed ELCC approach would accredit resources primarily based upon their performance during times of highest risk. The difference in treatment is material and unjustified.

SPP apparently recognizes the problems with the approach it has filed. As noted above, SPP is working on significant adjustments to the PBA proposal filed here that would place additional weight on performance of PBA resources during higher risk times moving forward.⁴⁷ A weighting of this type of performance with the EFORd approach would possibly resolve (or contribute to resolving) inconsistencies between treatment of different resource types and align thermal accreditation with the SPP LOLE study or the ELCC methodology.⁴⁸ Such an adjustment might help to mitigate the weaknesses of the PBA method proposed in the February 23 Filing. However, until the changes in the methodology are presented to the Commission, it is, of course, impossible to assess them. Currently, SPP is targeting implementation of such changes at or near the same effective date as its current filings here. As discussed above, this omission violates the rule of reason—but it also serves to demonstrate that the Section 205 filing before the Commission is unduly discriminatory on its own terms.

⁴⁷ See *supra*, 13 & notes 30-31.

⁴⁸ See Southwest Power Pool, Inc., 2023 Loss of Load Expectation (LOLE) 2026 Study Overview (Nov. 2023), available at: <https://spp.org/Documents/70591/real%20meeting%20materials%2020231128%20v2.zip>.

3. *SPP's Proposed Treatment of Out of Management Control ("OMC") Events is Unjustifiably Divergent and Results in Additional Undue Discrimination.*

The EFORd and ELCC approaches differ in their consideration of the lack of performance of resources due to forced outages that qualify as OMC events.⁴⁹ Under the ELCC approach, all outages that occur within the fleet of wind or solar resources during a season negatively impact the accreditation of the *fleet*. However, under the PBA approach proposed by SPP, any lack of performance at the unit level may be excused if the event can be classified as an OMC event (*e.g.*, events such as Winter Storms Uri, Elliot, and Gerri). This differential treatment also demonstrates undue discrimination and preference.

The excuse for non-performance under the PBA approach due to an OMC event is not a small exception. The list of OMC events under NERC rules is long,⁵⁰ and many of them are impacted by the level of investment made in the resource or its specific contractual arrangements. In fact, it appears that the SPP proposal allows an LRE to determine whether an event constitutes an OMC event itself, rather than SPP making that determination. It should be apparent that *any* outage of *any* resource lowers the number of available MWs on the system that can support system reliability. Outages are picked up in SPP's LOLE study regardless of the reason. If the outages are not accounted for in the accreditation of a resource, it will push the PRM upward—essentially requiring procurement of additional capacity. Providing accountability for outages that might have been avoided will incent reasonable investments to improve performance or access to fuel. Yet, the EFORd approach gives the resources that meet the broad OMC exemptions a pass and takes

⁴⁹ See North American Electric Reliability Corporation, Data Reporting Instructions, Appendix K: Outside Management Control, 2 (Jan. 1, 2023), *available at*: https://www.nerc.com/pa/RAPA/gads/DataReportingInstructions/Appendix_K_Outside_Management_Control_2023_DRI.pdf (identifying OMC events including “[a]cts of nature such as ice storms, tornados, winds, lightning, etc are not under plant management control, whether inside or outside the plant boundary”).

⁵⁰ See *id.*

away that incentive. Improvements to thermal resources would not be incentivized, because the units would be held harmless if the reason for an outage is deemed an OMC event. Excusing thermal generators from OMC events will give such generator owners fewer reasons for investing in better fuel sources, negotiating optimal terms for fuel transportation contracts, having gas storage, and installing cold weather protections, all of which would improve performance and reliability.

Contrasting with the PBA approach, SPP's proposal *would not exempt OMC outage events* in the fleet (*i.e.*, wind, solar and storage) that would be subjected to the ELCC accreditation approach. SPP only uses OMC events in the allocation of the fleet value to individual units. This means that the loss of accredited value from all outages has already occurred. Once devaluation occurs for any ELCC resource class, SPP provides no means of adding back OMC events to the accredited value. This results in different treatment of OMC events for different generation types, and is unduly discriminatory and preferential on its face.

The divergent approaches to measure the performance of the resources does not stop with OMC events. SPP's proposal also contains different approaches accounting for planned and maintenance outages. In the case of wind, solar and storage resources, there is no distinction between taking a planned outage and taking a forced outage during the resource adequacy compliance period. All outages of any type devalue the accreditation of the resources under the ELCC methodology. Planned outages should be excused in order to encourage resources to go through the process of coordinating them with SPP. This is not accomplished under the ELCC portion of the February 23 Filing, as all outages count against the accreditation of these resources during the pertinent season. Yet, this is not true for resources subject to the PBA provisions. For these resources, approved planned and maintenance outages do not count against the accreditation

of the resource. SPP presents no reasonable justification for this unduly discriminatory treatment. Once again, the policies are drawing a distinction simply because SPP has arbitrarily chosen to measure the accreditation of different, similarly situated, resource types utilizing different standards.

Accordingly, the February 23 Filing is unduly discriminatory with respect to capacity accreditation because it proposes different accreditation methodologies with respect to resources that are similarly situated with respect to their attributes pertinent to the inquiry at hand.

D. SPP’s Application of ELCC Using a Load Responsible Entity’s Time of Need Rather than SPP’s Regional Time of Need, as Proposed, Is Unjust and Unreasonable and Unduly Discriminatory.

The purpose of resource adequacy and planning reserve margin policies are to ensure adequate resources are available to serve anticipated load requirements. The standard practice for setting requirements for maintaining the reliability of a region is to evaluate the performance and volume of resources in order to maintain reliability for one day under a 10-year loss of load standard. The SPP studies use this standard, calculating the LOLE for the SPP region over a projected load need into the future. Yet SPP uses different and inconsistent approaches to evaluate the performance of individual resources when assigning them an accredited value. Sometimes SPP looks at the performance of resources consistent with the needs of SPP as a region and consistent with its LOLE study; at other times, SPP values the performance of the resource that aligns with the needs of an individual LRE. When SPP uses the LRE need to value resources, it results in a misalignment of the contribution of the resources with the needs of the SPP region. SPP should be valuing resources according to the regional need, consistent with its role as a Balancing Authority and its LOLE study. Failing to do this results in unjust and unreasonable rates. In its proposal, SPP values the same resource types differently according to who claims them and between Tier 1 and Tier 2 classifications—creating undue discrimination as well as

unjust and unreasonable rates. The result is a policy that is disconnected from the purpose of a resource adequacy standard in an RTO attempting to solve for its regional reliability needs.

As in its 2021 filing, the February 23 Filing proposes to use a type of hybrid average approach to valuing resource types. Unlike the 2021 filing, the February 23 Filing uses only two tiers for wind and solar resources. Tier 1 is composed of resources that have firm transmission service, while Tier 2 is available for resources that do not have transmission service, but have been found, to be deliverable. While this approach seems to be an improvement over the previously rejected filing, it carries forward a problematic concept from the previous filing. Under the SPP proposal, Tier 1 of the allocation of an ELCC resource accreditation is based upon the performance of the resource during the top 3% of load hours of the LRE that has designated it for meeting its RA requirement. It is important to note that for Tier 2 Resources, the allocation of accreditation is simply the top 3% of the *SPP BA hours*.

As a result, the accreditation of resources in Tier 1 can create a different accreditation value for the same type of resources—even those that provide precisely the same performance in serving SPP’s resource adequacy needs. The accreditation values are altered simply because of the LRE with which they are associated has a different peak from SPP as a whole. This misalignment between a resource’s accredited valuation and SPP’s resource adequacy needs can produce nonsensical results. For example, in a summer season for SPP, where peak periods are inevitably hot summer days, a solar farm can be a significant contributor in meeting the region’s reliability needs. However, if this solar farm is being used by a night peaking LRE (which can occur in SPP), the solar facility would receive zero, or near-zero, accreditation. The same solar farm tied to a different LRE with a peak in the day would have a vastly different accreditation. Yet its contribution to the overall SPP need, assuming consistent deliverability, is the same. Another

example of this disparity can be illustrated with a wind facility that is shared equally by three different LREs. If these LREs have different periods for their respective top 3% load hours, this wind farm will have three different accreditation levels for each one-third share. This is despite the fact that the shares of the wind farm are contributing exactly the same to SPP's reliability needs on the whole.

SPP's proposal is all the more bewildering in light of the fact that the LOLE study conducted by SPP to determine the level of resources needed to keep the system reliable is correctly based upon the performance of the resources on a regional basis. It has no direct relationship with the various LRE peak periods. Yet, the allocation of value in the ELCC Tier 1 construct is not based on SPP's need but that of an individual LRE. The purpose of having a resource adequacy policy in an RTO (and the purpose of the LOLE study) is ensuring reliability for the region. Using the LRE peak to calculate a different value for accreditation distorts the real reliability value of the resource to the region.

The use of an LRE's top 3% of load hours also presents a perplexing contrast with SPP's evaluation of the same resource type in Tier 2. In Tier 2, SPP has proposed to accredit resources based upon the performance of the resources during the top 3% of load hours of SPP, not the LRE. Here, SPP has done what it should have done in Tier 1 and aligned the accreditation allocation with the SPP BA need. It is not logical to use the region's needs to calculate the value of the resource for Tier 2 and yet a different measure of performance not tied to the needs of the region is used for Tier 1.

The use of an accreditation valuation that does not align with the purpose of the resource adequacy policy, *i.e.*, ensuring that SPP has capacity that can perform *when needed*, is not just and reasonable. SPP's proposal creates an incentive to acquire or develop resources based upon the

need of the LRE without regard to the regional reliability needs of SPP. Failing to value resources appropriately according to their expected contribution to that goal results in inefficient acquisitions or developments that can unjustly and unreasonably increase or shift rates. The Commission, and other governmental bodies across the U.S., are being challenged to develop policies that protect the reliability of the electric system. This cannot be accomplished if the capacity accreditations of individual resources do not reflect their ability to meet the region’s reliability needs.

The disparate treatment of resources in the ELCC filing also amounts to undue discrimination. There is no justification for giving resources different accredited values if they contribute equally to meeting SPP’s resource adequacy needs. In the previously rejected SPP ELCC filing, Commissioner Clements noted this, stating: “[m]oreover, SPP’s proposal is unjust and unreasonable because it applies different credits to the wind and solar resources of different Load Responsible Entities (LREs) in a manner that distorts market signals to inefficiently spread those resources across the SPP region even if economic fundamentals otherwise indicate that they should be more concentrated.”⁵¹

For the reasons outlined above, it is inappropriate to link resources’ accreditation to load profiles of individual LREs rather than to the SPP region itself. The Clean Energy Associations ask the Commission to reject valuation of resources that is not based on the resources’ contribution to system reliability (*i.e.*, “keeping the lights on”). Accordingly, the Commission should reject SPP’s proposal. The Commission could reasonably direct SPP to credit ELCC Tier 1 based on a resource’s performance in meeting *SPP regional needs*, as SPP proposed for Tier 2, to determine the accreditation of the resource. If the Commission finds that SPP’s currently effective tariff prohibits SPP from valuing resources in alignment with its regional resource adequacy needs, the

⁵¹ See March 2023 Order, Comm’r Clements Dissenting at P 2.

Commission could opt to initiate a proceeding under Section 206 of the FPA to investigate the appropriateness of the provisions preventing SPP from achieving this important goal.

E. The February 23 Filing Fails to Properly Differentiate Between Different Storage Products.

SPP proposes to set a single energy storage ELCC value; during the allocation process, longer duration ESRs would receive the first portion of ELCC capacity, to be followed by six-hour resources, and then four-hour resources:

During the allocation process, eight-hour equipment will be allocated first and then each additional hourly duration studied resource will build upon the prior one when determining the ESR penetration on the appropriate curve for the respective ESR duration type. During the stakeholder process, it was determined that longer duration ESRs would receive the first portion of the ELCC capacity due their potential value to provide capacity to the system for longer periods of time. Eight-hour ESRs were determined to be the longest duration that would be studied, to be followed by six-hour duration resources, and followed by four-hour duration resources. Resources in Tier 1 will be prioritized over resources in Tier 2 throughout the allocation process when determining the resource's accredited capacity.⁵²

This proposal constitutes poor market design, and would have an unjust and unreasonable effect, because it would effectively require all storage resources (despite their actual discharge period) to be evaluated identically. However, eight-hour, six-hour, and four-hour storage resources provide distinctly different products. For example, four-hour storage products are valuable in meeting typical summer peaks,⁵³ while eight-hour storage better corresponds to winter

⁵² February 23 Filing at 29-30

⁵³ P. Denholm, W. Cole, N. Blair, *Moving Beyond 4-Hour Li-Ion Batteries: Challenges and Opportunities for Long(er)-Duration Energy Storage*, National Renewable Energy Laboratory, vi (Sept. 2023), available at: <https://www.nrel.gov/docs/fy23osti/85878.pdf> (“Historically, 4-hour storage has been well-suited to providing capacity during summer peaks in many U.S. regions, which has led to several wholesale market regions adopting a “4-hour capacity rule.”).

peaks.⁵⁴ Further, innovative companies are continuing to develop and deploy even longer-duration storage resources that can respond to multi-day system needs.⁵⁵

By creating a priority allocation for resources with longer durations, SPP is creating a significant pressure for resources to seek accreditation at the longest duration, even if that is a significant derate from actual capability. This is problematic for two reasons. First, similarly situated assets—such a 4-hour storage unit with a 50% derate (enabling it to deliver energy for 8 hours), and a 4-hour storage unit without a derate, are treated differently even though they do not differ in fundamental operational capability. Second, SPP’s proposal creates an incentive to derate to attain a priority allocation; this creates significant pressure for 4-hour units to derate their own output, even if they might otherwise be accredited with high-capacity value without any derating. This would lower the overall capacity contributions from storage that could be attained over the medium term, raising prices without increasing reliability.

By valuing diverse storage resources identically (and in competition against one another), SPP is muting key price signals, which are otherwise crucial for availability and usage decisions.

F. SPP’s Proposal Fails to Account for Geographic Diversity in SPP.

SPP has a large geographic footprint, from the southwest to the upper great plains. SPP has previously recognized that geographic diversity plays a key role in output patterns in the context of capacity accreditation.⁵⁶ The February 23 Filing fails to take into account such geographic diversity with respect to capacity values. This is especially problematic for inverter-

⁵⁴ P. Denholm, *The Future of Energy Storage*, National Renewable Energy Laboratory, 24 (Jan. 29, 2024), available at: <https://www.sandia.gov/app/uploads/sites/256/2024/02/The-Future-of-Energy-Storage.pdf> (providing that “Winter peaks can be 8+ hours long.”).

⁵⁵ See Office of Clean Energy Demonstrations, Long-Duration Energy Storage Demonstrations Projects Selections Award Negotiations (last visited Mar. 29, 2024), available at: <https://www.energy.gov/oced/long-duration-energy-storage-demonstrations-projects-selections-award-negotiations>.

⁵⁶ See Southwest Power Pool, Inc., *Solar and Wind ELCC Accreditation White Paper* (Aug. 2019), available at: <https://www.spp.org/documents/61025/elcc%20solar%20and%20wind%20accreditation.pdf> (“... new wind plants built even a short distance away from existing wind plants will have somewhat different output patterns due to the inherent geographic diversity of wind resources”).

based resources with different operating characteristics that vary based on different operating days of the year—such as wind in New Mexico as compared to wind in the Dakotas. Without appropriately granular treatment of resources in different areas, SPP would artificially and unjustifiably devalue capacity contributions from ELCC resources. The absence of this consideration is one more example of the February 23 Filing’s deficiency, and why the Commission should reject SPP’s proposal as unjust and unreasonable.

III. CONCLUSION

For the reasons stated above, the Clean Energy Associations request that the Commission reject the February 23 Filing as unjust, unreasonable, unduly discriminatory, and in violation of the rule of reason, without prejudice to a future filing that addresses these issues.

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Dated: March 29, 2024

CERTIFICATE OF SERVICE

The undersigned certifies that a copy of this pleading has been served this day upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated at Washington, DC this 29th day of March, 2024.

/s/ Melissa Alfano

Melissa Alfano