



STATE OF MINNESOTA PUBLIC UTILITIES COMMISSION

Date: November 13, 2012
To: MISO Quarterly Update list
From: Burl Haar 
Subject: Fourth Quarter MISO Quarterly Update meeting

The topic of resource planning at the state and regional levels continues to be of considerable interest. A recent example came from the October, MISO Advisory Committee meeting where a proposed hot topic for a future Advisory Committee would address issues related to planning for gas-electric integration, along with issues such as whether MISO's Resource Adequacy construct is set up to properly evaluate non-generation solutions and whether MISO's market rules are adequately designed to lead to a "proper mix" of resources, etc.

Likewise, the Minnesota Public Utilities Commissioners have raised additional questions about how our state planning process fits with such regional dynamics and whether the State's process needs to be modified (refocused or expanded) to address the apparent need for greater regional coordination among states.

To that end, the Commission wants to convene a MISO Quarterly Update meeting on Friday, December 14th, beginning at 10:00 AM in the Commission's Large Hearing Room. The Commission asks parties to come prepared to discuss issues raised by the following questions:

- What measures should MISO consider to better incorporate state level resource and transmission planning processes in its Resource Adequacy construct and MISO Transmission Expansion Planning (MTEP)?
- Regarding the Resource Adequacy construct, how will MISO reconcile that fact that the MISO peak may be different than individual utilities' peaks?
- What factors should MISO incorporate in its Resource Adequacy construct for evaluation of demand-side resources, particularly those from Minnesota?
- How can MISO equitably manage legacy demand-side resource programs in some states (like Minnesota) with states with less developed programs? Please discuss the effects of moving demand-side resources from the state level using a net load approach to

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requiring demand-response resources as a MISO market resource. Could such effects include requiring the utilities to carry a higher reserve margin, etc.? What role, if any, can MISO play in encouraging states with less developed demand-side resource programs to develop more of such resources?

- How can diverse state resource planning processes be coordinated to assure a reliable and economically efficient regional mix of resources?
- What roles should states, utilities, MISO and MRO play to ensure that there are sufficient generation and transmission resources to meet the needs of our region?

We look forward to an opportunity to discuss these important issues. The meeting will begin at 10:00 AM and will be held in the Commission's Large Hearing Room on Friday, December 14th.