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Stakeholder Soapbox

Building a Climate-resilient Grid

By Christy Walsh, Natural Resources Defense Council



Christy Walsh | NRDC

The *climate crisis* is putting the electricity system at risk. Our aging grid is straining to handle the stronger storms, hotter heat waves, extended drought and extreme flooding many parts of the U.S. are already

seeing.

With these increasing threats, grid operators will need to use all the tools they can — especially demand response, energy efficiency and imports from surrounding areas — to curb stress on the system and limit the threat of blackouts. But as important as those actions are, they are not enough. Congress also must act now to invest in a clean, resilient and affordable power grid.

Given the climate crisis before us, the conclusion is clear: We must transition away from fossil fuels that contribute to climate change and invest in a grid that's resilient to storms, high heat and flooding. A [recent NRDC policy brief](#) shows how legislation under consideration in Congress would enhance reliability by:

- expanding long-distance transmission lines;
- encouraging more solar and wind power, especially in [energy justice](#) communities;
- curbing energy demand through weatherization and energy efficiency programs;
- investing in communities where coal mines or fossil fuel plants are closing; and
- spurring the sale of electric vehicles, which can double as backup batteries for customers.

Fossil fuel defenders have been attempting to blame wind and solar for some of the strains to the grid we have seen this year, but that's just ridiculous. As has been made clear time and time again, *no single power source is perfect*. Coal piles freeze, gas lines stop flowing, and nuclear plants shut down before a hurricane makes landfall.

Last year, natural gas supply issues *caused 87% of outages in Texas during Winter Storm Uri*. As this summer heats up, risks remain.

And it's not just the heat and storms: A recent [NERC assessment](#) noted that stressed

supply chains are crimping coal supplies.

Congressional action, coupled with decisions by states, public service commissions, grid operators, and federal regulators can spur renewables, energy efficiency, demand response, electric storage, and new transmission lines to get us the clean, reliable, resilient electrical system we need.

What we all should be able to agree on is that we need to invest in a larger power grid. The bigger, wider and more flexible the grid, the more able it will be to respond to whatever comes its way.

The right transmission and interconnection rules are key to creating a better grid for years and decades to come.

In the MISO area and in PJM, the grid serving the mid-Atlantic, thousands of solar and wind projects are ready to be built yet remain in limbo. Consider the more than 100,000 MW of clean energy in MISO just waiting to supply the grid. That's *more than half* of total installed generating capacity in the MISO region. These and future additions can replace retiring fossil fuel generators. Even taking into account that some of this generation will not be built, getting these and future additions on line more quickly is vital to achieving a reliable energy transition and lowering energy costs.

We also need more high-voltage power lines that transport power from rural and offshore areas to cities and towns. Transmission is key to unlocking clean energy's potential and ensuring lower energy prices and more reliable power. It also allows a regional grid struggling with extreme weather to import power from neighboring regions. According to a [2021 FERC-NERC report](#), importing power likely saved the residents of the Midwest and Great Plains from the disastrous consequences suffered by Texans during Winter Storm Uri.

We need to do it all. We need a system that can adapt and respond to whatever is thrown its way, while we move forward with the clean energy transition. In other words, we need to invest in transmission and other grid upgrades while enabling more clean energy to power our homes and businesses.

While states and grid operators have much to do in the short term, the single biggest thing we can do now is pass climate energy legislation under consideration in Congress. It would provide billions of dollars in incentives to transition to clean energy, while ensuring that the lights stay on when we need them most.

With the right investments now, we can build the future we want and need. ■

Christy Walsh is a senior attorney in the NRDC's Climate & Clean Energy Program



Transmission lines outside Wilmington, Del. | © RTO Insider LLC

FERC/Federal News



Lawyers: West Va. v. EPA is ‘Seizure of Power from Congress’

By K Kaufmann

While the U.S. Supreme Court decision in *West Virginia v. EPA* has been called “devastating” for the agency’s ability to curb carbon emissions from existing power plants, its impact could also place tight constraints on congressional efforts to address major issues such as climate change, a panel of legal experts said last week.



Lisa Heinzerling,
Georgetown Law |
Georgetown University
Climate Center

“The most dangerous point of the court’s decision actually is the court’s seizure of power from Congress, not the agency,” Lisa Heinzerling, a professor at Georgetown University Law Center, said during a webinar hosted by the school’s Climate Center on July 5. “Under the

opinion, Congress may no longer enlist agencies’ help in addressing major issues, as it’s done throughout U.S. history, unless it speaks clearly enough for a hostile Supreme Court to hear it. It’s perverse.”

Heinzerling was one of five environmental lawyers on the panel parsing out the details of the decision, the court’s motivations and reasoning, and how environmental and other federal regulations may be able to overcome the obstacles the court’s conservative justices have now put in place.

The 6-3 decision released June 30 ruled that EPA lacks authority to compel generation shifting to reduce carbon emissions, saying the agency failed to provide “clear congressional authorization” for the rulemaking, specifically under the decades-old Clean Air Act. (See [Supreme Court Rejects EPA Generation Shifting.](#))

But Heinzerling and other panelists also said the decision will have impacts beyond congressional or EPA efforts to regulate carbon emissions. William W. Buzbee, who also teaches at Georgetown Law, sees the case as “a major arrogation of power by the Supreme Court to itself and the courts, undercutting the power of agencies to do as Congress instructs.”



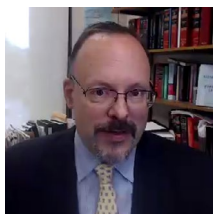
William W. Buzbee,
Georgetown Law |
Georgetown University
Climate Center



AEP’s Conesville power plant in Ohio | [FunksBrother, CC BY-SA-4.0, via Wikimedia](#)

“This is a terrible problem,” Buzbee said. “The court sort of hamstringing agencies and actually makes it hard for Congress.

“The court repeatedly says Congress had to be more clear and more specific,” he said. “The problem there is that agencies often need flexibility, so you don’t want to have very particularized language. And then second, to pass laws, compromises are often needed, and so sometimes, broader language is a way for Congress to pass laws that are needed.”

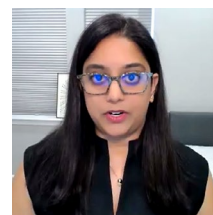


Jonathan H. Adler,
Case Western |
Georgetown University Climate
Center

say, when a federal agency takes a statute that may have been last enacted or reauthorized or amended years ago and seeks to use the provisions to address a new or contemporary problem ... that has not been addressed before or to do something in a way that has not been

done before.”

“This is an enormously important case when it comes to administrative law,” agreed Jeffrey Holmstead, who served at EPA under former President George W. Bush and now leads the Environmental Strategies Group at Bracewell. “In terms of the current debate over climate change, I think it could end up being important for the [Securities and Exchange Commission] in terms of its efforts to mandate additional disclosures regarding greenhouse gas emissions. Maybe it could impact what FERC is trying to do with natural gas pipelines.”



Kirti Datla, Earthjustice
| Georgetown University
Climate Center

their comment letters, to what agencies think that they can do, to the arguments people will raise when challenging what agencies end up doing,” she said.

Kirti Datla, director of strategic legal advocacy at Earthjustice, a non-profit environmental law firm, also sees the decision as having impacts on the regulatory process in general, well beyond EPA. “It’s going to affect everything, from what people ask [an] agency to do in

FERC/Federal News



The Major Questions Doctrine

At the core of *West Virginia v. EPA* is Chief Justice John Roberts's invocation of "the major questions doctrine," which all the panelists saw as problematic, though for different reasons.

"Precedent teaches that there are 'extraordinary cases' in which the 'history and the breadth of the authority that [the agency] has asserted,' and the 'economic and political significance' of that assertion, provide a 'reason to hesitate before concluding that Congress' meant to confer such authority,'" Roberts wrote in the decision.

"The agency must point to 'clear congressional authorization' for the authority it claims," Roberts said.

In terms of EPA's ability to regulate carbon emissions through generation shifting, what this means, Adler said, is that the agency is not losing a power it didn't exercise; "it's rather that the court is expressing skepticism that the power ever existed."

"The court automatically is skeptical of national regulations where agencies address a new problem," Buzbee agreed. "That's always the nature of national regulation; agencies step in to address a problem that hasn't been handled. So, the whole frame of the major questions doctrine is a major problem."

Datla pointed to Justice Neil Gorsuch's concurring opinion as potentially layering on even more constraints for regulation, noting that he said the major questions doctrine is important "because it prevents swings in policy" between different administrations.

"The administrative state, in his mind, should be a set of agencies carrying out very limited

duties that are so detail oriented that they wouldn't shift from one president to the next," Datla said. Justice Elena Kagan's dissent counters this narrow view as not "what the administrative state currently looks like," Datla said.

But for Datla, the more pressing problem with the decision is that after setting out the major questions challenge, 'the majority doesn't provide any sort of test as to what might be adequate to overcome it. It's hard to imagine a case where, when this doctrine applies, the agency will be able to overcome the kind of clear statement rule that is being put forth in this case,' she said.

"Congress has two options going forward," said Heinzerling, who also served at EPA during the Obama administration. "One, it can make major policy decisions itself, or two, it can give clear congressional authorization to an agency to regulate in a particular manner. In fact, I don't think there's a real choice."

The decision "would not allow Congress to pass off a major decision to an agency, even if it really, clearly, in crystal terms passed off that decision to an agency," she said.

For example, if Congress passed a law specifically authorizing EPA to determine if and how to curb GHG emissions, "I think the court would say that such a statute does clearly authorize EPA to decide a major question," Heinzerling said. "That would just take the regulatory action out of the statutory frying pan, so to speak, and hurl it into the constitutional fire."

The Limits of Regulation

Adler sees yet another aspect of the decision's approach to the major questions doctrine

that could have significant impacts on future climate-related litigation. "This concern about showing clear warrant, clear authority in the statute for a major exercise of power is something [Roberts said] the courts should look at upfront" as part of a statutory analysis, he said. "It creates a much broader opportunity for litigants to try and invoke this theory. It gives courts more flexibility in terms of when to consider whether something is a major question."

Still, Holmstead echoed many other industry analysts who have argued that the decision will have minimal immediate impact on EPA's ability to regulate carbon emissions under the Clean Air Act. The decision's rejection of limiting emission reduction regulations to "inside the fence line" of individual generation plants and its seeming endorsement of some form of emissions trading "actually give EPA more flexibility that they thought it had," he said.

He also said the agency has solid authority to regulate carbon emissions from the transportation sector, provided it sticks with the incremental approach it has adopted in the new standards announced at the end of 2021. (See *EPA Rules Will Slash Vehicle Emissions, Rev up EV Market by 2026*.)

The challenge ahead for the agency is "if you look at the other industrial sectors," Holmstead said. "There's not some way that EPA can gradually shift production of cement or iron and steel to newer, cleaner plants. It's a technological problem, not a regulatory problem, and I don't think, beyond the power sector, EPA has really ever developed an effective way to do regulation of industrial sources.

"I don't think the answer for all of the questions we face with climate change are necessarily regulatory," he said. ■

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CAISO/West News

DOE Changes Funding Rules to Help Diablo Canyon Stay Open

By Hudson Sangree

The U.S. Department of Energy approved rule changes Thursday meant to allow California's last nuclear plant to apply for federal aid so it can keep operating beyond its scheduled retirement date.

Pacific Gas and Electric plans to shut down its Diablo Canyon Power Plant in phases starting in 2024, but Gov. Gavin Newsom is hoping to keep it running to deal with potential capacity shortfalls over the next four summers.

Newsom's cabinet secretary Ana Matosantos wrote to Energy Secretary Jennifer Granholm in May, asking that DOE amend its eligibility criteria for the Biden Administration's \$6 billion Civil Nuclear Credit Program (CNC), funded under November's Infrastructure Investment and Jobs Act. The program is meant to assist nuclear plants at risk of closure for economic reasons.

In an April [guidance](#), DOE had said CNC funding is for nuclear plants that participate in competitive energy markets and do not recover more than 50% of their costs from cost-of-service ratemaking. PG&E recovers its Diablo Canyon costs from customers under rate cases approved by the California Public Utilities Commission and would not qualify for CNC funding under that interpretation.

In her letter, Matosantos requested that DOE's guidance be changed to exclude the cost-of-service requirement. The state is facing a shortfall of 1,800 MW during peak summer hours after solar goes offline, she wrote. Diablo Canyon provides 8.5% of

in-state generation and is needed beyond its planned retirement date to maintain reliability as it transitions to 100% carbon-free energy, she said.

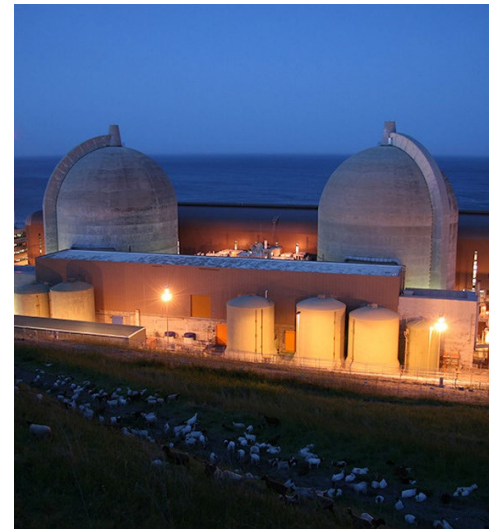
The department's April guidance was "overly broad, especially where cost-of-service does not cover the costs for which funding is being sought." For Diablo Canyon to "extend operations, it would incur significant transition costs over the next four years to perform necessary studies, invest in plant enhancements, and obtain licenses and permits. Yet there is no existing cost recovery mechanism for those transition costs" when PG&E sells output from the plant into CAISO's wholesale electricity market, she said.

Extending operations at Diablo Canyon would "cause significant economic losses" for PG&E "of the sort that the Civil Nuclear Program was designed to address," Matosantos contended.

DOE issued a proposed [guidance amendment](#) for public comment by June 17, and on Thursday it announced it was making the changes requested by Newsom's office "given the request's potential applicability to reactors nationwide."

"The amended guidance revises the eligibility criteria to replace the requirement that a nuclear reactor applying for credits under the CNC Program not recover more than 50% of its costs from cost-of-service regulation or regulated contracts," the department's Office of Nuclear Energy said in a [statement](#). "This change affects the eligibility of reactors who may apply in the first round of awards."

DOE also extended the application deadline for the first round of CNC funding to Sept. 6.



California officials want PG&E's Diablo Canyon nuclear plant to keep operating beyond its planned 2025 retirement to ensure grid reliability. | PG&E

"The amended CNC Guidance supports the intent of President Biden's bipartisan infrastructure law to keep the reactors online that sustain local economies and today provide our nation's single largest source of carbon-free electricity," Assistant Secretary for Nuclear Energy Kathryn Huff said in DOE's statement.

PG&E has yet to commit to keeping Diablo Canyon open and has previously said it plans to move forward with the plant's scheduled retirement, but in comments to DOE it agreed with the governor's requested rule changes and asked for a 75-day extension to apply for CNC funding. A budget trailer bill signed last week by Newsom allocates \$75 million toward keeping the plant open. ■

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CAISO/West News

APS Considering Proposals in Solicitation for 1,500 MW

Utility Seeking up to 800 MW in Renewables

By Elaine Goodman

Arizona Public Service (APS) is considering proposals for energy projects providing up to 1,500 MW to help meet the utility's reliability and clean energy goals.

The 1,500 MW of new resources will include up to 800 MW of renewable energy. APS issued the request for proposals in May, and applications were due Friday.

Arizona's summers are getting hotter, while the state's population and economy are growing rapidly, increasing the demand for electricity, the company said.

In addition, APS made a commitment to provide 100% carbon-free electricity by 2050, with an interim goal of 65% clean energy and 45% renewable energy by 2030. APS' current energy mix is 50% clean.

"This broad market solicitation will help APS

exit from coal-fired generation by 2031 and maintain adequate power supply to serve customers," APS said in a [release](#).

The company's clean energy transition is "anchored by the Palo Verde Generating Station's carbon-free nuclear power," APS said in a [clean energy report](#). Palo Verde is the largest nuclear plant in the U.S., with a capacity of 3,990 MW.

Storage Projects Welcome

APS is accepting applications for projects such as solar, wind, biomass, geothermal, landfill gas or storage, as well as combination projects such as solar plus storage.

In its [request for proposals](#), APS said it would accept proposals providing at least 5 MW per site, but that it prefers projects larger than 200 MW.

The utility is looking for projects that will be in service starting in 2025 or 2026. Proposals

will be accepted for projects being completed in phases, starting as soon as Dec. 1, 2024, and as late as Dec. 31, 2026.

According to the RFP, the resources may be offered through a power purchase agreement, a build-transfer agreement or a load management agreement. Examples of load management projects include behind-the-meter demand response programs or energy efficiency programs.

APS is seeking projects that would interconnect directly to the utility's transmission system.

For renewable resources, APS said it would prefer projects that maximize the amount of energy generated and delivered from June through September and between 3 and 9 p.m. For energy efficiency proposals, APS would prefer projects that reduce demand during those same periods.

For storage projects, APS said it would prefer a project that can deliver the full proposed capacity for more than four consecutive hours.

"In addition, clean, flexible, dispatchable resources are increasingly important in helping APS meet its clean energy goals [and] maintain system reliability, and will be valued accordingly," the RFP said.

Clean Energy Additions

The new resources that APS acquires from this year's RFP will be in addition to 1 GW of clean energy secured through an all-source RFP and separate battery energy storage solicitation issued in 2020.

Those new resources, which will be in service by 2024, include 425 MW of solar power nameplate capacity, 238 MW of wind power nameplate capacity and 635 MW of battery storage nameplate capacity.

The Resource Planning Advisory Council, an APS stakeholder group, helped design the RFP. The group includes representatives of environmental groups, public interest organizations and universities, as well as consumer advocates.

In addition, an independent third party is monitoring the RFP process.

For this year's RFP, APS plans to notify short-list applicants in August and make a final selection in September. ■



APS is seeking up to 800 MW in new renewable resources. | APS

CAISO/West News

PG&E, Tesla Team up on Virtual Power Plant

By Hudson Sangree

Pacific Gas and Electric has invited 25,000 of its customers who own Tesla Powerwall batteries to be part of a virtual power plant (VPP) to reward customers financially and support grid reliability in California.

If most of the customers join, the aggregated storage project could eventually form the “world’s largest distributed battery,” generating the output of a small gas-fired power plant, PG&E said in a news release.

About 1,500 customers have signed up so far, and 3,000 have expressed interest, PG&E said.

“Our customers’ home batteries offer a unique resource that can positively contribute to our state’s electric grid and will become more significant as our customers continue to adopt clean energy technology,” Aaron August, PG&E vice president of business development, said in the statement. “In collaborating with Tesla, we are further integrating behind-the-meter battery-based VPPs on the largest scale yet.”

California has experienced energy emergencies during the past two summers and could continue to see shortfalls of more than 1,700 MW over the next four years, according to CAISO and the state’s Public Utilities Commission. The switch to clean energy has made CAISO’s grid especially vulnerable on hot summer nights after solar ramps down and during wildfires that curtail transmission.

To meet its reliability challenges, CAISO has required aging gas plants as small as 27.5 MW to postpone retirement, and state agencies have approved the continued operation of



Up to 25,000 owners of Tesla Powerwall batteries could participate in PG&E’s pilot program. | Shutterstock

once-through-cooling natural gas plants that harm marine life and had been ordered to close.

FERC and CAISO have made it easier in recent years for distributed energy resources to participate in wholesale electricity markets. DER aggregations are seen as resources that could help offset summer shortfalls in CAISO and other organized markets.

Tesla’s Powerwall batteries manufactured after 2016 have a 13.5-kW capacity, bringing the potential total capacity from all 25,000 PG&E customers to 337.5 MW.

PG&E’s resource portfolio already includes some DER aggregations. As of last year, the utility said its supply included about 150 MW of VPPs used as dispatchable demand

response resources, including as part of its Emergency Load Reduction Program. About a dozen aggregators already qualify to participate in PG&E’s *Capacity Bidding Program*.

The joint effort between PG&E and Tesla could boost such efforts to a new level. Under the program, PG&E will call load-management events, directing participants’ batteries to discharge during high demand from 4 to 9 p.m., May through October. Participating customers will receive a generous \$2/kWh.

PG&E residential customers are eligible for the program if they own a Powerwall, have an interconnection agreement with PG&E and are not enrolled in other DR programs. Customers can use a Tesla app to reserve enough backup power to meet their own needs or opt out of an event, PG&E said. ■

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ERCOT News



ERCOT Flirts with Capacity Shortage

Texas Grid Operator Sets New Marks for Demand amid Heat

By Tom Kleckner

ERCOT flirted with potential disaster Monday after saying it was short on capacity, but system demand was reduced enough to keep the lights on.

Staff had initially projected demand to exceed available capacity by about 3 GW on Monday, with load totaling 80 GW for the first time. However, demand was as high as 78.4 GW before averaging 78.3 GW during the hour ending at 5 p.m. CT.

That was enough to set a record for peak demand, just edging out the mark of 78.2 GW set Friday by 61 MW. It's the seventh time since May that ERCOT has set a new mark for peak demand.

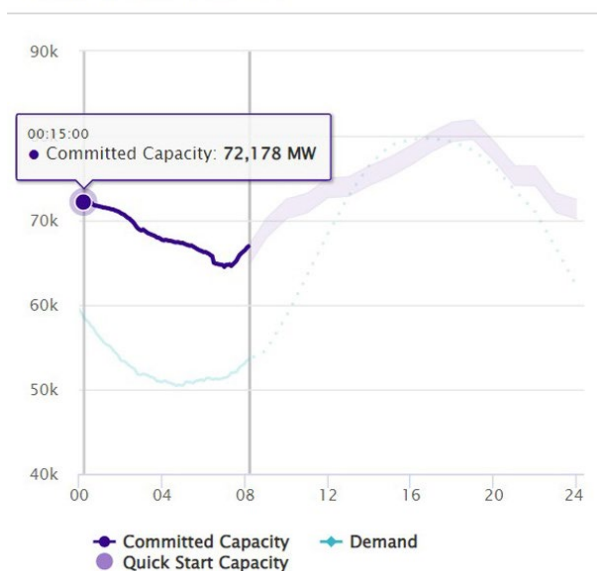
The grid operator's peak load has averaged over 77 GW every day since July 4 and resulted in records for weekend peak demand Saturday and Sunday. Staff in May said they were expecting demand to peak at 77.3 GW in August.

Staff currently expect demand to crack the 80-GW threshold today.

ERCOT is operating under the summer sea-

Supply and Demand

Last Updated: Jul 11, 2022 08:10 CT



The load projects and available capacity for ERCOT Monday morning | ERCOT

	Installed Capacity	Monday (7/11) Tightest Hour (2-3 p.m.)	Percentage of Installed Capacity Available at Tightest Hour
Dispatchable	80,083	67,913	85%
Wind	35,162	2,698	8%
Solar	11,787	9,557	81%

ERCOT's capacity mix heading for Monday | © RTO Insider LLC

son's fifth operating condition notice (OCN), its lowest-level market communication in anticipation of possible emergency conditions. The OCN was effective Thursday and expires today.

On Sunday night, ERCOT made a conservation appeal asking Texans and Texas businesses to voluntarily conserve electricity Monday between 2 and 8 p.m. CT. It also issued a watch for market participants because of a projected reserve capacity shortage during the same time frame, saying there was a risk of an energy emergency alert (EEA).

The grid operator said record-high demand — fueled by sweltering heat that has settled over the region since May and led to numerous high-temperature records — and below-normal wind generation necessitated the conservation appeal. Staff said they only expected less than 3 GW of the more than 35 GW of installed wind capacity, about 8%, to show up Monday.

Solar again provided more than 9 GW of energy during the day, about 81% of its capacity, before the wind picked up later in the afternoon. ERCOT also deployed 663 MW of non-spinning reserves, the third straight day it has called on the service. It was recalled at 4:38 p.m.

Operating reserves stayed comfortably above 3 GW during most of the day.

ERCOT's operations center sent

the *watch notice* to market participants at 9 p.m. Sunday. Underscoring the gravity of the situation, it followed by minutes the *conservation appeal* that was the first public communication since ERCOT tweeted out a conservation statement in May that was later termed "just a request." (See *ERCOT, PUC Say Texas Ready for Summer*.)

The grid operator said conservation is a reliability tool that it has deployed more than four dozen times since 2008. It is issued when projected reserves may fall below 2.3 GW for 30 minutes or more.

A watch indicates that reserves may fall below a 2.3-GW threshold and are not expected to be recovered within 30 minutes. The next step is a Level 1 EEA under which ERCOT can call on power supplies from other grids and anything else that is available.

The grid operator set four marks for peak demand in June, the last coming on June 23 at 76.6 GW. The previous record had been 74.8 GW, set in August 2019.

Much of the state remains under heat advisories as a ridge of high pressure sits over the Southwest. Houston smashed a record that dated back to 1909 on Sunday when temperatures reached 109 degrees Fahrenheit, 4 degrees higher than the previous mark.

Almost all of Texas saw triple-digit temperatures again on Monday.

Prices in the day-ahead market were going for \$2,000/MWh. They hit a peak of nearly \$745/MWh around 2 p.m. ■

ERCOT News



ERCOT Briefs

Peak Demand Hits Record 77.7 GW as Summer Heat Returns

The heat is back on in Texas after a brief respite, with ERCOT again setting records as peak demand reached the extreme estimates of the ISO's resource assessments issued this spring.

The Texas grid operator set a new high for peak demand July 5 when load averaged 77.5 GW during the hourlong interval ending at 5 p.m. CT. Load was as high as 77.7 GW at one point, breaking the previous record of 76.6 GW set just last month.

The record is not expected to last long. ERCOT is *projecting load* to exceed 76 GW each day into this week.

When staff issued its final seasonal assessment of resource adequacy in May, they assumed an extreme scenario of demand hitting 81 GW and thermal outages exceeding 4 GW, leaving about 6 GW of reserves. About 7.1 GW of thermal resources were offline the morning of July 5.

The grid operator on July 5 issued the summer season's fifth operating condition notice (OCN), its lowest-level market communication in anticipation of possible emergency conditions, because forecasts indicate temperatures will be above 103 degrees in the North Central and South Central weather zones. The OCN went into effect Thursday and will last through at least today.

ERCOT set four marks for peak demand in June, the last coming on June 23 at 76.6 GW. The previous record had been 74.8 GW, set in August 2019.

PUC OKs DER Pilot Project

Texas Public Utility Commissioner Will McAdams last month unveiled a *three-step proposal* for a distribution-level pilot project on distributed energy resources. The process began with a workshop Monday at the commission to establish goals and scope.

McAdams said during a June 30 open meeting that he has drawn up a list of 32 entities that might participate in the voluntary pilot project. He is also accepting requests from other entities, including those in ERCOT's non-opt-in regions.

Noting that nearly 3 GW of distributed generation is already in the ERCOT footprint, McAdams recommended creating a task force to discuss and observe the pilot's implemen-



Texas lawns are taking a beating during the summer of 2022. | © RTO Insider LLC

tation and to discuss obstacles the PUC may have to put aside. He is also urging that a target implementation date, based on stakeholder feedback, be set.

PUC Chair Peter Lake said, "Nothing teaches like experience, so the sooner you get something in the field, the more you learn faster."

McAdams and Commissioner Jimmy Glotfelty are also pushing a parallel proceeding to more efficiently interconnect DERs at the distribution level (51603).

Tesla has been pushing the pilot project as a means of "harnessing" the full potential of DERs as load-modifying and exporting devices dispatchable under ERCOT's command and control. It recently conducted a virtual power plant demonstration in North Texas in which it aggregated about 60 customers into a single load zone. The company collaborated with ERCOT staff to set parameters specific to the grid operator's operations and dispatch rules.

"This is not about one company," Glotfelty said. "We want this to be broad and diverse."

ENGIE, Viridity Appeal vs. ERCOT Proceeds

The PUC during its meeting also approved an appeal by ENGIE and Viridity Energy Solutions of ERCOT's alternate dispute resolution determination regarding ancillary services' settlements during the February 2021 winter storm. The commission directed ENGIE and Viridity to supplement their complaint with additional information (53377).

Viridity alleges that it was not compensated for providing responsive reserve service (RRS) during the storm and is owed between \$64.7

million and \$140.55 million. ENGIE claims it was improperly charged about \$47.7 million for failing to provide RRS as required.

Both parties filed their arguments in writing, but the PUC rejected the request for an oral hearing. As is standard practice, the commission declined to give a reason for the denial. It has yet to file an order with details on future actions.

An administrative law judge in May rejected ERCOT's assertions that the appeal was administratively incomplete.

Steam Unit Goes Seasonal

ERCOT has received notifications from two generation resources that they will soon be suspending operations.

Greenville Electric Utility System told the grid operator on July 1 that one of its steam units, GEUS 1, is ending year-round operations to become a seasonal unit, with its operations period running from June 1 until Sept. 30

The unit has a summer seasonal net max sustainable rating of 17.5 MW. It went into operation in 2010.

Last month, OCI Solar Power told the grid operator a 1 MW storage system will be decommissioned and retired permanently as of Nov. 17. The battery is part of OCI's Alamo solar facility for San Antonio's CPS Energy.

It is part of OCI's Alamo Project that provides CPS Energy with 573 MW of solar power. It was the largest solar project in the U.S. when it was developed. Alamo 1 began commercial operations in 2013. ■

— Tom Kleckner

ISO-NE News

Markey, Others Grill ISO-NE over Markets, Transparency

By Sam Mintz

A high-ranking ISO-NE official sat down with some of the RTO's biggest critics last month, who pushed her on the RTO's clean energy efforts, market rules and transparency.

Anne George, ISO-NE vice president for external affairs, defended the organization and answered questions lobbed at her by a group of stakeholders in the energy industry and from environmental groups at a roundtable put together by U.S. Sen. Ed Markey (D-Mass.), who himself has offered frequent critiques of the grid operator. (See [Mass. Democrats Take on ISO-NE over MOPR](#).)

"Instead of a renewable energy superhighway for the modern era, our grid is a one-lane road that would still be recognizable to Henry Ford," Markey said in kicking off the meeting.

He also noted that Massachusetts trails North Dakota in renewable energy generation and that he's carefully watching news about ISO-NE possibly reviving winter reliability programs to subsidize fossil generators, as well as a FERC investigation into the RTO's role in capacity market fraud. (See [ISO-NE Weighs Reviving Reliability Programs for this Winter](#) and [Developer in ISO-NE Hit with FERC Fine for Capacity Market Fraud](#).)

George said that ISO-NE is "committed to having full conversations with the region" about the markets and decarbonization goals of the states, touting the grid operator's recent vision statement and its work on the Pathways to the Future Grid study.

Who's Responsible for Fixing the Markets?

George defended the role of the markets in growing the region's renewable energy footprint, arguing that siting has been a primary challenge and that states need to step up in finding ways to get projects built.

"There's a lot that has come on in places where it's easier to site," she said.

Another factor George cited: developer recalcitrance.

"Our markets are open to all of these resources to come in. It's just a question of when the developers want to come in," she said.

And she repeated a frequent ISO-NE refrain about the importance of natural gas for the region's near future.



Sen. Ed Markey talks with ISO-NE official Anne George and other New England energy stakeholders. | Sen. Ed Markey via Twitter

"Natural gas isn't necessarily an evil thing. It's providing reliability. It's oftentimes at lower cost, and it's going to be here for the foreseeable future. We don't have enough [clean energy] resources ready to go. They haven't even tried to come into the market because of their development timelines," George said.

Greg Cunningham, a vice president at the Conservation Law Foundation, pushed back by noting ISO-NE's failure to move forward on requests from the states to create a central clean energy mechanism.

"I blanch a little bit when I hear ISO-NE saying the region needs to act," he said. "The states have, in essence, petitioned ISO-NE to make change, to make it happen. And it's not. And that's where principal frustration lies."

"When we do make a decision, we get criticized," George shot back. "When we say we're going to listen to people, we get criticized. At some point, you have to reconcile those positions."

She reiterated that the RTO has been supportive of a net carbon pricing solution for the region, which would rely primarily on states to enact; the states have been reluctant because of political challenges associated with carbon pricing.

Jeremy McDiarmid, vice president at the Northeast Clean Energy Council, floated a solution at a higher level: add the transition to clean energy to the list of legal responsibilities of RTOs, in addition to maintaining reliability

and markets.

"ISO could provide leadership to the states with their voice and their actions," he said.

Transparency at the Forefront

An oft repeated subject at the meeting was transparency, an area where ISO-NE is widely thought to trail behind its counterparts in other regions of the country. NEPOOL's stakeholder meetings are not open to the public.

"It saddens me to say that ISO-NE is an outlier in terms of public accessibility," said Tyson Slocum, a consumer advocate and director of Public Citizen's Energy Program. "At PJM, any member of the public can attend any of the meetings for free and be able to speak at the meetings where deliberations about tariff design and market design are taking place."

Amy Boyd, director of policy at the Acadia Center, said that it's "crucially important for the communities who are going to be ... ultimately the consumers of both the energy and air that all of this affects to be involved in a lot of those discussions."

"Right now, most meetings on regional decisions are not public, nor understandable by the public. Statements made in those meetings are not publicly reported," Boyd said.

She laid out one concrete idea for starting to address the lack of transparency: that ISO-NE include in all of its proposals information about the expected impacts on state policy, including

ISO-NE News

decarbonization, consumer costs and environmental justice.

“Including a short assessment of the impacts that ISO sees would help states and consumers openly discuss the benefits and tradeoffs of proposals on the table before them,” Boyd said.

Rebecca Tepper, chief of the energy and environment bureau in the Massachusetts Attorney General’s Office, said that ISO-NE should find ways to bolster participation from the states, including possibly funding a position through its tariff to serve as an interface with consumer advocates.

George noted that NEPOOL is a separate entity from ISO-NE, and one that actually predates it, with its own governing rules.

But Slocum, Markey and others in the room

didn’t accept that fact as absolving the grid operator from responsibility.

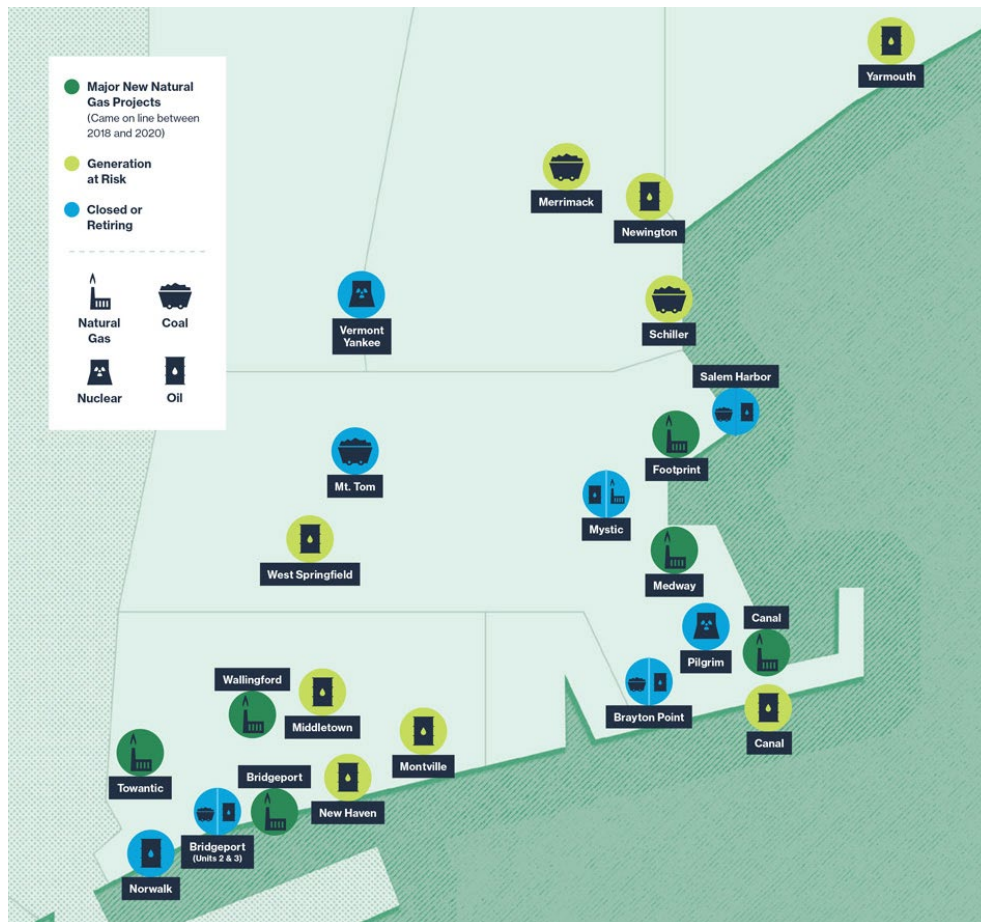
“ISO-NE could say publicly and firmly, we need a stakeholder process that any member of the public could participate in,” Slocum said. Or the grid operator could ask FERC to change the stakeholder process to prioritize inclusion, he said.

Markey called the New England energy stakeholder process one that is “controlled by the priesthood of experts.”

“We’ve got to break up NEPOOL. They’ve got a vice-like grip over this secretive process,” said Markey, saying he’d like to see a poll of NEPOOL members to find out which of them are opposed to more transparency and public participation.

“We’ve got to break up NEPOOL. They’ve got a vice-like grip over this secretive process.”

—U.S. Sen. Ed Markey (D-Mass.)



New England’s major new and retiring resources | ISO-NE

Looking Forward at 25

As George was facing down questions about ISO-NE’s future, the grid operator itself was preparing to release a document looking ahead and painting its role in a rosier light.

The RTO published its *Regional Electricity Outlook* on July 5, the 25th anniversary of its inception.

The presentation lays out four key pillars for the region’s future: “significant amounts of clean energy resources, sufficient balancing resources to ensure reliability, a reliable fuel supply or energy storage reserve, and a robust transmission system.”

It puts forward graphics about the resources that are coming to the grid in New England and leaving it. And it describes the vulnerabilities that ISO-NE has been worrying over and working on fixing, like fuel constraints and extreme weather.

“Over the last 25 years, ISO New England has laid the foundation to support the four pillars discussed in this report, and the region is already well along the path to a clean energy future,” wrote CEO Gordon van Welie and Board of Directors Chair Cheryl LaFleur. “As we keep our eyes on the horizon, New England has an opportunity to serve as a model for what a sustainable, reliable and efficient transition can look like.” ■

Northeast news from our other channels



NY Governor Signs Clean Building Codes, Thermal Networks Legislation



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ISO-NE News

ISO-NE Sends New DER Interconnection Proposal to FERC

ISO-NE sent *new proposed rules* on distributed energy resource interconnection to FERC for approval last month.

Currently, some DERs use the ISO-NE interconnection process, while others use distinct state interconnection processes, a disconnect that the grid operator says “results in multiple coordination problems and inefficiencies that in some cases result in adverse outcomes for DER developers.”

To solve that problem, ISO-NE is proposing that all new DERs proceed through the applicable state processes.

Transmission owners are currently responsible for determining whether new DERs have to use the state or RTO process, and they use different mechanisms and assumptions, ISO-NE said. The large number of DERs coming online has also made it “increasingly difficult for the [TOs] to track the status of thousands of feeders throughout New England.”

During NEPOOL stakeholder meetings, an ISO-NE official called the process “extremely challenging and time-consuming.” (See “DER



ISO-NE is proposing new rules for DER interconnection. | Shutterstock

Interconnection Process,” *NEPOOL Transmission Committee Briefs: March 23, 2022.*)

become effective on Aug. 28. ■

ISO-NE requested that its tariff revisions

—Sam Mintz

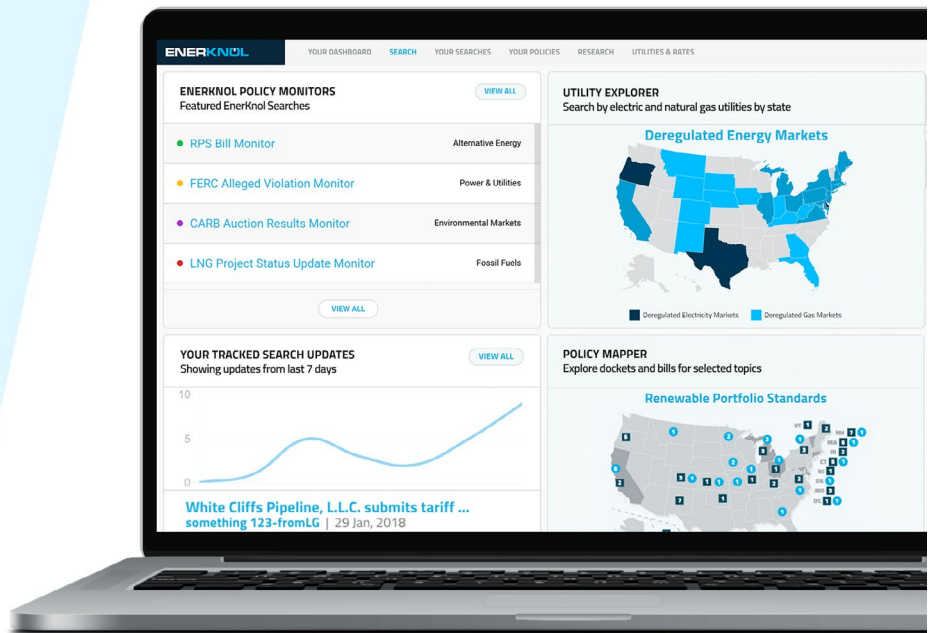
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ISO-NE News

Mass. AG, Public Citizen Raise Alarm Over Proposed Generation Deal

By Sam Mintz

Massachusetts Attorney General Maura Healey and consumer group Public Citizen are raising market power concerns over a Japanese company's plan to buy three gas-fired power plants in New England.

The investment firm Stonepeak asked FERC June 1 for approval to sell two units at Canal Generating Station in Sandwich, Mass., totaling 1,457 MW, and another 160-MW unit in Bucksport, Maine, to JERA, a joint venture between two Japanese utilities (*EC22-71*).

The AG and Public Citizen say the acquisition would give JERA, which already owns 50% of two other gas units totaling more than 400 MW in Massachusetts, too large a share of the generation market.

"The proposed transaction would by definition result in some degree of increased concentration of power generation ownership in New England and New York, and significant concentration of power generation capacity ownership in the import constrained SENE Capacity Zone of ISO-NE," *Healey wrote in a comment*.

After the transaction, JERA would own more than 18% of the capacity cleared in the Southeastern New England zone.

The application also didn't consider whether JERA would try to get reliability-must-run or other out of market payments, Healey wrote.

She called on FERC to comprehensively review the application — and to take its time by rejecting a request from the companies for expedited consideration and approval by Aug. 1.

Public Citizen's protest reiterated those issues and raised others.

The deal "looks like a pretty big bet to make lots of money off ISO-NE's capacity market, and likely prolong the life of some fossil fuel power plants," Public Citizen's Energy Director Tyson Slocum wrote in an email to *RTO Insider*.

Slocum said that the deal raises questions about the concentration of voting in ISO-NE's NEPOOL stakeholder process.

"Since NEPOOL membership conveys the ability to influence market design in ISO-NE (and therefore directly impacts rates), details on how exactly JERA plans to participate as a voting member in NEPOOL post-transaction is needed to determine whether the transaction is in the public interest," the protest says.

Public Citizen says the company should disclose its plans for NEPOOL representation, as well as sharing the transaction price.

"We object to the confidential treatment of the sales price of the transaction, and ask the commission to release it," Slocum wrote. "The purchase/sales price of power generation transactions reveal information essential to the public interest about the buyer's expectation of economic return of the asset."

Defending the Deal

In the application, the companies laid out why they believe the acquisition is not a threat to competition, using analysis from consultant Julie Solomon of Guidehouse.

Solomon found *de minimis* effects on competition in the market, while acknowledging that it



The Bucksport power station, one of three New England generators JERA wants to acquire | JERA

would increase the market share of generators affiliated with JERA to 6.4% in ISO-NE and 18% in the Southeast zone.

The company also *replied to Public Citizen's protest*, calling them "extraneous" arguments and asking FERC to dismiss it.

"Public Citizen does not raise any issues that would prevent the commission from authorizing the transaction as requested in the application," the filing says. "Instead, Public Citizen seeks to use this proceeding to address other matters, including by means of imposing conditions that have no place in a proceeding under [Federal Power Act] Section 203." ■

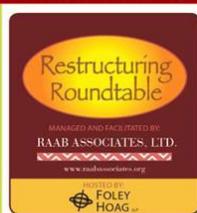
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MISO News

Entergy Proposes \$1.2B in New Orleans Resilience Investments

Filing to City Council Follows Ida Restoration Controversy

By Holden Mann

Entergy's New Orleans division on July 5 unveiled a plan aimed at hardening the bulk electric system in preparation for future storms in the city.

The proposal comes in light of the "increased frequency and severity" of extreme weather events that are causing "greater costs and disruptions" to electric customers on the Gulf Coast, the utility said.

In the proposal, submitted to the New Orleans City Council last month, Entergy identified nearly 900 projects across its distribution and transmission systems that would have a beneficial resilience effect. The planned upgrades would affect more than 33,000 structures and almost 650 line-miles and would cost almost \$1.3 billion over the next 10 years.

Entergy's filing repeatedly referenced the devastation wrought last year by Hurricane Ida, which struck the Gulf Coast in August and caused more than 1.2 million electricity customers across eight states to lose power, according to the [Energy Information Administration](#). Nearly a million of those customers were in Louisiana, including a complete blackout of Greater New Orleans after a "catastrophic transmission failure" cut all eight transmission corridors into the city. (See [Entergy Investigations Certain to Follow Hurricane Ida Restoration](#).)

Council Ordered Resilience Plan

Following the storm, the city council [ordered](#) Entergy to submit a "system resiliency and storm hardening plan" detailing how it would prevent future natural disasters from causing such severe impacts. The council's resolution also referenced the high costs to Entergy's ratepayers associated with repairing storm damage; this was a frequent cause of complaint among city officials in the weeks after Ida, who also asked why previous Entergy projects that were supposed to improve resilience seemed to have no effect in practice. (See [New Orleans Seeks FERC Inquiry into Entergy Planning Practices](#).)

In its filing, Entergy avoided these adversarial characterizations, painting itself as a partner in suffering from recent storms' destructive powers, and an ally to the city council in attempting to alleviate their impacts on the people of New Orleans.

"Over the last five years, major hurricanes have

become more frequent and intense, and slower and wetter, further increasing the potential for devastation," Entergy said. "Additionally, coastal erosion caused by severe storms, among other things, has increased the vulnerability of New Orleans by removing an important wetlands buffer. In short, the increasingly frequent threat of severe weather poses an existential threat to the region, including New Orleans."

The grid hardening projects identified by Entergy include 184 "rebuild projects" in the distribution feeder category, which involve the "evaluation and potential rebuilding or replacement of every asset in the protection zone to bring such assets up to the company's current design standards." Another 674 rebuild candidates were found among distribution laterals, while the utility also noted 30 potential overhead line burial projects.

Among the distribution projects is a feeder rebuild in Algiers, involving the hardening of 324 structures along nearly four line-miles. Another is an overhead-to-underground project involving a third of a mile of line in the Tremé/Lafitte area, affecting 611 customers.

Entergy also noted two transmission rebuild projects that would "have positive benefit to cost ratios and fall within the optimized budget." These are the Front Street to Michoud 230-kV line, which would provide "an additional connection to the eastern interconnect ... that allows for additional flexibility to operate during and after a major event." The other project is the Gulf Outlet to Air Products 69-kV line, which would replace several structures along about a mile of transmission line.

Cost Recovery Rider Proposed

To pay for the proposed upgrades, Entergy proposed a cost recovery rider to "provide a stable, long-term recovery mechanism that could be used over the 10-year period of the projects." The rider — dubbed the "Resiliency Rider" by Entergy — is patterned on the Purchased Power and Capacity Acquisition Cost Recovery Rider and the Securitized Storm Cost Recovery Rider, which Entergy used to recover its investment in the Union Power Block 1 and the Hurricane Isaac storm restoration, respectively.

Perhaps anticipating further complaints about passing along the costs of resilience investments to customers, the utility noted that



Utility workers restore downed power lines in Louisiana following last year's Hurricane Ida. | Entergy

credit ratings agencies downgraded Entergy New Orleans "several times" after Hurricane Ida, with further downgrades a possibility "if financial pressures are not mitigated and system resiliency is not enhanced." Entergy argued that accomplishing the latter without alleviating the former may not be possible with the resources currently available.

"Credit ratings directly affect [Entergy's] cost of capital investment and overall customer rates," Entergy said. "Without timely and efficient cost recovery for the projects presented herein, [Entergy's] financial health likely would be further compromised given the amount of the expenditures involved over an extended period."

Entergy executives sought to position the proposal as a proactive measure to upgrade and modernize the grid ahead of future storms, while attempting to soften expectations by pointing out that "no amount of infrastructure investment can make an electric system completely resistant to the impacts of extreme weather conditions." In a [press release](#) Deanna Rodriguez, CEO of Entergy New Orleans, said the utility expects to work with the city council to finalize the project list and its financial backing.

"While investments to harden the grid carry a significant cost, they result in substantial customer benefits in the long run," Rodriguez said. "Robust investments in grid resiliency will reduce the duration of power outages following major storms and will also reduce future storm restoration costs. Our objective is two-fold: the hardening of the New Orleans grid and how quickly we get power back on for customers." ■

MISO News

MISO Monitor Prescribes 5 New Fixes in Annual Market Report

By Amanda Durish Cook

MISO is currently evaluating five new recommendations from its Independent Market Monitor that include transmission reconfiguration plans, reducing out-of-market commitments, a future-looking dispatch model and ensuring the RTO only pays for real load reductions.

Monitor David Patton, Potomac Economics' president, issued five new recommendations last month as part of his 2021 State of the Market [report](#).

The Monitor says MISO should:

- work with its transmission owners to identify and implement economic transmission reconfiguration plans to better manage congestion;
- evaluate and restructure its unit commitment process to reduce out-of-market commitments and ensuing make-whole payments;
- develop a multi-hour, look-ahead dispatch and commitment model to better manage fluctuations in net load and decisions on using storage resources;
- improve rules around demand participation in energy markets so that MISO only pays for load reductions that occur; and
- consider classifying load-modifying resource (LMR) curtailments as short-term demand in pricing models and the unit dispatch system.

The last recommendation comes after Patton noticed that LMRs are allowed to set real-time energy prices long after emergency conditions have passed. He said that's because of MISO's extended marginal locational pricing (ELMP) model respecting resources' ramp rates, which makes it impossible to replace a large volume of LMRs within a single dispatch interval. He said if the RTO would treat LMRs as an operating reserve demand in the ELMP model, it would eliminate the need for other resources to ramp up and replace them.

Patton said he also believes an hours-ahead dispatch model will be a "key component of the MISO markets' ability to economically and reliably manage the transition of its generating portfolio."

MISO's out-of-market commitments and the associated revenue sufficiency guarantee costs increased "substantially" in 2021, Patton said

in calling for staff to examine their commitment process.

"Our analysis indicated that most of these commitments were not ultimately needed to satisfy MISO's energy, operating reserves and other reliability needs," he said.

Finally, Patton said MISO should get a better handle on its demand response resources.

"In the past few years, we have identified a number of cases where demand response resources or energy efficiency resources were paid substantial amounts for load reductions that were not realized," he said in the report.

While he said some of the problem is because of "conduct of the resources," he also said some of the issue can be ascribed to "suboptimal tariff and settlement rules." MISO could use better settlement calculations "to ensure that the estimated load reductions truly represent the additional load that would have existed but for the demand response resource," Patton said.

MISO is set to review with stakeholders the report's recommendations and its initial response during an Oct. 13 Market Subcommittee [meeting](#). MISO spokesperson Brandon Morris said the grid operator's executive leadership will deliver a formal response to the recommendations during the Board of

Directors' Markets Committee meeting in early December.

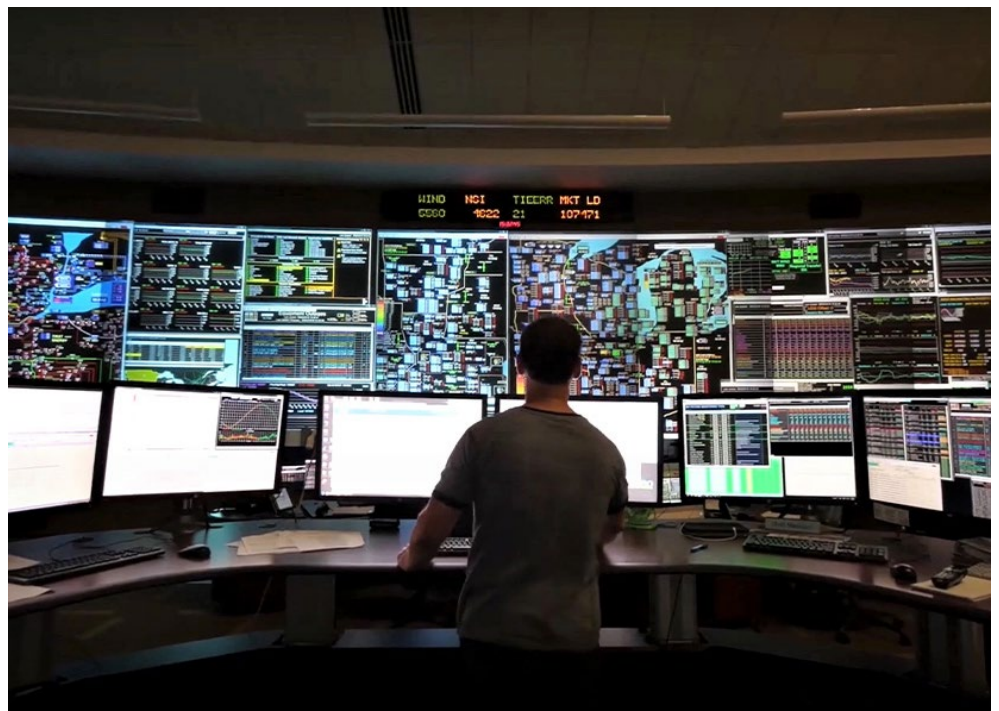
Under its tariff, the RTO has 120 days to make a public response to the annual report's recommendations.

In the meantime, MISO and its transmission owners continue closed door meetings of the new Reconfiguration for Congestion Cost Task Team (RCCTT) that was formed at the beginning of the year. The group focuses on plans to reroute transmission flows during times of heavy congestion costs and could address Patton's first recommendation. (See "RTO Forms Task Team for Tx Reconfigurations," [MISO Planning Subcommittee Briefs: Feb. 8, 2022.](#))

The nonpublic RCCTT maintains a monthly list of the footprint's top congested constraints.

Some stakeholders have said MISO is about a decade away from significant new transmission that can manage increasing congestion. Reconfiguration plans are desperately needed in the interim.

Patton delivered a presentation on the Monitor's report last month where he focused on his longstanding recommendation that MISO adopt a sloped demand curve in its capacity auction. (See [MISO Warning to Patton's Sloped Demand Curve.](#)) ■



MISO control room | MISO

MISO News

MISO Stakeholders Push to Keep LOLE Working Group

By Amanda Durish Cook

MISO stakeholders say the grid operator's plan to fold a stakeholder group dedicated to loss-of-load estimates into its resource adequacy subcommittee by year's end will result in papering over a full risk picture.

They said there's good reason to keep the Loss of Load Expectation Working Group (LOLEWG) because it helps shape the annual LOLE study and the Resource Adequacy Subcommittee (RASC) reviews the results with little opportunity for stakeholder input.

Travis Stewart, representing the Coalition of Midwest Power Producers, said LOLE discussions are "proactive" in the working group and "reactive" in the subcommittee.

"The intention is not to decrease transparency, but this move certainly will," Stewart said. "Stakeholders are not asking for a yeoman's work here. We're really just asking for three to four meetings per year."

Lynn Hecker, MISO's senior manager of resource adequacy policy, said there's substantial overlap of LOLE issues between both groups. She said MISO would be more efficient if it retires the LOLEWG by the end of the year and rolls discussion into RASC meetings, adding that staff already double-posts its study progress to both groups. (See [MISO Moves to Disband Stakeholder Loss of Load Group](#).)

"This is not intended to reduce transparency or discussion by any means," Hecker told the working group during a teleconference Thursday. She said MISO could schedule additional workshops to tackle the LOLE study's more technical aspects.

Multiple stakeholders asked that MISO host the LOLEWG for at least another year.

Xcel Energy's Kari Hassler pointed out that the RTO has already cut the number of RASC meetings from 12 to eight each year and that the meetings frequently run over agenda timeslots. She said she didn't see how the RASC could take on another working group's tasks.

"It seems like we have a lot of LOLE issues to address if the [seasonal auction and accreditation] is approved," she said. "I very much want to maintain the LOLE working group."

Hecker said staff will collect more stakeholder feedback on retiring the working group over



AES Indiana's 671-MW Eagle Valley combined-cycle gas turbine power plant in Martinsville, Ind., opened in 2018. The plant has since encountered technical issues and has been on an outage for more than a year. | AES Indiana

the next two weeks and factor that into a final decision.

The grid operator is morphing its LOLE study into a seasonal calculation that includes four separate planning reserve margin requirements. It's adding seasonal inputs to its LOLE model for the 2023/24 planning year, assuming FERC approval of seasonal capacity auction and resource-accreditation design proposals.

MISO resource adequacy engineer Darius Monson said staff will now calculate additional cold-weather outages by adding a forced outage adder for extremely cold temperatures. Previous LOLE estimates didn't include extra generation outages brought on by plummeting temperatures, leading to an undercount of generation outages.

Some stakeholders said it's still unclear how MISO will crunch LOL estimates to wind up with four separate planning reserve margin requirements.

With its recent capacity auction shortfall,

MISO has an annual value of a one-day-in-5.6 years loss-of-load risk instead of its one-day-in-10 years target.

The LOLEWG is scheduled to meet again Sept. 6. ■

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MISO News

Entergy Offers Regulators \$588M to End Grand Gulf Complaints

By Amanda Durish Cook

Entergy has extended a \$588-million settlement offer to regulators in Arkansas, Louisiana and Mississippi over allegations it took advantage of customers through its Grand Gulf Nuclear Station's energy sales, although some in oversight roles are unhappy with the proposed deal.

The [settlement offer](#) stands to resolve more than a dozen FERC dockets filed since 2017 relating to performance and accounting issues at the 1,428-MW Grand Gulf plant in southwestern Mississippi. Entergy said it was making the settlement public as soon as possible because of the dockets involved.

The arrangement would have Entergy admitting no wrongdoing and remitting \$235 million to the Mississippi Public Service Commission, \$142 million to the Arkansas Public Service Commission, \$116 million to the New Orleans City Council, and \$95 million to the Louisiana Public Service Commission.

The settlement also stipulates that effective July 1, Entergy won't roll its executives' bonuses into costs it passes on to customers. Entergy called the proposal a "comprehensive and reasonable effort" to resolve its legal disputes at FERC.

It's unclear how much of the refunds would ultimately flow to ratepayers. Entergy said it offered the settlement to address uncertainty and further legal expenses.

Grand Gulf station boasts the largest nuclear reactor in the nation. Majority owner and Entergy subsidiary System Energy Resources, Inc. (SERI) sells most of the output at whole-

sale to Entergy's Arkansas, Louisiana, Mississippi and New Orleans operating companies.

For years, the Louisiana, Arkansas Public Service Commission and New Orleans regulators have complained about mismanagement and substandard operations at Grand Gulf and sought more than \$1 billion in refunds and rate reform for costs passed on to Entergy customers. They said that despite expensive upgrades, the plant has been plagued by frequent outages at customers' expense. (See [Entergy Regulators Ask FERC to Settle Grand Gulf Dispute](#).)

The regulators also accused Entergy and SERI of massaging accumulated deferred income tax numbers to overcharge customers, overbilling ratepayers for Grand Gulf's sale-leaseback arrangement, and recovering the costs of lobbying, image advertising and private airplane use in rates through the plant's sales agreement.

The Nuclear Energy Institute's [data](#) show Grand Gulf is the nation's worst-performing nuclear plant, with a 66.3% capacity factor from 2018 to 2020. Grand Gulf's last-place finish is well below the 77.9% capacity factor of Michigan's Fermi 2, the next least reliable unit in the country.

Mississippi Accepts, NOLA Scoffs

Louisiana's PSC, which has spearheaded many of the grievances, plans to discuss the settlement offer during its July 27 meeting. The commission doesn't yet have a stance on the settlement.

"While financial settlements could benefit customers short term, the reason we take on these legal battles at FERC is to ensure that the practices of utilities we regulate are

aligned with what is best for their customer's long term," Commissioner Craig Greene [tweeted](#) Thursday. "I personally want to ensure any settlement, or decision not to settle, focused on that principle."

In a [press release](#) late last month, Entergy said Mississippi regulators have agreed to the settlement. Entergy said \$200 million of Mississippi's refund would offset customers' high fuel prices from other Entergy generation. It has reserved \$35 million for distribution as part of an \$80 bill credit per ratepayer.

"By resolving these issues, we can focus on the long-term future of Grand Gulf Nuclear Station to ensure it remains the critical, emissions-free power source it is to serve our customers," Entergy Mississippi CEO Haley Fisackerly said. "With natural gas prices having tripled over the last year, raising customer power bills as a result, the low-cost power we get from Grand Gulf is a financial lifeline to our customers right now."

Entergy said it hoped other states involved in the dispute will "follow Mississippi's lead and seek to settle the remaining claims." The utility's other regulators could take the settlement or hold out for larger refunds through the 13 FERC proceedings, many of which the commission has yet to act on.

The New Orleans City Council has not accepted the settlement. In a [statement](#), Council Vice President and Utilities Committee Chair J.P. Morrell said the offer was "deemed well below what the ratepayers were entitled to based upon the council's litigation posture."

"This filing was a ridiculous attempt by Entergy to sandbag the city council and mislead the other regulatory agencies in Louisiana and Arkansas into a bad settlement," Morrell said. "As utility bills continue to spiral out of control in New Orleans, for Entergy and Entergy New Orleans to try to manipulate us into taking less than ratepayers are entitled to is beyond offensive."

Morell also questioned Entergy's tactic of publishing the settlement during legal negotiations. He said it gave him "great pause in whether further negotiations are in the public's best interest."

In an emailed statement to *RTO Insider*, the Arkansas commission said it's currently reviewing Entergy's offer. It noted that it has until Aug. 1 to file comments on the matter at FERC. ■



Grand Gulf nuclear station in Port Gibson, Miss. | Entergy

PJM News



Court Blocks Pa. from Joining RGGI

Preliminary Injunction a Win for Republicans, Coal Generators

By Rich Heidorn Jr.

A Pennsylvania judge on Friday blocked Gov. Tom Wolf's effort to enter the Regional Greenhouse Gas Initiative (RGGI), saying opponents were likely to win their argument that the administration's plan required legislative approval.

Commonwealth Court Judge Michael Wojcik issued a *temporary injunction* in response to petitions by the coal industry, operators of the Keystone and Conemaugh plants, and others.

Wolf in 2019 ordered the state's Department of Environmental Protection (DEP) to develop a rulemaking to enter RGGI, and the Environmental Quality Board (EQB) adopted it in July 2021. But the Republican-dominated Senate and House of Representatives approved resolutions rejecting the rulemaking under the Regulatory Review Act. Their action prompted a veto by Wolf, which the GOP was unable to override.

Opponents — including the Pennsylvania Coal Alliance, the United Mine Workers and other unions — then turned to the court.

The challenge centers on whether the proceeds resulting from the rulemaking's required purchases of CO₂ allowances constitute a tax or a regulatory fee. The rulemaking required fossil fuel-fired electric generating units



Conemaugh Generation Station | *Dj245, CC BY-SA 3.0, via Wikimedia Commons*

(EGUs) of 25 MW or larger to purchase allowances for each ton of CO₂ emitted through quarterly auctions, with a declining CO₂ allowance trading budget.

The Air Pollution Control Act (APCA) allows the executive branch to impose fees to cover the costs of administering its air pollution control program, but only the General Assembly has the authority to levy taxes.

"We reject [former DEP] Secretary [Patrick] McDonnell's argument that the allowance auction proceeds do not constitute a tax because covered sources pay RGGI Inc. for the allowances purchased and not the commonwealth," Wojcik wrote. "It is undisputed that the auction proceeds are remitted to the participating states."

Wojcik said McDonnell was "unpersuasive" because the auction proceeds will go to the Clean Air Fund "and DEP anticipates significant monetary benefits from participating in the auctions." He cited DEP's estimate that only 6% of the proceeds from the CO₂ allowances auctions would be for the costs of administering the CO₂ Budget Trading Program: 5% for DEP and 1% for RGGI.

From 2016 to 2021, the Clean Air Fund annually maintained between \$20 million and \$25 million. But estimated receipts for the 2022/23 budget year, with RGGI, exceed \$443 million — more than double DEP's total budget of about \$169 million.

The court considered several questions, including whether the injunction is necessary to prevent immediate harm that cannot be compensated by money damages. The petitioners said their injuries would not be recoverable because DEP and EQB have sovereign immunity. They also had to show that refusing the injunction would cause more harm than granting it.

The petitioners said the rule would have compliance costs of about \$200 million that would be passed along to consumers, and that RGGI supporters' claims that the rulemaking would cause meaningful GHG reductions were undercut by DEP's modeling.

"There is no dispute that petitioners will face increased costs as a result of the rulemaking," Wojcik wrote. "There is also no dispute that this increase in costs will ultimately be passed on to consumers." A DEP witness testified that the rulemaking would increase wholesale power

prices by 2.4% and retail prices by 1.2%.

Wojcik cited the rulemaking's recognition that it would result in "leakage" of additional fossil fuel emissions outside of the state. DEP's modeling found that a reduction of 97 million short tons of CO₂ by 2030 in Pennsylvania would result in only a net 28 million ton reduction across PJM.

Crucially, the respondents needed to show that they were likely to prevail on the merits.

Wojcik said he agreed with the petitioners. "While the General Assembly may delegate the power to tax, the delegation must be clearly conferred via statute, and any such delegation appears absent from the APCA."

Appeal Expected

Wojcik dismissed as "insufficient" testimony by environmental groups on the effects of CO₂ emissions on climate change and human health.

While Keystone and Conemaugh emitted about 15.5 million tons of CO₂ in 2021, "the record lacks evidence of the CO₂ emission levels of the remaining Pennsylvania-covered sources or suggesting that the covered sources would be required to reduce emissions based on the available allowances," Wojcik said.

"Even accepting for preliminary injunction purposes that implementation of the rulemaking would result in an immediate reduction in CO₂ emissions from Pennsylvania's covered sources, we conclude that implementation and enforcement of an invalid rulemaking would cause greater harm if the rulemaking is determined to violate the constitution or a statute."

"While only temporary, the court's decision is yet another roadblock and stalling tactic from RGGI opponents," responded Jessica O'Neill, lead attorney for PennFuture, Clean Air Council, Sierra Club, Environmental Defense Fund and Natural Resources Defense Council. "The impact that RGGI will have on the health, safety and welfare of our members, our climate and our environment cannot be overstated. Simply put, RGGI will save lives, create jobs and lower Pennsylvania's carbon footprint at a time when we need it most."

O'Neill said the groups expect DEP to appeal the ruling, "which means the Supreme Court will have the opportunity to reinstate the RGGI rule." ■

PJM News



NJ BPU to Probe 2nd Ocean Wind Delay Case

Board also Approves PSE&G's Infrastructure Advancement Program

By Hugh R. Morley

The New Jersey Board of Public Utilities (BPU) on June 29 agreed to hear a petition filed by developer Ørsted seeking to override Cape May County officials who it says have not responded to its efforts to secure local approvals for the Ocean Wind 1 offshore wind project.

Ørsted is seeking approval to run an underground transmission line from its turbines to the shoreline at Ocean City to a substation in the next town, including through land owned by Cape May County. The developer is seeking to secure permission under a new law passed by the legislature last year that gives the BPU authority to override local government officials in land-use questions concerning offshore wind projects if the board finds that the land is "reasonably necessary" for the project's construction.

The five-member BPU voted unanimously at its monthly meeting to take up the case and assigned board President Joseph Fiordaliso as the hearing officer.

The Ocean Wind 1 petition follows a similar petition filed by Ørsted in March seeking to override officials in Ocean City who oppose the project. The BPU on June 24 held closing arguments in that case. (See [NJ City Calls for Delay to Ocean Wind 1](#).)

The Ocean City case is the first test of the new law, and both cases could provide a roadmap for the difficulties facing other projects in the future. The 1,100-MW Ocean Wind project, which was approved in 2019, was the first of three approved offshore wind farms by the state so far. The BPU has also approved the 1,148-MW Ocean Wind 2 and the 1,510-MW Atlantic Shores, and the state expects to hold three more solicitations for a total of 7,500 MW by 2035.

Obtaining Consent

Ørsted's latest petition states that in order to advance, the project needs to obtain "certain easements" across property owned by Cape May County and "certain consents" from the county. The project needs a temporary 18-month easement and a 30-foot wide permanent easement, both in Ocean City, the developer's May 20 [petition](#) says.

The project also needs the county's consent as part of the application for 10 permits needed



| Shutterstock

for the project to advance, the petition says.

Ocean Wind "must have the legal authority and/or consent from Cape May County to perform the project activities on the properties owned by the county," it says. "Cape May County has been unwilling to provide consents needed for any [New Jersey Department of Environmental Protection] permit applications."

In a June 7 motion asking the BPU to decline and dismiss the petition, Cape May County argued that Ørsted's move was premature. Although the new law requires the offshore wind project to make its request to the local government and then wait 90 days for a response before filing any petition, the developer had made only "vague, ambiguous and expressly conditional" requests that don't meet the definition of "request" under the law, the county said.

Ocean Wind 1 "has not supplied all required information and documents in order for the county to provide consent," the county also said.

Michael Donohue, the attorney for Cape May County, told *RTO Insider* that the county is "not against wind-generated electricity."

"Living in one of the last nearly pristine envi-

ronments in the state, the people of Cape May County are all extraordinarily engaged when it comes to preserving that environment and its flora and fauna," he said. "The county is not attempting to delay project approvals."

"The brand new statute in question seeks to transfer the authority of the five, duly elected County Commissioners to the unelected members of the BPU," he said. "We think it is important that any process that leads to such a result be fair, impartial and unbiased and that it should afford the people of the County of Cape May substantial due process."

Responding to Cape May's argument in a June 20 brief, Ørsted said it had been in discussion with the county for two and a half years, and the county had no basis for claiming that the request lacked specificity. The county's motion to dismiss was "little more than an attempt to delay" the project, the company said.

"The county's arguments and certification alleging the inadequacy of the [petition] rest not on objective facts, but rather on subjective conclusions that the notice was inadequate," Ørsted said. The developer added that the law does not require it to "request" the environmental permitting consents, only to "consult" with the county, which Ørsted did in "various meetings and correspondence with the county."

PSE&G Infrastructure Spending

The board also approved Public Service Electric and Gas' Infrastructure Advancement Program (IAP), in which the utility will spend \$511 million over four years to replace aging electric equipment, upgrade substations and install electric vehicle infrastructure.

The last of those will "begin preparing the grid for the rapid transition to EVs and enable a greater blend of renewable energy resources by increasing the reliability of the state's electric grid down to the street and neighborhood level," PSE&G said in a [press release](#).

The proposal will cost the typical residential electric and gas customer about \$1.50/month in 2026, PSE&G said.

PSE&G initially petitioned for an expenditure of \$850 million, starting in 2022 and concluding in 2026, with about 85% of the funds to go to electric projects and the remainder for gas projects, the BPU [order](#) approving the program said. ■

PJM News



Ohio Consumers' Counsel Asks for Independent Probe of AEP

Demands Independent Audit, Public Hearings of June Outages

The Ohio Consumers' Counsel, the Ohio Poverty Law Center and Pro Seniors, a legal advocacy group representing the elderly, ratcheted up the pressure on the Public Utilities Commission of Ohio late Monday with a demand for an independent investigation of American Electric Power's decision to cut power to poor Columbus neighborhoods on June 13. (See [AEP Under Fire as Load Sheds Persist in Ohio](#).)

The three consumer groups filed a 42-page *motion* in a PUCO docket created in 2020 to revise the reliability performance standards of AEP Ohio. Despite announcing a review on June 15 of AEP Ohio's decisions to power to

certain neighborhoods, PUCO has not created a docket for an investigation, nor held any public hearings. "We will be communicating with Ohio's utilities to do an after-action review and determine what steps can be taken to avoid future occurrences," PUCO Chair Jenifer French said at the time.

AEP has said it cut power to stabilize its system after receiving warnings from PJM of instability because the storm appeared to have affected some high-voltage transmission lines.

PUCO has invited AEP executives and top members of PJM to address the issue after its regular meeting on Wednesday.

The groups' motion argues:

"The PUCO should order an investigation of the AEP outages (as contrasted with its current 'review'), hire an independent auditor, order local hearings and other opportunities for the public to be heard, and determine if AEP was negligent and thereby owes consumers compensation for perishable food and other damages. The PUCO should conduct an investigation, in this case that is related to AEP's reliability, or initiate an investigation and find 'reasonable grounds' to hold a hearing." ■

— John Funk



AEP Ohio linemen work to restore power. | AEP

Mid-Atlantic news from our other channels



[Rutgers Study: OSW Projects Will Hurt Fishing Revenue](#)



[Electric School Bus Pilot Awaits NJ Governor's Signature](#)



[Shared Solar at Risk from High Fees, Va. Advocates Warn](#)



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SPP News



SPP Sets Demand Record amid Midwest Heat

By Tom Kleckner

With heat advisories and warnings in place for much of its footprint, SPP set a record for peak load last week.

The grid operator successfully handled demand from a record 51.1 GW of load at 4:30 p.m. CT on July 5, breaking the previous mark of 51 GW set last July. The RTO and its members also maintained reliability last Wednesday and Thursday, when load peaked about 49.9 GW both days.

SPP said a conservative operations advisory issued July 1 alerted its member utilities to operate the regional grid with “extra care” by postponing maintenance on critical facilities and increasing reserve requirements. The advisory was effective Wednesday — the day after the record was set — through last Friday. (See [SPP Calls for Conservative Ops This Week.](#))

“Periods like this week, with extreme heat affecting so much of the country where we operate, underscore how much value there is

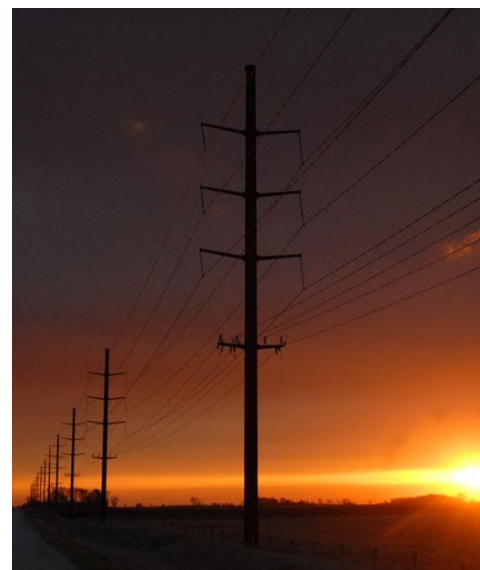
in regional collaboration,” said Bruce Rew, SPP senior vice president of operations. “We’re proud of the job we do coordinating among our member utilities to keep the lights on.”

SPP highlighted its fuel diversity that is heavy on coal, gas and renewables in helping meet demand fueled by the extreme heat. It said demand response contributed 1.1 MW to the fuel mix.

The RTO kept a resource advisory in place through 10 p.m. Wednesday because of the extreme heat, high regionwide electricity use and uncertainty in SPP’s wind forecast. Neither of the advisories requires consumer conservation.

The Weather Channel says July temperatures are expected to be above average from the Texas Gulf Coast through the Central Plains and into Wyoming.

An RTO spokesperson said it was continuing to watch system conditions during the weekend and into this week, as it will do as the summer progresses.



Summer’s heat has resulted in a record-breaking peak for SPP. | ITC Holdings

SPP members serve about 18 million people in the grid operator’s 14-state region, which covers 550,000 square miles. ■


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Company Briefs

Judge Rejects FirstEnergy Bid to Settle Bribery Suit with Shareholders

 U.S. District Judge John R. Adams last week denied a motion filed jointly by FirstEnergy and its shareholders to dismiss a lawsuit in light of a proposed settlement preliminarily agreed to by another federal judge.

Adams accused the parties of “forum shopping,” or looking for a friendly judge given his previous skepticism of the settlement. He also implicitly accused FirstEnergy of protecting its former CEO’s riches, and the plaintiff’s lawyers of cashing in without properly investigating the company’s scheme.

U.S. District Judge Algenon L. Marbley preliminarily approved the settlement in May but said he had no authority over other judges’ cases.

More: [Ohio Capital Journal](#)

BYD Overtakes Tesla in EV Sales in 2022

Chinese automaker BYD surpassed Tesla



as the world’s leading electric vehicle seller in the first half of this year, selling 638,157 electric or plug-in hybrid vehicles compared to Tesla’s 564,743.

BYD’s breakdown was 323,519 battery EVs and 314,638 plug-in hybrids.

The total represents a nearly 325% year-on-year increase from the same period last year.

More: [Axios](#)

LG&E, Kentucky Utilities Seeking Renewable Proposals



Louisville Gas and Electric and Kentucky Utilities, which are planning to retire around a dozen coal and natural gas generating units over the next 15 years, are requesting proposals from energy providers to begin adding capacity to the grid in 2025.

To be considered, businesses must be able to produce at least 100 MW of capacity

and prove the power is reliable, feasible and least-cost as defined by regulators.

Coal will still represent about half of LG&E and KU’s energy mix in 2036, but they plan on achieving net-zero carbon emissions by 2050, with reduction targets of 70% from 2010 levels by 2035 and 80% by 2040.

More: [WKU Public Radio](#)

FirstEnergy Names McClelland VP of External Affairs

FirstEnergy last week announced that it has named Joseph McClelland its vice president of external affairs, effective July 18.

McClelland will be responsible for overseeing all government relations activities, including local, state and federal affairs, and engaging with policymakers on legislation that may impact FirstEnergy’s customers and operations.

McClelland most recently served as director of the Office of Energy Infrastructure Security at FERC.

More: [FirstEnergy](#)

Federal Briefs

US Extends Authorization of Liquefied Petroleum Gas Exports to Venezuela

The Treasury Department last week authorized transactions involving exports of liquefied petroleum gas (LPG) to Venezuela until July 12, 2023.

The government had issued a general license in 2021 authorizing LPG supplies to Venezuela, mainly used in the OPEC nation as cooking fuel, with the license set to expire July 8. However, the authorization remains unused since it prohibits supplying companies from accepting payments in kind from Venezuela’s state-owned oil and natural gas company, PDVSA, which recently became the firm’s main way of trading cargoes.

More: [Reuters](#)

EIA: Devs Plan to Add 6 GW of US OSW Capacity Through 2029

Power plant developers and operators have



reported plans to install more than 6 GW of offshore wind capacity at sites mostly along the eastern seaboard over the next seven years, according to the EIA’s latest Preliminary Monthly Electric Generator Inventory report.

In 2016, the 30-MW Block Island wind farm began operating off Rhode Island as the first offshore project in the U.S. Since then, one additional project, the Coastal Virginia Offshore Wind Project, began operations in 2021. Developers plan to expand that project, which currently has a generating capacity of 12 MW, to a total of 1,277 MW by 2027. That expansion, along with other projects, would increase offshore capacity to more than 6 GW.

So far this year, BOEM has announced two offshore wind lease sales.

More: [Renewables Now](#)

DOE Launches \$500M Effort to Turn Mines into Clean Energy Hubs

A \$500 million program funded by the bipartisan infrastructure package aims to transform current and former mines into clean energy hubs.

The DOE has issued a request for information to outline how the program will support clean energy development. The hubs could feature solar PV systems, microgrids, geothermal energy, direct air capture, fossil-fueled power generation with carbon capture, utilization and sequestration, energy storage, including pumped storage and compressed air, and advanced nuclear, the DOE said. Two of the clean energy demonstration projects funded under this program must include solar energy.

DOE expects to announce a funding opportunity to solicit proposals in 2023.

More: [Power Engineering](#)

State Briefs

REGIONAL

Study: Wash. Fossil Fuel Deadline Impossible if Dams Breached

The four lower Snake River dams are essential to meeting the Northwest's climate goals to decarbonize the grid by 2045, according to analysis released last week by Energy GPS Consulting for Northwest RiverPartners.

The analysis suggests that breaching the dams from Ice Harbor to Lower Granite Dam would necessitate the expenditure of \$15 billion to replace the energy — and that greenhouse gas emissions would likely increase. The study estimated a cost of \$10.3 billion to \$27.2 billion to replace energy from the hydropower dams, stabilize the grid and replace other benefits, including irrigation and barge shipping.

Breaching or tearing down the dams has been considered for decades to help endangered salmon. The proposal is gaining support in D.C. and in Western Washington.

More: [Tri-City Herald](#)

ARKANSAS

Entergy Seeks Proposals for Major Wind, Solar Project



Entergy Arkansas last week announced it has issued a request for

proposals for 1,000 MW of solar and wind generation resources and emissions-free renewables for a new project that would more than triple the company's alternative energy capacity.

The move is an effort to expand cost-effective energy supply, capacity, fuel diversity and other benefits to Entergy's customers, a press release said.

More: [Talk Business & Politics](#)

City Water and Light Sets Demand Record



City Water and Light, which serves Jonesboro, logged a record peak demand of 406.4 MW on July 6.

The previous record was 403 MW on Aug. 3, 2011.

More: [The Sun](#)

CALIFORNIA

Amador County Wildfire Cuts Power to 10K Residents

The Electra Fire in the north central part of the state had grown to more than 4,400 acres and had shut off power to as many as 10,000 Pacific Gas and Electric customers.

The fire, which broke out July 4, was 93% contained as of press time, according to Cal Fire.

About 500 people were affected by mandatory and recommended evacuations.

More: [Record News Services](#)

San Luis Obispo City Bans Gas in New Buildings

The San Luis Obispo City Council last week unanimously adopted the county's first mandatory all-electric building code and banned natural gas infrastructure in new buildings.

Beginning Jan. 1, 2023, all new buildings must be all-electric, with few exceptions, such as for gas-powered equipment in commercial kitchens.

More: [New Times](#)

CONNECTICUT

Public Power to Quit Electric Supplier Market as Part of Settlement

Public Power, which was acquired by Vistra Group, last week said it will exit the state's electric supplier market in a \$3 million settlement resolving allegations that it failed to publish money-saving rate information.

According to Attorney General William Tong and Consumer Counsel Claire Coleman, the company failed to publish "next cycle rate" information, denying consumers the opportunity to switch to another supplier and avoid a rate increase.

Three related companies will also exit the market, while a fourth will leave in September.

More: [Hartford Courant](#)

FLORIDA

State Added 44% More Residential Solar Systems in 2021

The Public Service Commission last week

reported a 44% increase in the number of customer-owned power generators in the state in 2021.

In 2020, there were 90,552 systems, called Renewable Generation Interconnections, in the state. In 2021, that number grew to 130,947. The PSC rates power capacity as gross power rating (GPR). In 2020, the solar GPR was 828.168 MW. A year later, the commission reported the solar GPR had grown to about 1.17 GW (41%).

More: [WFLA](#)

GEORGIA

Georgia Power Files Rate Plan with PSC



Georgia Power last week filed a rate plan with the Public Service Commission that, if approved, would raise customer rates about 12% over the next three

years.

The average residential customer would see an increase of \$14.32 per month in 2023, \$1.35 in 2024 and 62 cents in 2025, for a total increase of \$16.29 over the three-year period. The proposed rates would take effect on Jan. 1, 2023.

To strengthen the grid, Georgia Power expects to invest nearly \$7 billion in transmission and distribution improvements over the next three years.

More: [Daily Energy Insider](#)

KANSAS

Brown County Enacts Wind Moratorium



The Brown County Commission

last week voted 2-1 to enact a wind energy moratorium.

The resolution establishes a moratorium for the suspension of certain types of improvements on any land within the unincorporated area of Brown County and directs that potential land use regulations for the county be developed.

The commission will select a company to help create a comprehensive plan and then begin working on zoning regulations.

More: [News-Press Now](#)

MICHIGAN

Report: State Leads Nation in Energy-sector Job Growth

Michigan has added a national-best 35,463 energy-sector jobs since 2020, according to a Department of Energy report released last week.

At 393,207 jobs, the state's energy sector represents 9.5% of total state employment. Most of the jobs (255,622) are in the motor vehicle sector, followed by energy efficiency and electric generation.

While overall U.S. energy-sector jobs are still below 2019 pre-pandemic levels, nearly all technologies added jobs in 2021, the report said. Last year, energy-sector jobs grew 4% (more than 300,000 jobs) over 2020 to a total of 7.8 million jobs.

More: [MiBiz](#)

NEW MEXICO

San Juan Shuttles Unit 1

The Public Service Company of New Mexico shut down one of its remaining two units at the San Juan Generating Station on June 30.

The plant was set to shut down at the end of June, but the Public Regulation Commission is allowing PNM to keep one unit open through September to meet peak summer demands. PNM has warned regulators and customers of the potential for rolling blackouts this summer and in 2023.

More: [The Associated Press](#)

OKLAHOMA

Utilities to Collect Millions in Fees from 2021 Winter Storm Recovery

The Corporation Commission last week approved nearly \$2.9 billion in customer-backed, state-issued bonds for four electric and natural gas companies, with \$2.7 billion accounting for the price of natural gas that spiked during a two-week span last year.

Residents will pay more than \$157 million in fees and "ongoing financing costs" associated with bonds that companies will use to cover the expense of the 2021 winter storm, which will add a still-to-be-determined extra charge to bills that could increase due to rising interest rates.

Of the four companies — Centerpoint Energy, Oklahoma Gas and Electric, Public Service Co. of Oklahoma, and Oklahoma Natural Gas — that were allowed to use state bonds, the fees and extra costs varied from contract to contract.

More: [The Oklahoman](#)

VIRGINIA

Randolph Solar Granted Use Permit

The Charlotte County Board of Supervisors last week voted 4-2 to issue a conditional use permit for the 800-MW Randolph Solar Project, which would become the largest solar generation facility in the state.

The board offered its approval after Dominion Energy agreed to accelerate payments

owed to the county for the previously approved Courthouse Solar project.

The facility is expected to be operation by late 2025.

More: [News & Record](#)

WISCONSIN

State's Largest Utilities Reduce Carbon, but Most will Fall Short of 2030 Goals



Wisconsin's five largest utilities are on

track to cut carbon emissions 45% by 2028, but most will fall short of their 2030 carbon reduction goals, according to the latest draft strategic energy assessment conducted by the Public Service Commission.

The assessment was released prior to Alliant Energy and We Energies announcing that three coal plants would remain online longer than anticipated amid supply chain constraints and energy shortage fears. If retirements move ahead as planned, coal will make up 22% of the state's power mix by 2028 — down from 35% in 2020.

Xcel Energy is expected to see the largest emission reduction of 78% by 2028, which is just shy of its 80% percent goal by 2030. Madison Gas and Electric is anticipated to cut emissions 70% by 2028. Of the largest utilities, only Alliant is expected to exceed its goal to cut carbon emissions in half by the end of the decade, reducing carbon pollution 62% by 2028.

More: [Wisconsin Public Radio](#)

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