

# RTO Insider

**YOUR EYES AND EARS ON THE ORGANIZED ELECTRIC MARKETS**

**CAISO ■ ERCOT ■ ISO-NE ■ MISO ■ NYISO ■ PJM ■ SPP**

**FERC & Federal**

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# RTO Insider

Your Eyes and Ears on the Organized Electric Markets  
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# FERC/Federal News



## Clean Energy Industry Braces for Oversight Hearings as GOP Nears Control of the House

### Opportunities Seen for Bipartisan Energy Policy

By K Kaufmann

With what is shaping up as a thin majority in the House of Representatives, Republicans may not be able to repeal the Inflation Reduction Act, but they will be able to hold oversight hearings and grill Biden administration officials on any perceived missteps or failures in the law's implementation, industry analysts said Wednesday.

With the IRA's \$369 billion in clean energy tax credits, incentives and other funding to be distributed, the question is not if, but when such hearings will come, said Abigail Ross Hopper, CEO of the Solar Energy Industries Association, speaking at a post-election webinar sponsored by the Policy Resolution Group

at Bracewell.

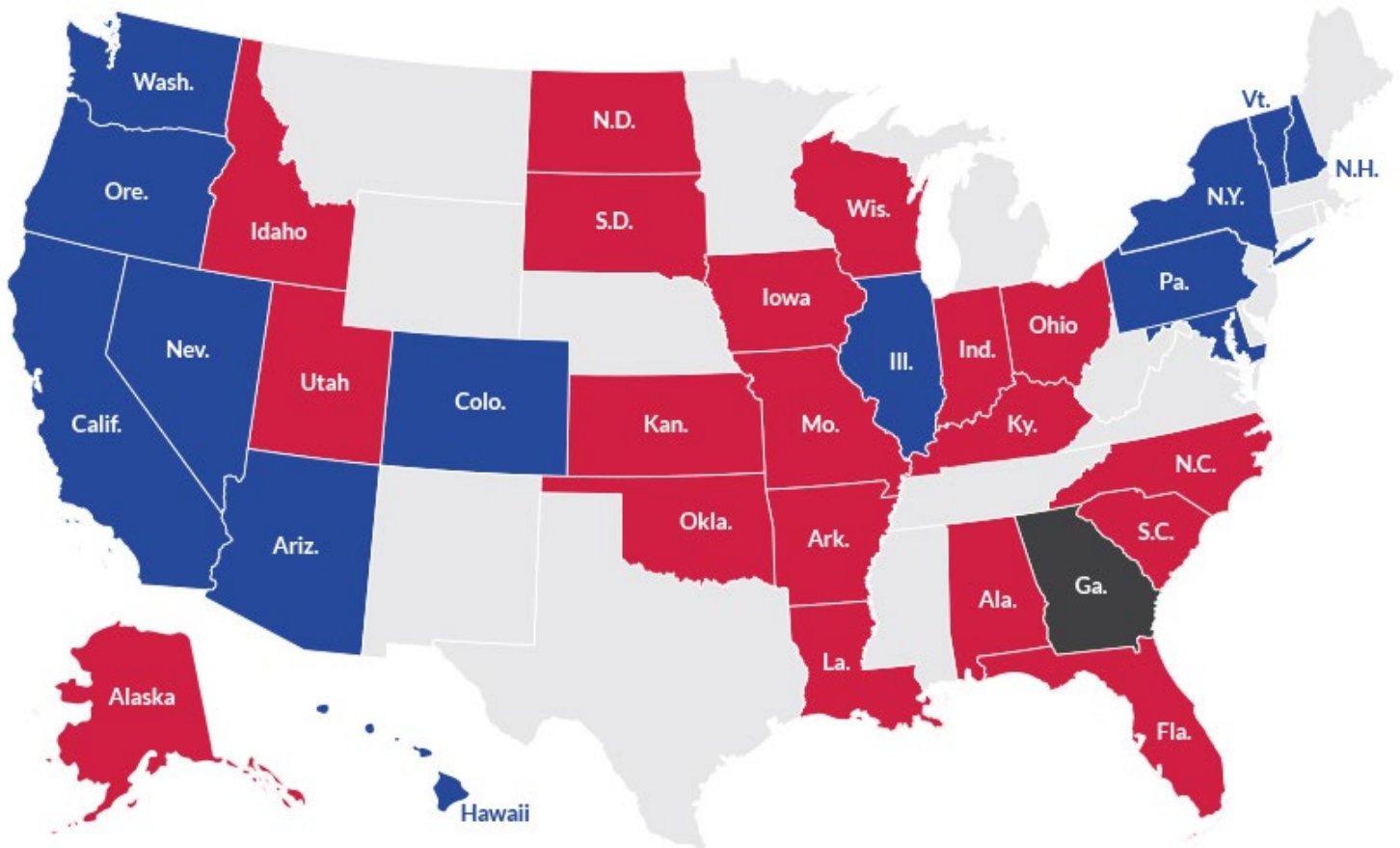
The industry trade group has "been talking a lot ... about ensuring that the processes we go through, the way the monies and tax credits and eligibility [are] defined and applied is transparent and fair and in line with the intent of Congress," Hopper said. "So, when there are oversight committee hearings, the solar industry or the storage industry, the clean energy industry will be managing those in an appropriate way."

What the election outcomes might augur for the U.S. clean energy transition, President Biden's domestic agenda and the political landscape in general were top of mind for Hopper and the lineup of industry analysts and experts speaking at the webinar.

As of Tuesday morning, 217 seats in the House had been called for Republicans, versus 204 for Democrats, according to *The New York Times*; 218 is needed to control the House.

Democrats managed to maintain control of the Senate, with Sens. Mark Kelly (Ariz.) and Catherine Cortez Masto (Nev.) both narrowly winning re-election. Both currently serve on the Energy and Natural Resources Committee.

Speaking at the White House on Wednesday afternoon, Biden called the election a "victory for democracy," citing the record number of young voters who participated to voice their concerns about reproductive rights and the climate crisis. While acknowledging that every Democratic loss is painful, he said, the party still made a strong showing in Congress and in



Democrat Republican Advanced to runoff No election

U.S. Senate election results as of Wednesday evening, as reported by the Associated Press | © RTO Insider LLC

# FERC/Federal News



governor's races.

He also acknowledged the frustrations of many voters but said Americans would be seeing the positive impacts of the IRA and the Infrastructure Investment and Jobs Act in the early months of next year.

The failure of an expected "red wave" of voters to sweep strong Republican majorities into both houses of Congress — and losses for some GOP candidates backed by former President Donald Trump — provided relief for the Democrats and energy policy, said Scott Segal, partner and co-head at the Policy Resolution Group.

"I want people to understand that simply because we will have or we are likely to have divided government, with one house at least being Republican controlled, does not mean that we should put all considerations of energy issues on the back shelf," Segal said.

"Energy issues often have a regional component to them that is over and above the mere partisan politics," he said. "There is a long and proud tradition of energy and environmental statutes being adopted by a divided government because of the relative balance and leverage that occurs between the entities. ... Removing obstacles to energy development, [which] both parties tend to desire, is something that could be the basis of bipartisan advancement."

## The Specter of Solyndra

But the fate of the IRA, and the likelihood of oversight hearings inevitably raises the specter of Solyndra, Segal said. The solar startup, known for its unique tubular technology, received \$535 million in federal loans in 2009 and went bankrupt two years later, triggering a series of congressional oversight hearings, which some Republicans continue to evoke to this day.

Hopper acknowledged the risk but said, "Our industry is much more mature, and the technology is more mature; the financing structures are more mature. That sort of broad base of customer support and business demand for our products is greater," she said.

Still, Hopper said, the best antidote for risk is "transparent, objective criteria for grantmaking, for eligibility requirements." The immediate challenge for the Biden administration is to get out the rules and guidelines for the IRA's billions in clean energy tax credits and incentives, she said.

"The best thing we can do ... to ensure the continuation of the IRA is to have projects on the ground, jobs being created, tax revenue happening, local politicians seeing evidence of growth in their local communities" she said. "We can't do that until we know the rules of the road, and so we need this administration to



President Biden said the election results were "a good day ... for democracy." | C-SPAN

do that."

On the industry side, Hopper said, SEIA is ramping up its consumer protection initiatives to ensure homeowners understand the law's tax credits for residential solar.

"We're putting that on steroids," she said. "We want to make sure that as money and opportunity [are] flowing, that consumers are going in with eyes wide open. These are great opportunities for homeowners to make choices about their energy use, but they need to be informed choices." ■

## National/Federal news from our other channels

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## FERC/Federal News



# Incumbents Successful in Most Contested Governors' Races

*Democrats Hold Serve in All but Nevada; Abbott Wins in Texas*

By John Cropley, Amanda Durish Cook, Tom Kleckner, K Kaufmann, Sam Mintz and Robert Mullin

Democrats backing aggressive climate policies won nine of 12 of the most contested gubernatorial races after voting Nov. 8, with Nevada's Steve Sisolak (D) the only incumbent on the ballot who lost re-election.

Democratic incumbents prevailed in California, Connecticut, Kansas, Maine, Michigan, New Mexico, New York, Rhode Island and Wisconsin, while Democrats also won open seats in Arizona, Massachusetts, Oregon and Pennsylvania.

Republican Govs. Gregg Abbott in Texas and Brian Kemp in Georgia also won new terms, while Republican Joe Lombardo, a Las Vegas-area sheriff endorsed by former president Donald Trump, narrowly beat Sisolak.

### NEW ENGLAND: Climate-focused Dems Take, Hold Governorships

Democrats did well in New England last week, taking back the governor's office in Massachusetts and holding on against serious challenges in Connecticut and Maine.

Massachusetts Attorney General Maura Healey, who has been widely expected to be the next governor since she announced her run in January, followed through with a comfortable victory over Republican challenger Geoff Diehl.

Healey made climate and energy policy a central plank of her campaign; it was the first policy plan she put out during the primary against progressive challenger Sonia Chang-Díaz.

As AG, Healey is familiar with the work of ISO-NE and the region's energy landscape. A team from her office is closely involved with NEPOOL and have sometimes butted heads with the grid operator over policy matters.

In her *campaign climate plan*, Healey said she will "work closely with regional partners to ensure that ISO-NE markets for buying and selling power do not discriminate against clean power." (See *Healey Focuses on Climate in Mass. Gubernatorial Race*.)

She also said that as governor, she would convene a "regional energy summit" to develop a strategy for addressing transmission, siting, market reform and cost allocation issues.

And the plan goes into much more detail about



Massachusetts Attorney General Maura Healey was elected governor on Nov. 8. | © RTO Insider LLC

electrification in the transportation and building sectors, as well as environmental justice and equity.

"Her climate plan meets the critical moment we're in with the urgency it demands," said the Environmental League of Massachusetts in a statement. "We're confident that the Healey administration will make the commonwealth a national climate leader."

Maine Gov. Janet Mills, who installed solar panels on the governor's residence when she came into office in 2019 and has pushed for state investment in solar, electric vehicles, offshore wind and more, held on against a challenge from former Republican Gov. Paul LePage.

One of the biggest issues she'll have to weigh in on in 2023 is whether Maine should replace its for-profit utilities with consumer-owned, nonprofit utilities. Mills vetoed such a proposal following its passage by the state legislature in 2021 but said her opposition was more about process and specifics of the legislation. (See *Maine Voters to Decide on Upending Utility Landscape in 2023*.)

In Connecticut, Democratic Gov. Ned Lamont again prevailed in a rematch against his 2018 opponent, Bob Stefanowski.

Lamont has what the *Connecticut Mirror reports* is a "robust record on climate change," but also one largely enabled by the Biden administration and the federal government.

Democrat Dan McKee, who took over as Rhode Island's governor in March 2021, won

a full term.

Republicans John Sununu and Phil Scott easily won their races for governor in New Hampshire and Vermont, respectively.

### WEST: Democrats Maintain Control in Oregon

In the West, the future of state climate policy was most at risk in Oregon, where the Democratic former speaker of the state House of Representatives, Tina Kotek, had been locked in a tight race with former House Minority Leader Christine Drazan. But local media declared Kotek the winner Wednesday afternoon.

Kotek, who hoped to continue Democrats' 36-year hold on the governorship, leads Drazan as of Sunday morning 47% to 43.6% with 87% of votes counted. Independent Betsy Johnson, a former Democratic state representative, received 8.7%. Most of the uncounted ballots were in the Portland metro area, where Kotek had a strong lead.

A Drazan victory would have upended the decarbonization initiatives that current Gov. Kate Brown (D) implemented through Executive Order 20-04, which set caps on statewide greenhouse gas emissions with the goal of reducing GHGs to 80% below 1990 levels by 2050.

Drazan had promised to "tear up" Brown's executive order on "Day One" of her term and also replace the heads of every state agency, each of which has been enlisted in Oregon's climate efforts. Citing high gasoline prices, Drazan last month additionally pledged to temporarily suspend Oregon's Clean Fuels Program, which aims to reduce the carbon-intensity of transportation fuels sold in the state. She argued that the 2016 law establishing the program would allow her to do so.

Kotek, on the other hand, has been a leading supporter of climate change policy, having sponsored the legislation behind the Clean Fuels Program and led a Democratic effort to pass a cap-and-trade bill in 2019 (House Bill 2020). HB 2020 faltered after all 11 Republican members of the state Senate refused to show up to the state capitol, preventing the two-thirds quorum needed to vote on the bill. Democratic support for the legislation subsequently weakened, and the bill stalled in committee, prompting Brown to issue

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EO 20-04 the following year.

In a related development, Oregon voters also overwhelmingly approved a ballot measure that would prevent state legislators from seeking re-election if they have more than 10 “unexcused” absences during a session, a development that could improve the ability to pass future climate legislation.

## California Voters Reject EV Ballot Initiative

In California, Democratic Gov. Gavin Newsom, who last year easily survived a \$300 million recall effort, handily won a second term to lead the nation’s largest state, taking about 58% of the vote. During his first term, Newsom aggressively pushed for California to ramp up its climate goals, and he has worked closely with other leaders on the West Coast to align their decarbonization efforts.

California voters also firmly rejected a ballot initiative (Proposition 30) to levy a 1.75% personal income tax on households earning more than \$2 million a year to raise \$5 billion annually to fund EV rebates and the installation of chargers in public places and at residences. Newsom broke with his party to oppose the measure, saying the state had already committed billions to EV incentives from its budget surpluses.

## Arizona: Hobbs Squeaks By

Arizona’s gubernatorial race between Secretary of State Katie Hobbs (D) and former television news anchor Kari Lake was neck-and-neck until Monday night, when it was called for Hobbs.

On the campaign trail, Hobbs has talked about Arizona building “a 21st century clean economy” to address the impact of climate change. She has specifically pledged “to leverage state and federal resources to modernize our energy and transportation sectors”; electrify school buses and state vehicle fleets; provide rural and tribal communities with greater access to sustainable energy; and push for a \$200 tax credit for home energy efficiency improvements.

Lake has said that her policies would focus on energy reliability, and while she’s “not opposed to some of the green energy,” she prefers “good old-fashioned clean energy, which is nuclear.” She has stated that she wants Arizona to become an energy exporting “powerhouse” by building modular nuclear reactors that could sell electricity to California, which is subject to brownouts because of its “asinine” policies.

## Nevada Incumbents Trailing

Though Democratic U.S. Sen. Catherine Cortez Masto narrowly won re-election, Nevada Gov. Sisolak narrowly lost to Clark County Sheriff Joe Lombardo. Sisolak was a strong backer of Senate Bill 448, which the Nevada Senate unanimously passed last year to spur major investments in renewable energy transmission, EV charging infrastructure and energy-efficiency programs. The law also requires Nevada’s utilities to join an RTO by 2030.

## New Mexico Gov. Re-elected

Gov. Michelle Lujan Grisham (D) won re-election in New Mexico with 52% of the vote, outpacing challenger Mark Ronchetti’s (R) 46%.

“The weather forecast for New Mexico is four more years of progress — four more years of rebuilding our beloved state,” Lujan Grisham *said* in a jab at Ronchetti, a former television weatherman.

The state’s wind and solar resources have increased while coal generation has slowed since the 2019 passage of the Energy Transition Act, which requires the state to get all of its power from zero-carbon resources by 2045. Public Service Company of New Mexico *shut down* its coal-fired San Juan Generating Station in September in response to the legislation.

Lujan Grisham’s spokesperson has said the governor will focus her second term on policies that diversify the state’s economy and expand renewable energy.

Jeff Byrd (R), who stepped down from the New Mexico Public Regulation Commission to run for land commissioner, came up far short in his bid. He lost to Democrat Stephanie Garcia Richard by a 55-45 margin.

## MIDWEST: Clean Energy Goals Undisturbed

Three Democratic incumbents who established clean energy objectives for their states won second terms in Wisconsin, Michigan and Minnesota, leaving decarbonization goals unscathed in the Upper Midwest.

All three incumbents faced Republican challengers who either had ties to the fossil fuel industry or campaigned on prolonging fossil fuel infrastructure.

In late night and early morning victory speeches, the gubernatorial trio promised more work on clean energy adoption or tackling the causes of climate change.

Wisconsin Gov. Tony Evers (D), who signed an executive order in 2019 targeting 100%



Michigan Gov. Gretchen Whitmer | City of Detroit

carbon-free electricity in the state by 2050, bested Republican Tim Michels. Michels, co-owner of energy and infrastructure construction company Michels Corp. — which has worked on facilities for the Dakota Access and Keystone XL pipelines and relocation of Enbridge Energy’s Line 5 pipeline in the Great Lakes — said he would divest from his company if elected.

“You showed up for conservation, for clean energy, to take climate change seriously and a future that doesn’t treat protecting our environment and good-paying jobs like they’re mutually exclusive. Because they’re not,” Evers told a crowd in an acceptance speech early Wednesday.

Michigan Gov. Gretchen Whitmer (D) defeated Republican challenger and Trump-endorsed Tudor Dixon, who vowed to protect the Line 5 project and *advocated* an “all-of-the-above” strategy for energy production, including reliance on existing coal plants.

Last year, Whitmer introduced the *MI Healthy Climate Plan*, which calls for economy-wide carbon neutrality in the state by 2050.

In debates, Whitmer and Dixon clashed over the state’s future in electric vehicle manufacturing and whether environmental regulations jeopardize economic progress.

Whitmer vowed in a victory speech that Michigan will “hit the ground running” over her second term, including ramping up the state’s clean energy production.

The Michigan League of Conservation Voters cheered Whitmer’s win on Twitter, saying it was ready to “drive Michigan into a clean energy future” alongside Whitmer.

Finally, Minnesota Gov. Tim Walz (D) overcame

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a challenge from Republican candidate Scott Jensen, a physician and former state senator. Jensen had campaigned on voiding the state's clean car rules, overturning a moratorium on nuclear power, and keeping retiring coal plants online longer, *including* Xcel's Sherburne County Generating Station, which is due to be replaced in part by solar generation upon its closure in 2030.

Walz thanked campaigners and voters for believing that issues like climate change can be tackled in "an optimistic way that lets us lead the country."

"Minnesotans have made it very clear. They chose the hopeful future of one Minnesota where we invest in our children, where we defend the rights of individuals, where we address climate change, where we make our communities stronger and where we welcome those seeking the comfort of Minnesota," Walz said.

Walz in 2019 announced that Minnesota was not on track to shrink emissions 30% from 2005 levels by 2025 and 80% by 2050 per the state's 2007 law. He issued an *executive order* to create the Climate Change Subcabinet and the Governor's Advisory Council on Climate Change to devise strategies to fulfill the reductions targets.

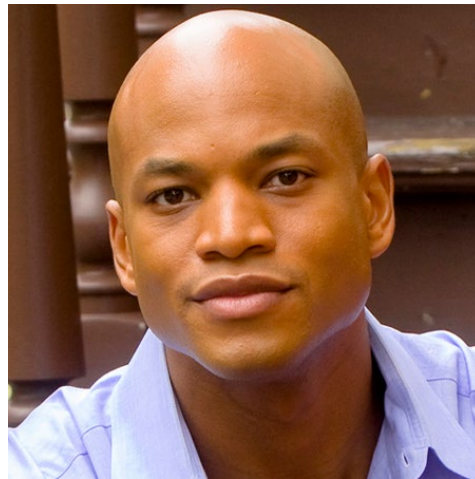
## MARYLAND: Moore Pushes State to Go Faster, Bolder on Clean Energy

Maryland's first and at present the nation's only African-American governor-elect, Wes Moore (D) ran on an aggressive *clean energy platform*, patterned on President Biden's ambitious targets and all-of-government approach.

*S.B. 528*, which became law in April without Republican Gov. Larry Hogan's signature, has already put the state a path to cut greenhouse gas emissions 60% below 2006 levels by 2031 and to go net-zero economywide by 2045.

But calling on Marylanders to go faster, be bolder and not wait for their turn, Moore wants to up the ante, with a 2030 deadline for the 60% emissions reduction. Moore also wants the state running on 100% clean energy by 2035, "by leveraging billions of incoming federal funds and growing solar installations, supercharging Maryland's wind industry, and investing in battery storage research and development within our university systems."

He calls for an "entire-government" approach in which all state government agencies will review of their procurement and energy efficiency standards and their vehicle fleets, with the goal of setting "clear annual benchmarks that will reduce their environmental impact



Maryland Gov.-elect Wes Moore | *Amunankhra House Ltd.*

and that of the state." He also wants the state's vehicle fleet electrified by 2030.

Like Biden, Moore sees the green economy as creating jobs and promoting equity, especially for low-income families, and he intends to appoint a chief sustainability, mitigation and resilience officer to oversee and coordinate the state's clean energy and climate initiatives.

But, even with plenty of federal funds from the Inflation Reduction Act and solid Democratic majorities in both the House of Delegates and Senate, Moore's plan could face obstacles. Exelon, which owns the state's two main utilities, Pepco and Baltimore Gas and Electric, has a 2050 target for net-zero emissions. According to the *U.S. Energy Information Administration*, as of July, coal and natural gas were still providing close to two-thirds of the state's electricity.

Successive efforts to pass a green building code in the state have been watered down or derailed by the local building industry.

For example, *S.B. 528* originally contained provisions requiring that from 2023 to 2033, at least one new school in each school district be built to net-zero standards, but the provisions were cut from the final version.

The bill's broader requirements on building performance standards were another casualty. They would have mandated that new or renovation projects built with at least 25% state funding meet high-performance building standards developed by the Maryland Green Building Council. Emission-reduction targets for large commercial buildings and multifamily dwellings were also cut, from 50% to 20% in 2030, and a net-zero target for 2035 was eliminated.

A U.S. Army vet and nonprofit executive, Moore has no previous experience in govern-

ment. On the plus side, he will come into office backed up with a slate of experienced Democratic government officials, including U.S. Rep. Anthony Brown as attorney general and state Del. Brooke Lierman as comptroller.

## NEW YORK: Voters Approve \$4.2B Environmental Bond

New York state voters approved \$4.2 billion in environmental and climate protection spending by a huge margin but retained the governor leading the climate effort by a much closer vote.

The Clean Water, Clean Air, and Green Jobs Environmental Bond Act of 2022 promises extensive capital improvements in coming years, with up to \$1.5 billion of the funds designated for climate change mitigation.

Specific spending includes \$400 million for green building projects at state-owned facilities and public schools; \$200 million for reduction of air and water pollution affecting environmental justice communities; and \$500 million for purchase of zero-emission school buses and supporting infrastructure.

As of midday Wednesday, unofficial results showed voters supporting the environmental bond on 59% of ballots cast and opposing it on 29%, a ratio slightly better than 2-to-1. (No vote was cast on the other 12% of ballots, some undoubtedly because the proposition was on the back of the ballot and went unseen.)

By contrast, Democrat Kathy Hochul collected 52.2% of votes for governor to Republican Lee Zeldin's 47%.

As of Nov. 1, Democrats outnumbered Republicans among registered voters 49.6% to 22.1%.

Hochul's predecessor, Andrew Cuomo, was a forceful advocate of efforts to slow climate change, and Hochul continued support for one of the nation's most aggressive decarbonization programs after she took over as governor in mid-2021.

But the transformative (and expensive) climate initiatives never became a major Democrat-vs.-Republican theme during the 2022 campaign season in New York. And the bond act was approved by a margin wider than that enjoyed by almost every winning candidate for state office.

With both chambers of the legislature retaining a Democratic majority if not supermajority going into 2023, the state appears on track to continue with what Hochul likes to call its "nation-leading climate agenda." ■

# FERC/Federal News



## Regulatory Commission Roundup: La.'s Boissiere Faces Runoff vs Climate Activist

*Texas RRC's Christian Retains Seat on Gas Oversight Agency*

By Tom Kleckner

Regulatory commissions in nine Southern and Midwest states faced voters last week, with incumbents winning re-election in Alabama, Louisiana, Texas, Montana and the Dakotas, and losing in Arizona and Nebraska.

### Louisiana

Louisiana Public Service Commissioner Mike Francis (R) bested a three-person field with 59% of the vote in his southwest Louisiana district, but incumbent Lambert Boissiere III is headed for a runoff against an environmental advocate, having failed to gain 50% of the vote in his District 3 election.

Boissiere, who has served on the PSC since 2005, took 43% of the *vote in a five-person race*, falling short of an outright win in the jungle primary. Davante Lewis secured 18% of the vote to advance to the Dec. 10 runoff against Boissiere.

Keep the Lights On, a super PAC aligned with the Environmental Defense Fund, spent hundreds of thousands of dollars attacking Boissiere in the primary, NOLA.com *said*. Buoyed by donations from Entergy and others in the industry he regulates, Boissiere outspent Lewis, who is backed by the progressive group Voters Organized to Educate.

### Texas

Republican Wayne Christian cruised to reelection for a second six-year term on Texas' Railroad Commission, defeating Democratic challenger Luke Warford. With 88% of the vote counted Wednesday morning, Christian had a lead of 55% to Warford's 40%.

Christian currently serves as the chair of the RRC, the state agency that regulates the state's massive oil and gas industry. He has said his top three priorities for his next term are to increase domestic production of oil and natural gas, fight what he calls "the Biden administration's overreach" and secure U.S. energy independence.

The RRC and its history of lax oversight found itself the subject of legislative oversight in the aftermath of the February 2021 winter storm, when freezing temperatures cut into the state's natural gas production. Warford sought to link the power grid's failure to Christian's leadership of the commission.



Louisiana Commissioner Lambert Boissiere | © RTO Insider LLC

The agency recently enacted new rules to prevent natural gas producers from having power cut off during weather emergencies, which helped contribute to fuel shortages at power plants during the storm.

The GOP swept the statewide ballot, as it has since 1994. Dawn Buckingham (R) will become the first woman elected as land commissioner, beating back a challenge by Democratic conservationist Jay Kleberg, whose family owns the storied King Ranch. Kleberg said that accepting the reality of climate change would allow him to use the agency's assets to respond to hurricanes and other natural disasters, food, energy and wildlife diversity problems.

### Oklahoma

Republican Kim David was elected to replace term-limited Dana Murphy on the Oklahoma Corporation Commission. She outpolled Warigia Margaret Bowman (D), who teaches energy law at the University of Tulsa, by a 63-30 margin.

A real estate agent and property manager,

David was term-limited as a state senator.

Murphy, a familiar presence on SPP's Regional State Committee, fell victim to a state constitutional amendment in 2020 that limited commission members to two terms. Murphy was first elected in 2010. She ran for lieutenant governor in 2018.

### Arizona

Republican candidates Kevin Thompson and Nick Myers narrowly won the race for two seats on the Arizona Corporation Commission, ousting Sandra Kennedy (D), the only incumbent on the ballot.

Their wins increase the ACC's Republican majority to 4-1, leaving Anna Tovar as the lone Democrat. She is up for re-election in 2024. A \$460 million rate case from Arizona Public Service awaits the new commission.

### Montana

Incumbent Randy Pinocci (R) won a second four-year term to the state's Public Service Commission. He won 97% of the vote in an



## FERC/Federal News

uncontested race, having beaten a Republican challenger during the primary. Pinocci will be unable to run again for eight years, under Montana state rules.

Ann Bukacek (R) is leading the race to replace PSC vice chair Brad Johnson, who is term-limited. Bukacek leads Democrat John Repke, 55% to 45%, with 26 of 102 precincts reporting full results.

Bukacek, a doctor, campaigned on preserving and expanding hydroelectric and coal-fired power, using the slogan "Let's keep the lights on."

### North Dakota

North Dakota voters re-elected Public Service Commission Chair Julie Fedorchak (R) to another six-year term. Fedorchak, past president of the Organization of MISO States, defeated Melanie Moniz (D) with 71% of the vote.

Sheri Haugen-Hoffart (R) won a special election to serve the remaining four years of a six-year term after being appointed to the PSC earlier. She took 70% of the vote against

Democratic challenger Trygve Hammer.

### South Dakota

South Dakota Public Utilities Commission Chair Chris Nelson (R) was re-elected to a third three-year term, defeating challenger Jeff Barth (D), a 16-year member of the Minnehaha County Commission. Nelson, a two-time secretary of state before winning election to the PUC in 2010, won with 69% of the vote in the two-man race.

### Nebraska

In Nebraska, Eric Kamler (R) and Kevin Stocker (R) won uncontested district seats for six-year terms on the Public Service Commission. Kamler defeated incumbent Rod Johnson and Stocker unseated vice chair Mary Ridder during the Republican primary in May. Kamler won 57% of the vote while Stocker took 43% in a three-way race.

### Alabama

In Alabama, incumbent Public Service Commissioner Jeffrey Oden (R) *beat* Libertarian Ron



Montana PSC candidate Ann Bukacek | *Bukacek* campaign

Bishop 84% to 14%, while Republican Chris Beeker (R) defeated Libertarian Laura Lane by a similar margin. ■



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## FERC/Federal News



# Glick's FERC Tenure in Peril as Manchin Balks at Renomination Hearing

## 'Words ... Have Consequences'

By Rich Heidorn Jr.

Sen. Joe Manchin (D-W.Va.) said last week he won't call a hearing on President Biden's nomination of Richard Glick to remain as FERC chair, dimming the five-year commissioner's chance of returning for a second term.

Manchin, chair of the Senate Energy and Natural Resources Committee, said through a spokeswoman that he would not bring Glick's renomination up for a hearing despite his backing from Biden. Manchin "was not comfortable holding a hearing," spokeswoman Sam Runyon said in an email Thursday, declining further comment.

Glick joined the commission in November 2017 after serving as general counsel for the Democrats on the committee. Biden named him chair in January 2021 and renominated him for a new term in May.

But Manchin — who was angered earlier this year by the commission's proposal to consider greenhouse gas emissions in natural gas infrastructure certificates — never endorsed him.

At an ENR Committee hearing in March, Manchin accused Glick of pursuing a partisan climate agenda that undermined U.S. energy security. Although Glick defended the original policy statement at the hearing, a month later FERC walked the policy statements back, labeling them as drafts and saying any new rules would apply only to future projects (PL18-1). (See [FERC Backtracks on Gas Policy Updates](#).)



FERC Chairman Richard Glick took part in the commission's annual technical conference on reliability last week. | FERC



Sen. Joe Manchin joined Sen. John Barrasso and other Republicans in grilling FERC Chair Richard Glick at a March hearing of the Energy and Natural Resources Committee. | © RTO Insider LLC

Glick's fortunes also may have suffered from Manchin's testy relationship with Biden.

When Manchin — a pivotal vote in the 50-50 Senate — announced in December that he would not support the president's Build Back Better climate plan, the White House blasted him for what press secretary Jen Psaki called "a sudden and inexplicable reversal in his position and a breach of his commitments to the president and the senator's colleagues in the House and Senate." (See [Manchin Says 'No' on Build Back Better](#).)

Relations appeared to have improved when Manchin agreed to the smaller Inflation Reduction Act, and the senator took part in Biden's signing ceremony in August.

But Manchin was angered anew earlier this month when Biden referred to the Brayton Point power plant in Somerset, Mass., during a speech. Part of Brayton Point — New England's largest coal-fired plant when it shuttered in 2017 — is being repurposed to a subsea cable manufacturing facility to service the offshore wind industry. "We're going to be shutting these [coal] plants down all across America and having wind and solar," Biden said on Nov. 4.

"Comments like these are the reason the American people are losing trust in President Biden," Manchin responded in a [statement](#) Nov. 5. "Being cavalier about the loss of coal jobs for men and women in West Virginia and across the country who literally put their lives on the line to help build and power this country is offensive and disgusting. The president owes these incredible workers an immediate and public apology, and it is time he learn a lesson that his words matter and have consequences."

White House Press Secretary Karine Jean-Pierre said later that Biden's words had been "twisted."

"The president was commenting on a fact of economics and technology: As it has been from its earliest days as an energy superpower, America is once again in the midst of an energy transition," Jean-Pierre said.

Manchin's surprising criticism of his party's president — coming days before the midterm elections — was unconvincing to conservatives, who noted the senator's crucial support for the IRA.

*New York Post* commentator Miranda Devine criticized what she called Manchin's "faux outrage."

# FERC/Federal News



“He knew what Biden was when he caved in and voted for the so-called ‘Inflation Reduction Act,’ which was the Green New Deal in disguise,” she tweeted.

“Well, sorry, Sen. Manchin, but you single-handedly gave this president more, not less, power to gut our fossil fuels with the idiotic climate bill!” commentator Laura Ingraham tweeted. “You helped create this monster.”

## ‘Confident’

Whatever the reason for Manchin’s decision, it appears to leave Glick little more than a month to complete his legacy at the commission. Although Glick’s term expired June 30, he can remain in his post through the end of the lame duck congressional session, scarcely enough time to complete all of the major rulemakings he began, including transmission planning and cost allocation (RM21-17) and interconnection policy (RM22-14), in addition to the pipeline policy statement.

News of Manchin’s rejection was not mentioned Thursday during FERC’s annual technical conference on reliability. (See related story, [FERC Panelists Talk Cyber, Grid Transformation Challenges.](#))

“Like I’ve said before, I worry about the things I can control. The things I can’t control, I don’t

worry about,” Glick told E&E News during a break in the conference. He added that he spoke to Manchin on Wednesday night and was not told much more than the statements released by the senator’s office. “We’ll see what happens,” Glick said.

Glick left the conference early, citing another appointment.

Speaking in October at the American Council on Renewable Energy’s (ACORE) Grid Forum, Glick said Senate Majority Leader Chuck Schumer (D-N.Y.) and his backers in the White House were “working hard towards confirmation.” (See [Scenario Planning, Magical Thinking and Energy Efficiency.](#))

“They are confident,” Glick said, before turning fatalistic. “We have a lot of day-to-day work to do. [I] try to focus on that on a daily basis, and whatever happens, happens.”

ClearView Energy Partners cited Energy Information Administration data that West Virginia produced almost 91% of its power from coal in 2021, and noted that the state exports about half the power it generates.

“The impact of ‘shutting down’ all coal capacity appears to bode ominously for West Virginia’s economy, independent of Chairman Manchin’s personal investments in the coal sector,”

ClearView said. “The White House’s overall decarbonization agenda may be overshadowing Chairman Manchin’s concerns over FERC policy — and the pending renomination may be one of the few levers available to him to push back against it.”

## Deadlock?

News of Manchin’s decision sparked discussion on Energy Twitter over how long the commission might be without a fifth commissioner and whether it would face a deadlock between Democrats Allison Clements and Willie Phillips and Republicans James Danly and Mark Christie.

But while Christie was highly critical of the Democrats’ original pipeline policy statement, he has often sided with them on other issues, with Danly often the lone dissenter.

Former FERC Chairman Neil Chatterjee said a 2-2 party split would not deadlock the commission.

Christie “is already at the table negotiating on transmission. And if three votes come together on pipelines, they will move forward regardless of who is chair,” he tweeted. “I had 2-2 for almost a year, and we got a ton of significant things done. ... Everything at FERC will be fine. ■



Sen. Joe Manchin joined colleagues as President Biden signed the Inflation Reduction Act into law in August. | *The White House*

## FERC/Federal News



# FERC Panelists Talk Cyber, Grid Transformation Challenges

By Holden Mann

At FERC's annual reliability technical conference on Thursday, commissioners focused on the work needed to prepare the bulk power system for a world of rapidly developing challenges.



Commissioner Willie Phillips | FERC

"Much has been said about mistakes that have happened in the past. Much has been said about some of the near-misses and misses that we've had on our system," Commissioner Willie Phillips, who served as moderator, said in his opening remarks. "What I would like to focus on is the future. I would like for you to help me see around the corner [and] what your thoughts are on best practices that we can use."

He continued, "Help us see where the gaps are with our regulatory regime, so that we can make sure that we direct the right and specific changes to [NERC's] reliability standards, which I don't think anybody can argue are a great foundation."

The first of the day's two panels focused on the reliability challenges emerging because of multiple transformations occurring, with the North American power grid becoming more decarbonized, more decentralized and more digital. NERC



NERC CEO Jim Robb | FERC

CEO Jim Robb outlined the issues that the ERO has identified in recent years, such as the behavioral differences between renewable and traditional generation resources; difficulties in controlling a large number of small, distributed generators; and the spread of cyberattacks from criminals and state-backed organizations.

Asked by FERC Chairman Richard Glick for their thoughts on the issues that the commission and NERC should be prioritizing, Robb's fellow panelists had a wide range of responses. Michelle Bloodworth, president and CEO of America's Power — a trade organization that advocates on behalf of the U.S. coal generation fleet and its supply chain — warned that the expected retirement of 93 GW of coal plants



FERC Chairman Richard Glick at Thursday's Reliability Technical Conference | FERC

between now and 2030 would deprive the grid of generators with the "attributes" — including availability, fuel security and voltage stability — needed to maintain stable operation.

"I do think that it's under FERC's legal authority to ensure that we're sending market signals so those resources do not exit the market," Bloodworth said. "I also think that it's in FERC's responsibility under Section 215 [of the Federal Power Act] to ... provide the financial support that is needed to retain those assets that provide those attributes, until resources with equivalent characteristics come online."

But instead of incentivizing utilities to keep these assets and the safety they provide, Bloodworth said that current policies tend to have the opposite effect of encouraging entities to retire their coal plants prematurely. She urged FERC to "play a large role in ... determining how we value those attributes" that contribute to reliability "with a sense of urgency" so that utilities can plan their generation needs properly.

Building on Bloodworth's point, Mark Ahlstrom — vice president of renewable energy policy at NextEra Energy Resources, which calls itself the world's largest producer of wind and solar energy — told commissioners they "need to actually get down to defining what 'essential reliability services' are."

Calling himself "a representative from the

inverter-based side of the world" — referring to the fact that solar and wind facilities, unlike coal plants, connect to the grid through inverters — Ahlstrom said the lack of agreement on what is necessary may have prevented his industry from pursuing the best paths.

"I've often said ... give me some energy, some electronics, software and a definition of what you need, [and] we can give you anything you want. We just really haven't clearly defined what is essential," he said.

Asked by Commissioner Allison Clements about the challenges to managing the clean energy transition, Ahlstrom said that while there are "many pathways [that] all could reach the destination," the difficult part is coordinating among the many different stakeholders helping to build the BPS. Tricia Johnstone, director of operational readiness at CAISO, added that while NERC's reliability standards "provide a really good basis for us right now," the ERO will have to work to ensure they are proactively adapting to the rapid changes.



Tricia Johnstone, CAISO | FERC

"For an operator, your day-to-day measure [of] 'are we doing a good job as a balancing authority' is [NERC's] BAL standards and measures, and that's what we're monitoring in the control

# FERC/Federal News



room to make sure that we're in balance," Johnstone said, referring to the family of standards that govern resource and demand balancing. "But with some of the technologies — [for example], battery storage ramps very fast, and it will actually send our measurements where we don't want them to be."

She said the question for utilities and regulators should be how "those [standards] need to evolve in the future, so as the resource mix changes, do those measurements need to be adjusted?"

## Emerging Cyber Challenges

In the second panel, which focused on cybersecurity, Phillips opened by noting that successful cyber defense requires "buy-in from the leadership" and full commitment to establishing a culture of safety, not just compliance. Phillips called NERC's Critical Infrastructure Protection (CIP) standards a "floor" that can still "never keep up with the threats that we face," and asked panelists "do you have the resources, do you have the intelligence, do you have the technical capability to ... identify and respond to cybersecurity threats?"

SERC Reliability CEO Jason Blake acknowledged the cyber threat landscape as "daunting," with "well funded [and] aggressive" adversaries who are "only getting more sophisticated." Coupled with the dedication of the global cyber threat community, the increasing use of remote controls for grid monitoring and control, along with digital communications between utility staff, has ex-



SERC Reliability CEO Jason Blake | FERC

panded the "attack surface" available for these adversaries to target.

While Blake also reported taking "great pride [in] where this industry is today" and called the electric industry's progress on cybersecurity far ahead of many other industries, he reminded the commission that considerable work will be needed on an ongoing basis just to stay even with the threats.

"We are not perfect, and we cannot rest, and you have to understand that concept as you move forward," Blake said. "So how do you do that? I think you go in with the larger vision [and] overarching framework to make sure that you are constantly striving your organization, to advance it to meet the security challenges of today and tomorrow. It's not enough just to try to achieve baseline compliance ... what you're wanting to do is ... drive a continuous improvement mindset where you're really advancing and pushing people."

The work required to keep the CIP standards up to date was a major topic of discussion at the panel, with Clements suggesting that the deliberate pace of NERC's standards development process might not be capable of keeping up with the emerging threats. She asked panelists for suggestions of how to make regulated entities more "nimble" while avoiding approaches that would "add another layer of bureaucracy or processes to it."

Eric Miller, executive director of information technology infrastructure and real-time application support at MISO, suggested that there "could be benefit in trying to adopt existing frameworks." For example, NERC collaborated with the National Institute for Standards and Technology (NIST) last year on a reference document mapping NIST's *Framework for Improv-*

*ing Critical Infrastructure Cybersecurity* to the ERO's CIP standards. (See *NERC, NIST Update Cybersecurity Mapping*.)

The benefit of this mapping, Miller said, is that at "a very high level, it's very easy to communicate across the spectrum" the relationship between NERC's standards and the NIST framework so that registered entities can identify actions that satisfy both. It can also help NERC's standards development staff to find gaps in the standards and blind spots that are addressed by other frameworks.

All panelists felt that the CIP standards should not have to stand as the sole word on cybersecurity in the power industry. Brandon Wales, the executive director of the Department of Homeland Security's Cybersecurity and Infrastructure Security Agency, said that utilities should have the flexibility to look beyond the minimum required of them and find the tools needed to meet their goals.



Brandon Wales, CISA | FERC

"Standards are never going to be there to address the acute problems we deal with, and so I wouldn't say all emerging issues are behind the power curve, because there are many that can be fit within the existing structures," Wales said. "But I do think that there are potentially a class of emerging issues that really test the foundations of what we are doing, and ... we may need new areas that the existing frameworks don't sufficiently capture the complexities of the network environment we deal with today." ■

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## CAISO/West News

# CAISO Finalizing Plan for WEIM Day-Ahead Market

By Hudson Sangree

CAISO is moving toward a final plan to add a day-ahead market to its real-time Western Energy Imbalance Market, with the aim of having its Board of Governors and the WEIM Governing Body vote on the proposal in February.

Comments on the final draft are due by Nov. 22, and CAISO expects to publish a final plan in early December.

The *draft final proposal* published Oct. 31 “reflects significant stakeholder input and design changes” compared with the initial draft in April and a revised proposal in August, CAISO said.

“The draft final proposal is a result of continuing extensive, open and collaborative stakeholder engagement, including more than 500 pages of stakeholder comments on the straw and revised straw proposals and stakeholder discussions during the numerous stakeholder meetings this year,” it said.

Major changes include a requirement that supply offers into the day-ahead market must have “associated transmission reservations.”

“In particular, a resource must be a designated network resource under the terms of the Open Access Transmission Tariff (OATT), have reserved firm point-to-point transmission, or have a legacy transmission contract,” the draft final plan said.

Transmission commitments have been a source of contention in the planning process.

The draft final proposal gives transmission customers and others extra time to plan their daily transmission and resource use by extending the deadline for the voluntary release of transmission to the market from 6 a.m. to 9 a.m. on the day before delivery.

The plan calls for unscheduled transmission rights to be released to the market to optimize EDAM transfers.

“Stakeholders expressed concern that the timeline for releasing transmission rights to the EDAM ... by 6 a.m. the day ahead is too early and may limit the ability of entities to enter into bilateral arrangements,” CAISO said in the draft. “They preferred to move the time closer to 10 a.m. when the day-ahead market runs.”

CAISO compromised with the 9 a.m. day-ahead deadline.

## Resource Sufficiency

The EDAM’s resource sufficiency evaluation (RSE) proposal, meant to ensure that participants can meet their own internal needs before engaging in the market, has been another contentious issue during the EDAM design process.

The RSE is needed because balancing authority areas (BAAs) “across the West are not subject to a common resource adequacy or resource planning program” but EDAM must have a “common mechanism to ensure day-ahead supply sufficiency and avoid leaning on the pool of participants by any one EDAM participant,” the draft says.

The draft final proposal deals with the market’s approach to counting firm energy contracts in the day-ahead RSE, a particular area of concern for some stakeholders.

The contracts “are an important component of the supply portfolios of Western load serving entities and have been historically reliable and dependable sources of supply,” it said. But “for these types of firm energy contracts, while the delivery point to a BAA is known, the source and transmission path may not be known in time for the day-ahead market close [at 10 a.m.], when bids are submitted into the market.”

“Given the potential lack of resource and transmission specificity by the time of day-ahead market run at 10 a.m., stakeholders have expressed concerns regarding challenges that these arrangements raise, including the risk of the supporting resource potentially being double counted in how they are offered into the market and potential congestion price implications,” it said.

The draft final plan proposes allowing firm energy contracts to count

toward the resource sufficiency evaluation while “strongly [encouraging] identification of the source or source BAA, particularly if it is located in EDAM footprint.”

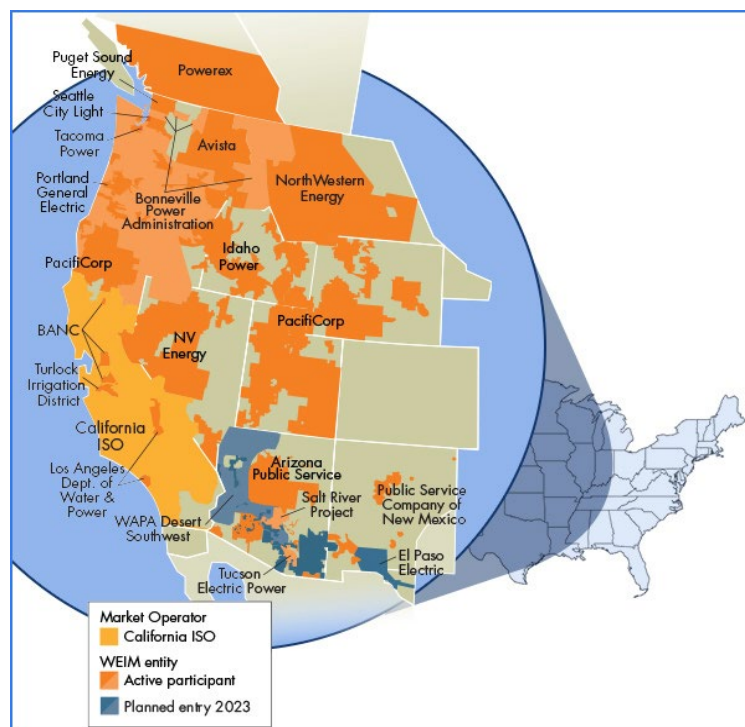
“If [the] source BAA is not known, the arrangement will be modeled as a self-scheduled injection at the intertie of the sink BAA,” it says.

Tagging requirements, introduced in the revised straw proposal, are also meant to “instill confidence” in firm energy contracts, it said.

A tagging mechanism or “e-tag” is a means of electronically monitoring and recording energy transactions for firm energy contracts. The proposal requires “all non-source-specific forward supply contracts [to] be tagged within three hours following publication of the day-ahead market results.”

Penalties for failing the RSE have been debated repeatedly during the market’s design.

The draft final plan proposes revising the consequences for failing the RSE by including a “tiered structure that provides a tolerance band under which a relatively minor failure does not constitute a resource sufficiency evaluation failure, but failures above the tolerance band are subject to scaled financial administrative surcharges.” ■



CAISO expects the WEIM to encompass 80% of load in the Western Interconnection by next year. | CAISO

## CAISO/West News

# Move-in Date Approaches for Calif. Microgrid Community

By Elaine Goodman

Residents will soon be moving into a new microgrid community of 219 single-family homes in Southern California — a project that's being called first of its kind in the state.

SunPower worked with KB Home and other partners on the project, which was awarded a \$6.65 million Connected Communities grant from the U.S. Department of Energy last year.

The 219 homes will be built in two neighboring KB Home subdivisions, Oak Shade and Durango, in the Riverside County city of Menifee, about 80 miles east of Los Angeles.

Each of the all-electric homes will be solar powered and have individual battery storage. In addition, they'll be connected to a microgrid powered by a large, shared community battery.

"This project may be the blueprint to follow

for building new decarbonized homes of the future," DOE said in announcing the award.

### How It Will Work

Each home will receive electric utility service from Southern California Edison (SCE), which is a partner in the project. The homes will also come with controls that can isolate them from the grid during a power outage.

During an outage, the homes will draw energy from their own battery systems or from the community battery. The systems are designed to support critical loads including lights, refrigeration and Wi-Fi, as well as high-capacity loads such as hot water and space heating and cooling. SunPower called the homes "power-outage resistant."

The project will be a "true microgrid," in which the all-electric homes can be disconnected and reconnected to the grid, a SCE spokesperson told *RTO Insider*. SCE checked with other major

utilities to confirm the project's uniqueness in California, the spokesperson said.

The Durango and Oak Shade subdivisions will have separate microgrids that can be connected when it benefits both communities, according to the Advanced Power and Energy Program (APEP) at the University of California, Irvine, another project partner.

APEP will collect data from the communities and research ways to improve the technologies for future projects. The university will also ensure that the microgrid controller meets national standards.

Some of the homes will be used to demonstrate "vehicle-to-home" charging, in which an electric vehicle can be used as an additional energy source for the home during an outage.

Residents will have an option to sign up for a Virtual Power Plant (VPP) program, in which their battery storage, EV chargers and other flexible loads can be automatically dispatched to the grid. VPP participants may be eligible for compensation.

In addition to solar-plus-storage systems, each home will be equipped with high-efficiency appliances and flexible loads such as electric heat pump water heaters and space heating and cooling systems. Project partner Schneider Electric will provide smart load panels and connected wiring devices that integrate and control the distributed energy resources.

### Construction Underway

Construction started a few months ago on the homes at Durango and Oak Shade, according to a KB Home spokesperson. About 50 houses have been sold so far, and residents will start moving into their homes in February or March.

The three- to five-bedroom homes range from 1,472 to 2,906 square feet and most are priced in the \$500,000 range, according to KB Home's website.

SunPower's project was one of 10 that received "connected communities" grants from DOE last year totaling \$61 million. (See ['Connected Communities' Get \\$61M in DOE Funding](#).) Connected communities tie together a group of grid-interactive efficient buildings (GEBs).

DOE is hoping the demonstration projects will accelerate the technology development, commercialization and deployment of GEB systems across a range of locations, climates and building types. ■



Houses in KB Home's new Durango at Shadow Mountain subdivision will be part of a 219-home microgrid. | KB Home

## CAISO/West News

# California PUC Revisits Net Metering Plan

## New Proposal Displeases Groups on Both Sides of the Controversy

By Hudson Sangree

The California Public Utilities Commission released a new net metering plan Thursday after months of controversy over its prior efforts to cut payments to rooftop solar owners for exported electricity and to charge them grid-connection fees.

The latest proposal tries to strike a balance between the competing demands of the solar industry and an alliance of investor-owned utilities and ratepayer advocates. The solar industry argues that reducing the state's generous incentives will undermine solar adoption, while the utilities and ratepayer advocates say the state's current net-metering scheme shifts billions of dollars in costs from those who can afford rooftop solar to those who cannot.

The CPUC is working under a legislative mandate to revise the state's net energy metering (NEM) tariff by next year.

Under the latest plan, the existing "net energy metering tariff and its sub-tariffs are revised to balance the multiple requirements of the Public Utilities Code and the needs of the electric grid, the environment, participating ratepayers, as well as all other ratepayers," the Nov. 10 *proposed decision* says.

The new plan would not change the credits paid to current rooftop solar owners for excess electricity they export to the grid. Utilities compensate those homeowners at full retail electricity rates, which are much higher than the costs of utility-scale solar.

The subsidies are credited with making California the nation's leader in rooftop solar over the past 25 years.

"Since 1997, California has supported the rooftop solar market through its NEM tariffs, which have enabled 1.5 million customers to install more than 12,000 megawatts of renewable generation," the CPUC said in a news release.

The CPUC's prior net metering reform proposal, issued in December 2021, would have slashed NEM bill credits by more than half and possibly up to 80%. (See [California PUC Proposes New Net Metering Plan.](#))

Under the new proposal, future rooftop solar owners would be compensated differently from existing customers.

"In the successor tariff, the structure of the [current NEM] tariff is revised to be an improved version of net billing, with a retail export compensation rate aligned with the value that behind-the-meter energy generation systems provide to the grid and retail import rates that encourage electrification and adoption of solar systems paired with storage," the proposed decision says.

"The successor tariff applies electrification retail import rates, with high differentials between winter off-peak and summer on-peak rates, to new residential solar and storage customers instead of the time-of-use rates in the current tariff," it says. "The successor tariff also replaces retail rate compensation for exported energy with Avoided Cost Calculator values that vary according to grid needs."

A *fact sheet* accompanying the proposed decision says the new rate structure would encourage customers to install battery storage so they can store solar electricity generated in the daytime and sell it to the grid on hot summer evenings, when prices are higher, and the state needs it most for reliability.

Strained grid conditions in the past three summers occurred during heat waves when solar ramped down in the evening but demand remained high from air conditioning use.

The state legislature approved \$900 million in funding this year to spur adoption of rooftop solar and battery storage, including \$630 million for lower-income households. Those who install solar or solar coupled with storage in the next five years will receive extra payments.

"Customers lock in these extra bill credits for nine years," the CPUC said in the fact sheet.

The solar industry would benefit by selling more storage along with solar arrays, it said.

The new plan removes a controversial provision contained in the December proposal to impose an \$8/kWh grid charge on solar customers' bills, averaging about \$48 per month for residential customers.

The CPUC estimated that under the new plan, residential customers installing solar will save an average of \$100 a month on their electricity bills, and those installing solar and batteries will save \$136 a month or more.

"With these savings ... customers will fully pay off their solar systems in just nine years or

less," the CPUC said in the fact sheet.

### Neither Side Happy

Both the solar industry and investor-owned utilities expressed dissatisfaction with the plan last week.

The California Solar and Storage Association said in a news release that "based on an initial analysis the [Nov. 10 proposal] would cut the average export rate [for rooftop solar] in California from \$0.30 per kilowatt to \$0.08 per kilowatt and make those cuts effective in April 2023, resulting in a 75% reduction in value of exports."

The trade group's executive director, Bernadette Del Chiaro, said in the statement that the "CPUC's new proposed decision would really hurt. It needs more work, or it will replace the solar tax with a steep solar decline. An immediate 75% reduction of net energy metering credits does not support a growing solar market in California.

"If passed as is, the CPUC's proposal would protect utility monopolies and boost their profits, while making solar less affordable and delaying the goal of 100% clean energy," she said

Affordable Clean Energy for All, an advocacy group that includes the state's three large investor-owned utilities, said the plan does not go far enough.

"The CPUC's new proposed decision released today fails to make the meaningful reform necessary to ensure that all electricity customers, those with rooftop solar and those without, pay their fair share of the costs for electric grid reliability, wildfire mitigation and other state mandated programs that benefit all Californians," the group said in a news release.

"It is extremely disappointing that under this proposal, low-income families and all customers without solar will continue to pay a hidden tax on their electricity bills to subsidize rooftop solar for mostly wealthier Californians," the group's spokesperson Kathy Fairbanks said in the news release.

Parties have 20 days to comment on the proposal. The CPUC plans to take it up for the first time at its Dec. 15 voting meeting. ■



## CAISO/West News

# CAISO Symposium Talks Western Transmission

By Hudson Sangree

SACRAMENTO, Calif. — The need for new transmission to transport clean energy across the West was a key theme of this year's CAISO Stakeholder Symposium, which returned in person last week to the Sacramento Convention Center Complex after a three-year hiatus.

Solar power from the Southwest, hydropower from the Northwest, and wind from Wyoming and New Mexico will need to flow to California and other states with clean-energy goals in the coming years, panelists said.

"That resource diversity is extremely valuable to the Western Interconnection," said Maury Galbraith, executive director of the Western Interstate Energy Board. "Transmission is the technology that allows us to leverage that geographic diversity. Transmission is what allows generation and electrons to flow from low-priced areas to high-priced areas and allows us to spread out surpluses and fill in the deficits."

That will require regional planning of transmission to facilitate market transactions, such as those in CAISO's interstate Western Energy Imbalance Market (WEIM), he said. The ISO already has been incorporating that need into its transmission planning, Galbraith said, "but I don't think it's yet taken over the rest of the West."

In the future it will have to, he said.

Neil Millar, CAISO vice president of infrastructure and operations planning, said the ISO has had to plan for transmission both internally and externally because of the state's clean-energy and electrification mandates.

"Five years ago, we were actually dealing with forecasts for transmission planning of flat or even negative load growth," Millar said. "Now, we're looking at some of the steepest load-growth forecasts we've seen in 15 years. A lot of that is from the emergence of electrification, not only transportation but other industries,

that's driving the requirements, as well as the need to clean the grid in general."

Until two years ago, CAISO's 10-year transmission plan, which is updated annually, anticipated the addition of 1,000 MW of new resources per year, he said. This year's plan projects 4,000 MW of new resources per year, and the "draft portfolios for next year are looking at about 7,000 MW of installed capacity a year," he said.

California needs the new resources, including solar and storage, to maintain grid reliability while meeting its 100% clean energy mandate by 2045.

CAISO's first 20-year transmission outlook, published Feb. 1, projected the need for lines traveling from wind farms in Wyoming and New Mexico and a 200-mile undersea line to carry offshore wind from far Northern California to the San Francisco Bay Area. In-state lines to move renewable generation from rural areas to urban load pockets also must be built, CAISO said.

The 20-year outlook estimated the total price tag at \$30.5 billion. (See [CAISO Sees \\$30B Need for Tx Development](#).)

Panelists said a major problem will be who pays for interregional transmission lines.

"Everybody wants to go to heaven, and nobody wants to die when it comes to cost allocation," said Scott Bolton, senior vice president of transmission and market development at PacifiCorp, prompting laughter.

PacifiCorp's sprawling footprint in the West allows it to build long-haul transmission lines to benefit its own customers, he said. Going forward, utilities like PacifiCorp will need to justify transmission that serves multiple jurisdictions, including CAISO.

"And so, as Maury hits on, which frankly is an underpinning theme of this whole symposium, the emergence of markets needs to become



CAISO's Stakeholder Symposium was held at the Sacramento Convention Center. | © RTO Insider LLC

a much more robust part of that analysis," he said.

PacifiCorp and others will need to "be able to show ... that this additional transmission capability being built by others [in the West] contributes to a more robust platform for trading [and] for being able to transact in energy in ways that will lower power costs and be able to deliver those savings to retail customers, just by different means than what we've traditionally demonstrated," he said.

The benefits will have to exceed the \$3 billion already achieved through the WEIM since it started in 2014, he said. CAISO's proposed extended day-ahead market (EDAM) for the WEIM could amplify those benefits.

"We will have to be able to ... better optimize the system and lower those production costs and lower the power costs that customers experience," Bolton said.

"If coordinated right, it should provide those additional benefits beyond just reliability and meeting load growth," he said. "That's where the markets discussion is so exciting because it does introduce an opportunity, frankly, to monetize that transmission for customers who are supporting that investment and to really get paid back on that increased market activity [by using] transmission more efficiently and much more dynamically." ■

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## ERCOT News



# Proposed ERCOT Market Redesigns ‘Capacity-ish’ to Some Constructs from PUC Consultants’ Study Include Forward Mechanisms

By Tom Kleckner

Texas regulators threw another curveball at ERCOT market participants last week, backing away from a market design they seemed to favor a year ago and moving toward a hybrid model recommended by commission staff.

Following an [external consultants’ review](#) of the Public Utility Commission’s proposed market redesign, staff urged the commissioners to pursue a performance credit mechanism (PCM) that requires load-serving entities to buy performance-based credits from generation resources. (54335).

Staff told the PUC during Thursday’s open meeting that the PCM design has elements similar to the load-serving entity reliability obligation (LSERO) that commission Chair Peter Lake has frequently pushed, but that it also introduces features “more consistent” with ERCOT market principles. Staff pointed to earned accreditation rather than an upfront administrative process as one example.

Staffer Ben Haguewood said PCM draws on “complementary elements” from other proposals in the commission’s blueprint, released last December. The blueprint recommended several design changes to “ensure sufficient dispatchable” generation is available in the ERCOT market to “meet reliability needs during a range of extreme weather conditions and net load variability scenarios.” (See [PUC Forges Ahead with ERCOT Market Redesign](#).)

The PCM was one of six market designs that Energy and Environmental Economics (E3) and subcontractor Astrapé Consulting have been reviewing and modeling since the spring. It establishes a reliability standard and corresponding quantity of performance credits (PCs) that must be produced during the highest reliability risk hours to meet the standard.

LSEs can purchase PCs, awarded to resources through a retrospective settlement process based on availability during hours of highest risk, according to their load-ratio shares during those same periods. This allows generators and LSEs to trade PCs in a voluntary forward market, E3 said. Generators must participate in the forward market to qualify for the settlement process.

“This study confirms that we can achieve even more dramatic improvements in reliability with minimal cost impact to consumers,” Lake said in



Alison Silverstein, Silverstein Consulting | © RTO Insider LLC

a [press release](#). “By combining the best elements of each design model into the [PCM], we create a system that ensures enough electricity when we need it most while incentivizing construction of new plants to deliver reliable power to Texas homes and businesses.”

Energy consultant Alison Silverstein told *RTO Insider* Friday that she was still working her way through the report but said she was concerned that neither the PCM nor the LSERO “give a clear, multi-year forward set of revenue” that would really spark investors’ interest.

“We don’t know what those critical hours are and the level of scarcity and what the price is going to be until afterwards. At the start of the year, the hours that you think might have been great might not be critical,” she said.

“We’ve already set up a scarcity price mechanism to pay more during hours of scarcity,” Silverstein said, referring to ERCOT’s operating reserve demand curve. “The PCM wants to pay for existing generators for the same hours, so it looks to me like it’s a double payment for performance during tight hours. That’s great for existing generators, but I’m not sure that it’s good for accepting an incremental increase over [the PUC’s first phase of market changes last year], which is like throwing money at existing generators.”

### ‘Detail Devils’

Beth Garza, a senior fellow with R Street Institute and ERCOT’s former market monitor, said there are rarely right or wrong answers when designing a market but “merely choices that

will have consequences.”

“Ever the optimist, I think the PCM can be a workable mechanism,” she said. “The detail devils include one, capacity accreditation and two, the definition and number of ‘high-risk’ hours. I am also optimistic that PCM could provide another incentive for loads to consider their consumption during times of potential supply scarcity.”

E3 and Astrapé compared each of the six market designs against ERCOT’s status quo energy-only construct. They said the current design results in a 1.25 loss-of-load expectation, above the industry standard of 0.1 days/year, and that it would retire 11.3 GW of thermal resources because of an assumed significant level of renewable and storage additions.

For its part, E3 recommended a forward reliability market (FRM) design that Stoic Energy principal Doug Lewin called a “straight-up forward capacity market.”

“Capacity-ish,” Silverstein said. “I don’t think they’ve found the magic solution.”

The FRM design establishes a reliability standard and identifies the reliability credits — assigned to resources using marginal effective load-carrying capability (ELCC) — needed to meet the standard. The forward market’s reliability credits would be centrally cleared by ERCOT based on a sloped demand curve, with costs allocated to LSEs based on pro-rata consumption during the highest reliability risk hours.

The PCM, LSERO and FRM constructs would add an incremental 5.6 GW of natural gas capacity, as compared to ERCOT’s current design, the study said. That would improve the LOLE to 0.1 at an incremental cost of \$460 million over the energy-only construct’s total customer costs of \$22.3 billion in 2026.

The study also looked at the backstop reliability service (BRS) and dispatchable energy credits (DECs), both proposed by the PUC last December, and a hybrid that merged both designs. The BRS would produce results similar to the forward-market designs at an incremental annual cost of \$360 million; when combined with DECs, the costs rise to \$920 million a year.

The DEC proposal’s eligibility criteria would reduce natural gas generation, according to

# ERCOT News



the study, increasing the LOLE to 2.03.

Silverstein was among several analysts who noted the study looked at winter peak loads across 40 historical years (1980-2019) but did not include the 2021 winter storm that came within minutes of collapsing ERCOT's grid. E3 said incorporating the extreme event as an "appropriate probability" was beyond the study's scope.

She said the "strip of weather" E3 used also did not include this summer's unending heat waves that led to dozens of new records for demand.

"They guarantee that they're not going to get the conditions that are more challenging for

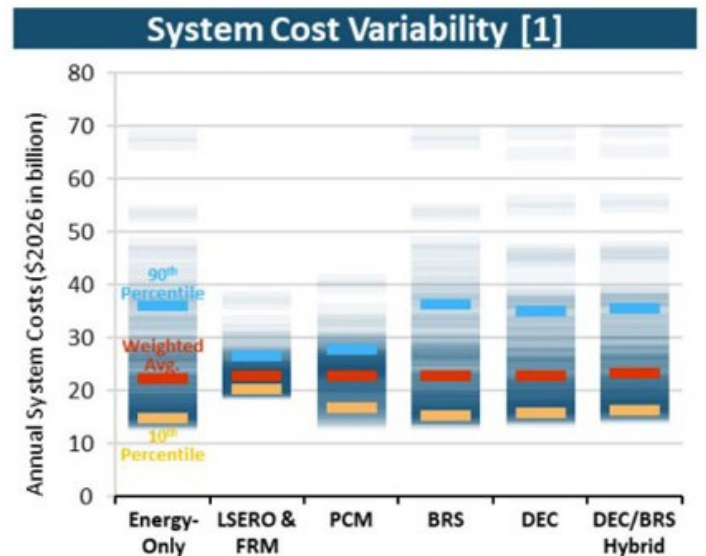
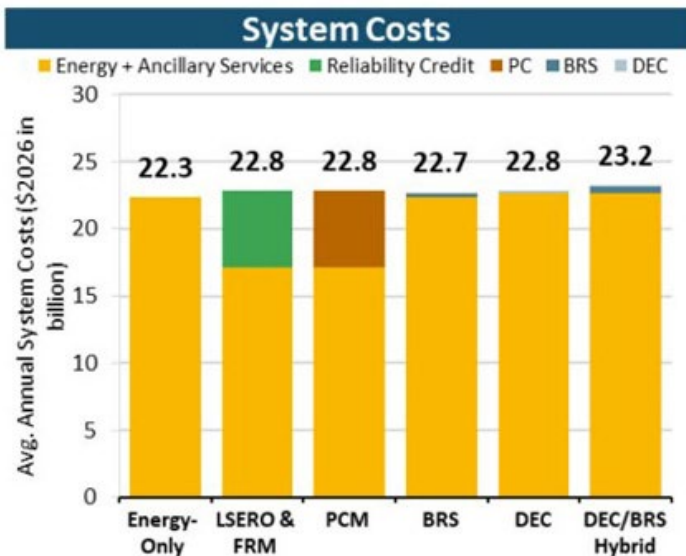
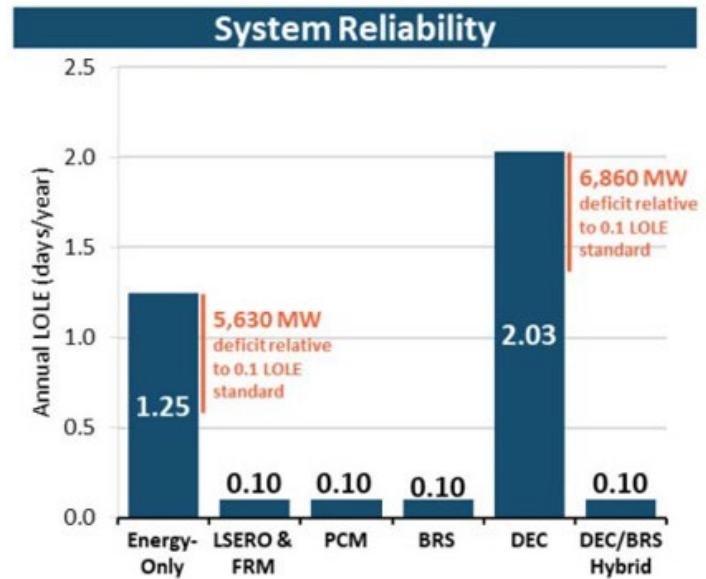
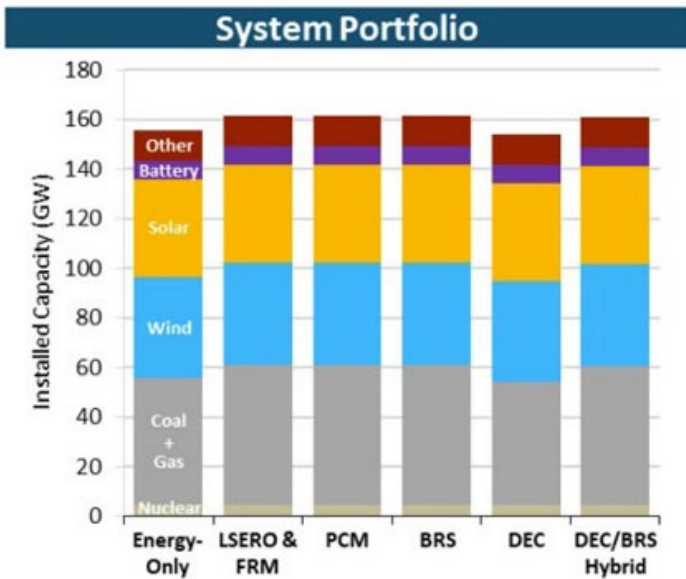
reliability. And in so doing, they say, 'Look, we have great reliability results,'" she said. "They're doing that against a three-foot wet bar instead of a six-foot reservoir that is gradually, inexorably rising higher almost every year, in terms of the magnitude of extreme weather events. They're not a valid test of whether these mechanisms will help us in what are the next set of heat waves."

Silverstein was also critical of the study's exclusion of battery storage, which is increasingly accounting for new requests in ERCOT's generator interconnection queue. E3 included storage with wind and solar in netting out the resources from total demand in the models.

"Storage is a resource, not a bad thing, and it's totally controllable. So why would you set it up?" she said. "We're gonna have a crap ton of it. Storage is way too important a resource to play games with it."

Silverstein, ERCOT's Independent Market Monitor and other stakeholders will all have an opportunity to comment on the proposed market designs, which have largely been discussed and drafted this year behind closed doors. Staff drafted an initial set of questions that included:

- Would the PCM, having not been implemented anywhere else, present a significant obstacle to operating the ERCOT market?



[1] Voluntary hedging by LSEs can mitigate exposure to volatility

# ERCOT News



- Would the PCM incent generation performance, retention and market entry?
- Is the 1-in-10 loss-of-load expectation a reasonable standard?
- Does ERCOT centrally clearing the market mitigate the risk of market power abuse?
- Should a short-term “bridge” product or service to be used to maintain system reliability should a market design be adopted that needs several years to be implemented?

Commissioner Lori Cobos added a question to the list related to the PCM’s costs — but not without some pushback by PUC Chair Lake.

“So you’re not satisfied with the cost analysis provided by E3?” Lake asked during the commission’s discussion.

“I would like for the stakeholders and the public to evaluate that cost run and give us their thoughts on the cost impacts of the PCM,” Cobos responded. “I would like the public, that’s going to be incurring costs with respect to this market redesign, to let us know what they believe are the cost impacts because we can’t just take the E3 cost-impact analysis at face value. We need to hear from the stakeholders in the market that are going to be operating in this market design.”

“Nobody up here is taking anything from E3 at face value,” Lake said, pointing to the hours the commission spent with its consultants “poking, prodding, questioning all of the inputs, all of the assumptions.”

“I don’t want the public to think that, in any way, this is just slapped together with some duct tape. This is hours and hours, months of analysis, iteration, and feedback to get to the assumptions that go into this baseline model,” Lake said. “That being said, no model is perfect, and no model can guarantee future outcomes. It’s, at best, an approximation with the best information we have on what future scenarios may look like,” he said.

The commission is limiting public comments and feedback to the E3 study, the PUC’s blueprint for market design and the commission staff’s memo. Comments are due by noon Dec. 15.

The PUC said it will review and “consider” public comments and feedback in preparing its final design plan. That design will then be shared with the Texas Legislature, which begins its 2023 session Jan. 10.

The state Senate’s Business & Commerce Committee will get a first crack at the pro-



The PUC’s commissioners debate the proposed ERCOT market designs. | *Admin Monitor*

posal when it holds a hearing Thursday on the ERCOT market.

## PUC Sides with ERCOT Board

The commissioners also agreed on a *statement of input* in response to ERCOT’s proposed bylaw amendment that eliminates corporate members’ right to vote on future proposed amendments to the governing documents (52933).

ERCOT in September requested market participants’ feedback on a bylaw amendment proposed by the Board of Directors. The ISO received nine sets of comments, many of which “disagree with the board’s proposal,” General Counsel Chad Seely *told* the PUC. (See *ERCOT Stakeholders Wait on Bylaw Amendment Changes.*)

Noting that the state law requires that ERCOT bylaws reflect the commission’s input, the PUC said the board is empowered to amend its bylaws without obtaining its members’ affirmative vote and that the board has the sole authority to make bylaw changes, subject only to the commission’s approval.

Legislation passed in the wake of last year’s winter storm replaced ERCOT’s 16-member hybrid board that included directors from various market segments with an 11-member independent body without segment representatives. It also created a selection committee, comprised of representatives appointed by political leadership, to find and nominate the independent directors.

“The legislation from the last session made it absolutely, abundantly clear ... that ERCOT ought to be governed by the independent board that is selected by the selection committee,” said Lake, who filed a *memo* in the docket. “The bottom line is while our market participants and corporate members play a critical role and offer a unique insight that no other source can provide, the legislature was clear

that they need to continue to contribute to the ERCOT market process and be a part of those deliberations, but they can no longer control the market in which they generate profits.”

The commission agreed with a modification to the amendment clarifying that the stakeholder Technical Advisory Committee, which makes recommendations to the board, cannot be eliminated unless directed by the commission.

Commissioner Jimmy Glotfelty said he has seen RTOs become “extremely powerful and insulated” and organizations where “many projects go to die.”

“Not this [grid operator] ... I believe it’s our responsibility in conjunction with [ERCOT] to make sure that they’re all doing what we see fit to ensure that we have a functioning reliable and economic marketplace and that the bylaws, that input from TAC, are part of that process,” Glotfelty said. “The professionals on the board that come from power and gas know that they don’t know everything, so having TAC, having industry input, will be critically important for them as we go forward.”

## Entergy Plant Approved

The commission approved Entergy Texas’ application to build its 1.22-GW Orange County Advanced Power Station in MISO South’s Texas footprint Southeast Texas, siding with an administrative law judge’s decision to remove the plant’s hydrogen capabilities (52487).

The PUC, citing rising labor costs and other inflationary pressures, removed a cost cap imposed during an administrative law judge’s *approval* of the project in September, saying it will revisit cost increases in a future rate case. The project’s costs have already risen from \$1.19 billion to \$1.58 billion in a year. (See “Entergy Power Plant not Considered,” *Texas PUC Briefs: Nov. 3, 2022.*) ■

## ERCOT News



# Bankruptcy Judge Approves ERCOT-Brazos Settlement

By Tom Kleckner

A U.S. bankruptcy judge on Monday approved a settlement agreement between ERCOT and Brazos Electric Power Cooperative and the co-op's *exit plan* from Chapter 11 bankruptcy, resolving a dispute over \$1.89 billion in market transactions during the February 2021 winter storm.

Chief Judge David Jones, with the U.S. Bankruptcy Court for Southern Texas, said the exit plan was "so much better" than he had expected.

Under terms of the settlement, ERCOT will receive \$1.4 billion. Brazos will pay \$1.15 billion up front and then make annual payments to ERCOT of \$13.8 million for 12 years. The cooperative will also contribute about \$116 million from the sale of its generation assets to fund payments through ERCOT for market participants still short from transactions during the week of the storm. (See [ERCOT, Brazos Reach Agreement in Bankruptcy Case](#).)

Brazos agreed to sell its generation assets and transition to a transmission and distribution utility. It owns about 4 GW of natural gas-fired capacity (21-30725).

The cooperative declared bankruptcy in the wake of the winter storm after being billed for \$2.1 billion in wholesale prices. ERCOT later revised the amount due to the market to \$1.89 billion.

ERCOT said it completed its economic and other principles in the deal. They included avoiding a default uplift to the market; immediate recovery from Brazos of \$599.7 million in congestion revenue rights to fully replenish CRR funds and pay down securitization bonds;



ERCOT and Brazos Electric Cooperative have settled their bankruptcy disagreements. | *White Construction Co.*

and ensuring the cooperative is no longer a financial counterparty or a CRR account holder in the market.

"Brazos will no longer be a financial counter-

party with ERCOT again," Chad Seely, the grid operator's general counsel, told Texas regulators during a Nov. 3 open meeting.

ERCOT said Brazos has indicated the first payments will be made to ERCOT by February.

The grid operator distributed 755 election notices to market participants that gave them four options to recover their allocable portion of the Brazos short pay claim. Most (51.39%) selected the "accelerated cash" recovery option that will result in a 65% nominal recovery after 12 years, but with 43% of that coming on the effective date. Another 41.85% of the market participants chose "convenience cash" option, which results in a 63% nominal recovery on the effective date.

The 15 market participants who did not make a selection were given a 100% nominal recovery option that will take 30 years. ■

	Count	Count %	Dollars	Dollars %
<b>Total Election Notices (Notices)</b>	<b>755</b>	<b>100.00%</b>	<b>\$1,286.9mm</b>	<b>100.00%</b>
<b>Returned Notices</b>	<b>740</b>	<b>98.01%</b>	<b>\$1,286.3mm</b>	<b>99.95%</b>
<b>Selected Option 1</b> (Accelerated Cash Recovery)	388	51.39%	\$1,239.2mm	96.30%
<b>Selected Option 2</b> (Deferred Cash Recovery)	34	4.50%	\$4.4mm	0.34%
<b>Selected Option 3</b> (Convenience Cash Recovery)	316	41.85%	\$1.2mm	0.09%
<b>Selected Option 4</b> (Allocation between Option 1 & 2)	2	0.27%	\$41.5mm	3.22%
<b>Notices Not Returned</b> (Option 2: Deferred)	15	1.99%	\$0.6mm	0.05%

Summary of market participants' election to recover short pay from Brazos | *ERCOT*

## MISO News

# MISO Proposing 2nd SSR Agreement for Retiring Coal Unit

By *Amanda Durish Cook*

MISO appears likely to use a system support resource (SSR) designation to keep a Wisconsin coal plant operating past its planned suspension date unless stakeholders come up with a viable alternative.

During a West Technical Study Task Force teleconference Friday, MISO's Huaitao Zhang said staff uncovered unresolved thermal overloading and steady state voltage issues on 12 constraints if Manitowoc Public Utilities' Lakefront 9 unit is allowed to begin its suspension as planned on Feb. 1, 2023. The 63-MW coal-fired unit began commercial operations in 2006.

The grid operator will collect stakeholders' input on alternative mitigation plans to the SSR agreement through Nov. 18. However, it says alternative solutions are scarce because there are too few resources nearby to employ

generation redispatch, no new generation projects in the works, no contracted demand side management programs in the area, and zero available transmission reconfiguration options.

"Lakefront 9 will need to be designated as an SSR unless feasible alternatives are identified and can be implemented prior to the planned suspension date," Zhang said.

Staff noted that some transmission projects on the horizon will improve system performance enough to terminate the SSR. The earliest is expected to be in service by early April 2023, not soon enough to avoid an SSR.

Clean Grid Alliance's Natalie McIntire asked whether MISO studied using synchronous condensers as a potential interim solution or considered converting the plant itself into a synchronous condenser. Zhang said MISO hadn't contemplated that.

Stakeholders on the teleconference did not offer any other alternatives.

The RTO uses SSR agreements as a last-resort measure to keep generators online past their retirement dates and sustain system reliability.

Zhang told McIntire that MISO's proposal to require retiring or suspending generation to give a year's notice instead of the currently required six months will allow staff to solicit solutions earlier in the process, giving them more time to identify feasible alternatives. (See [MISO Stays Course on Sharpening Generation Retirement Studies](#).)

A Lakefront 9 SSR designation will be MISO's second within a year. It received FERC permission last month to establish a yearlong SSR agreement for Ameren Missouri's 1.2-GW Rush Island coal plant. (See [FERC: Rush Island Plant's Extension Essential to MISO Reliability](#).)

Since its inception, MISO has approved about 200 retirement notices and issued a dozen SSR agreements. ■



Manitowoc Public Utilities' Lakefront power plant | *Manitowoc Public Utilities*

## MISO News

# NiSource Selling Minority Interest in NIPSCO

*Funds to be Used for Grid Modernization, 2040 Net-zero Goals*

By Amanda Durish Cook

NiSource said last week that it intends to sell up to a nearly 20% stake in its Northern Indiana Public Service Co. (NIPSCO) subsidiary to cover the costs of grid modernization and its push to net-zero emissions.

During NiSource's annual *investor day* at the New York Stock Exchange on Nov. 7, CEO Lloyd Yates said the company is willing to part with a 19.9% interest in NIPSCO. That will foot the bill for a 2040 net-zero emissions goal and approximately \$15 billion in grid and gas infrastructure modernization and clean energy investments over the next five years.

NiSource plans to open the sale in the first quarter next year.

Yates said NiSource will "remain committed" to its NIPSCO operations, but it needs to improve a balance sheet that has been "constrained" for 20 years, forcing the company to issue equity. With a minority sale, Yates said NiSource wouldn't have to issue equities through 2025.

"Our industry is going through massive change as technologies evolve and as customer expectations evolve, so we've refreshed our mission, vision and values," Yates said. "We'll need to drive supportive regulatory and legislative policies, favorable stakeholder environments and advances in technologies that are not currently economical to achieve, but we are optimistic."

Yates said NiSource's reworked business strategy should "drive a compelling total shareholder return of 9 to 11% annually." He initiated a



NIPSCO coal power plant cooling tower | U.S. Geological Survey

strategic business review of the utility when he became CEO in February.

NiSource's new direction is "well positioned to drive long-term value for all stakeholders," Yates said. He said the review identified about \$30 billion worth of total long-term investment opportunities over the next decade.

"We have a long runway of investment opportunities and the ability to grow over a long-term horizon," he said. "While the energy transition presents great opportunities, there's a threat to those who don't continue to move forward in a way that creates value. The actions we are taking help insulate NiSource from these threats."

Shawn Anderson, senior vice president of

strategy and chief risk officer, said a minority interest sale is NiSource's best path forward.

"There's a good precedent in the industry of this type of transaction being completed successfully. And it's a very efficient means of financing our business," he said.

Anderson also said affordability will be a focus during NiSource's energy transition. He said through 2027, the company anticipates "low, single digit" increases in customer bills caused by energy efficiency measures, a disciplined operations and maintenance plan, commodity prices leveling off and an expanded customer base.

NiSource's extensive natural gas infrastructure is "a critical component" to accelerated decarbonization, Anderson said. It will provide reliable baseload generation and be ideally situated for conversion to renewable natural gas or green hydrogen, he said.

NiSource plans to retire its coal generation units by the end of 2030 and thereafter draw on a 51% mix of renewables and 35% natural gas generation. Energy efficiency, demand response and capacity purchases will make up the remainder.

By the end of 2025, NiSource expects to have spent \$2.2 billion on renewable generation.

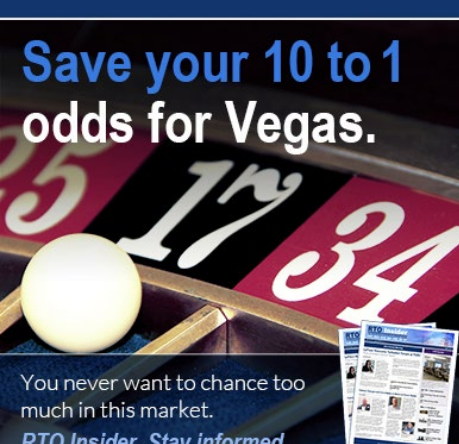
"We're making the fastest transition away from coal. Seventy-four percent coal to zero in a single decade. A 90% reduction in emissions by 2030, including the 58% reduction we've already achieved. And now a goal of net zero by 2040," Anderson said. ■




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# MISO News

## MISO Members Want to Revive Stakeholder Governance Group

MISO members have proposed that the grid operator resurrect the Stakeholder Governance Working Group (SGWG) that formerly managed its Stakeholder Governance Guide.

The group was disbanded seven years ago following a restructuring of the stakeholder committees. (See *MISO Stakeholders OK Redesign, Begin Implementation.*)

Ameren’s Ray McCausland, the Reliability Subcommittee’s chair, proposed reviving the small stakeholder working group next year during a Steering Committee teleconference Thursday. He said he would like to put the governance guide’s control “back in the hands of the stakeholders.”

The SGWG serves as an outlet to discuss changes to the guide, provides governance training and offers an open forum for stakeholders to discuss governance concerns. The guide defines stakeholder committee elections, meeting structure and expected conduct, voting procedures, agenda management and the creation of new stakeholder groups.

McCausland said the group’s reinstatement would have stakeholders and the Advisory Committee’s member representatives exercising more control over guide changes. Current-



MISO Steering Committee meeting in November 2019 | © RTO Insider LLC

ly, edits to the guide are routed only through the Advisory Committee.

McCausland said the Stakeholder Governance Guide used to be a more “dynamic” document that changed more often on stakeholders’ input. “That’s not necessarily the case anymore,” he said.

McCausland suggested that the group meet twice per year to review the governing document and discuss changes.

The Steering Committee plans to vote on restarting the group during its February meeting. ■

— Amanda Durish Cook

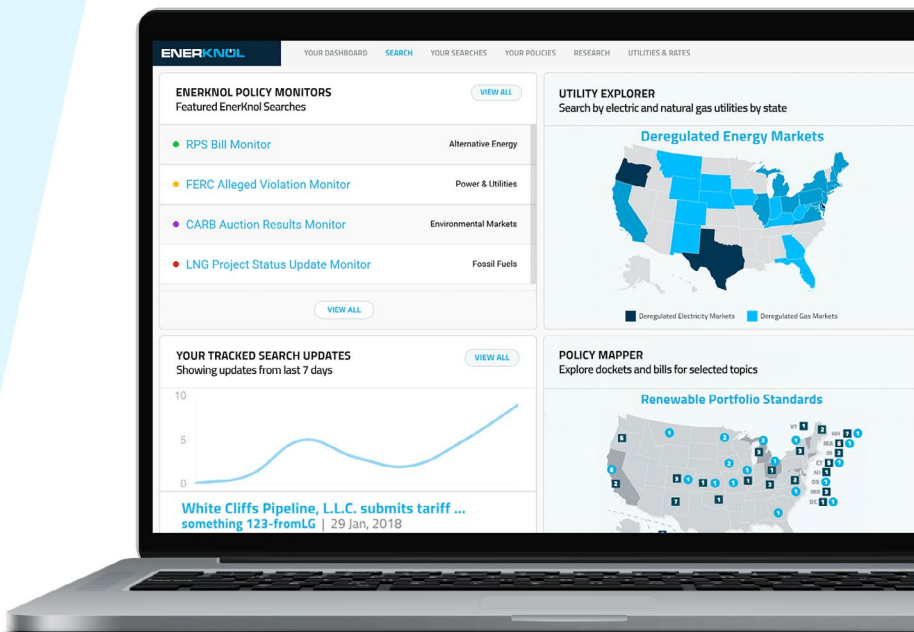
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## MISO News

# FERC: Vistra Can Skip MISO IC Rules for Storage Projects

By Amanda Durish Cook

FERC last week approved Vistra Corp.'s request to bypass MISO's generator interconnection procedures to quickly add battery storage projects at two retiring fossil fuel plants (ER22-2632).

Vistra was seeking a waiver of MISO's replacement generator rules so it could add 37-MW battery storage projects to partially replace output at two power plants in Illinois: its Joppa Power Plant, owned by the company's Electric Energy Inc. subsidiary, and the Edwards Power Plant.

Ordinarily under its replacement generation rules, MISO requires the same generation owner to assume ownership of existing interconnection rights for a new facility. In its Nov. 8 order, FERC permitted Vistra to circumvent that requirement and allowed two subsidiaries — Joppa BESS (Battery Energy Storage Systems) and Edwards BESS — to assume the existing rights without entering the RTO's interconnection queue.

Vistra explained that the storage ownership should remain separate because the projects' investors did not bargain for liability of retiring fossil fuel generation. FERC agreed and said Vistra requested the one-time waiver in good faith.

"We find that Vistra's request does not raise queue-jumping concerns because the necessary transfers do not involve unaffiliated entities outside of the interconnection queue, and Vistra pledges that Joppa BESS and Edwards BESS will maintain ownership until the energy storage facilities reach commercial operation, consistent with the transferability restriction," the commission said.

Joppa, with six coal units totaling 948 MW of



Edwards Power Plant | Sierra Club

capacity and five gas units with 239 MW of capacity, closed in September. The 560-MW coal-fired Edwards facility is slated to idle Jan. 1. Both plants are closing to settle complaints of excessive pollution brought forward by environmental organizations.

Vistra is developing the storage projects under Illinois' *Coal-to-Solar Energy Storage Grant Program*, part of the state's Climate and Equitable Jobs Act. The company will receive \$81 million over 10 years to build the two facilities, which are supposed to enter commercial operation no later than June 1, 2025, in order to stay grant-eligible.

Vistra said if it had been forced to enter the projects into MISO's generator interconnection queue, it would miss the grant deadline. It currently takes about three years for a generator to complete the queue, though MISO is working to minimize the wait.

In a concurrence, FERC Commissioner Allison Clements said the "effect of granting this waiver is that a brownfield site of existing generation on the transmission system can be expeditiously re-used."

Clements called for a re-examination of RTO rules that restrict a generation owner's ability to hand over their interconnection rights to unaffiliated entities. She said the waiver "highlights the increasingly strained reasoning underpinning the transferability restrictions in MISO's and other transmission providers' generator replacement rules."

"No part of those rules is more in need of reconsideration than these transferability restrictions, which, at best, appear to impede beneficial commercial transactions and, at worst, may unduly discriminate against non-incumbent generation owners," Clements wrote. ■

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# NYISO News

## NYISO Stakeholders Propose Three Areas for Public Policy Transmission Long Island, Pa. Border, North Country Cited

By John Cropley

NYISO stakeholders urged transmission upgrades upstate, downstate and along the Pennsylvania border during the ISO's 60-day comment period for its 2022-2023 Public Policy Transmission Planning Process.

The ISO submitted 17 sets of recommendations to the state Public Service Commission on Nov. 7 (22-02192/22-E-0633). The filing triggers a review by the PSC, which will identify the public policy transmission needs (PPTN) it wants the ISO to pursue.

The Alliance for Clean Energy New York and the New York Offshore Wind Alliance identified three geographic areas flagged by the ISO in its *2021-2040 System & Resource Outlook* as potential constraints: downstate because of the amount of planned offshore wind generation; the Pennsylvania border region; and the state's North Country, where the existing network is expected to limit the availability of renewable energy resources. (See *NYISO 20-Year Forecast Highlights Generation, Tx Hurdles to Climate Goals.*)

### Offshore Wind

The ISO is currently reviewing proposals it received in response to the PSC's March 2019 declaration of a need for transmission to ensure the output of offshore wind facilities interconnected with Long Island are deliverable to the rest of the state (Case *20-E-0497*).

The PSC's order directed the ISO to add at least one bulk transmission intertie cable to increase the export capability of the Long Island Power Authority (LIPA)-Con Edison interface that connects Zone K (Long Island) to Zones I (Westchester) and J (New York City) to ensure at least 3,000 MW of offshore wind is deliverable from Long Island to the rest of the state. The PSC also ordered upgrades to associated local transmission facilities to accommodate offshore export capability.

Several stakeholders, including PSEG Long Island, said the current Long Island PPTN may not be sufficient for future offshore wind projects.

National Grid Ventures said the state should provide for transmission of at least 20 GW of offshore wind by 2050, as contemplated in the Climate Action Council's Draft Scoping Plan. At present, state law mandates only 9 GW of offshore wind by 2035.

Con Edison Transmission made a case for a single coordinated transmission infrastructure for the multiple projects to be built off the New York coast, citing the risk, limitations and expense of siting multiple radial lines. Con Edison has proposed such a solution, the Brooklyn Clean Energy Hub, and repeatedly pointed that out in its comment letter to NYISO. Other developers have identified possibilities similar to the Brooklyn hub concept. (See *Stakeholders Question Feasibility, Costs of Con Ed OSW Substation.*)

Ørsted, which has been awarded 1,060 MW of wind projects off the New York coast, urged that proposals for transmission of offshore wind be evaluated for flexibility for future expansion and resilience to extreme weather.

### Other Needs

Avangrid Networks said its analysis showed the planned upgrades of the bulk transmission system may not be sufficient in two ways: pathways for carrying power from upstate to downstate and transfer capacity between load zones in upstate.

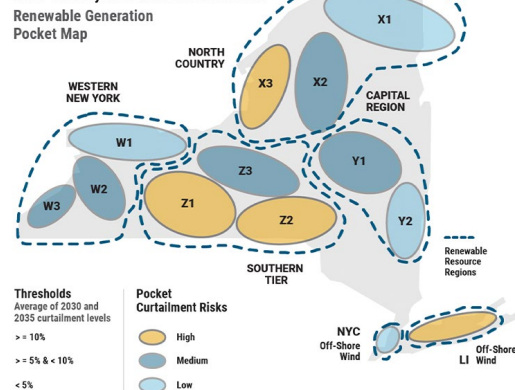
The Climate & Environmental Justice Office of New York City flagged the need for additional transmission capacity into the city and the need to plan it soon, given that such projects can take a decade or more to build.

HQ Energy Services U.S. urged that a public policy need be identified for dispatchable, emission-free resources. The company is a subsidiary of Hydro-Quebec, which could sell hydropower in New York state via new transmission projects, or — if New York state should ever develop a surplus of clean energy — reverse the current and store that excess power in its network of reservoirs.

Invenery recommended significant transmission investment in the Southern Tier — the Pennsylvania border region — where there is significant potential for wind and solar power development but where NYISO identified significant transmission constraints.

*New York Transco*, which is owned by subsidiaries of National Grid, Con Edison, Avangrid and CH Energy Group, urged improvements to eliminate constraints in the three regions flagged by NYISO. It also suggested improvements in western New York at the Dysinger East and

2021-2040 System & Resource Outlook:



Four "generation pockets" (tan ovals) present the state's biggest transmission needs. | NYISO

West Central interfaces.

The New York Power Authority flagged a need to modernize the existing transmission system in the Albany region, to increase flexibility and transmission capability between upstate and downstate.

Rise Light & Power said the Champlain Hudson Power Express and Clean Path NY transmission projects may not meet the needs for additional power in New York City, and a solicitation should be issued for an additional line from upstate New York to New York City.

Transource Energy and Transource New York urged the PSC to direct NYISO to include advanced transmission technologies in its viability and sufficiency assessment of proposed solutions. It made a pitch for *Breakthrough Overhead Line Design*, which was developed by Transource parent American Electric Power. Transource said BOLD offers "reduced inductance and impedance [and] increased transfer capability."

### 2019 Order

In its 2019 order directing the ISO to pursue upgrades for Long Island's offshore wind, the PSC declined to endorse any other PPTNs, saying further consideration of the Power Grid Study by PSC staff and the New York State Energy Research and Development Authority was needed first.

The staff's *"Initial Report on the New York Power Grid Study"* in January 2021 found that a new 345-kV tie-line across the Long Island to New York City interface could provide benefits, including reduced OSW curtailments. ■

## NYISO News

# NY Considers Role for New Nuclear Generation

## State Could Add 4 GW if the Price is Right

By John Norris

ALBANY, N.Y. — New York could reduce its decarbonization costs by \$1.1 billion, an 8% cut, if forecasts of lower cost advanced nuclear reactors are realized, the New York State Energy Research and Development Authority told the Climate Action Council last week.

Carl Mas, director of NYSERDA's Energy and Environmental Analysis Department, shared a sensitivity *analysis* during the Nov. 7 *meeting* that found that deploying 4 GW of small modular nuclear reactors in upstate zones A-F by 2050 could displace 12 GW of intermittent renewables and 5 GW of firm resources or battery storage under a low-cost nuclear scenario aided by new federal funding.

The low-cost scenario assumes 2030 capital costs of about \$6,000/kW (2020 \$) versus more than \$9,000/kW under the high-cost scenario based on recent nuclear projects.

Proponents of advanced nuclear designs — such as the NuScale small modular reactor recently certified by the Nuclear Regulatory Commission — cite their passive safety features and potential economies of scale compared with traditional custom designs that have been prone to cost overruns. In addition to producing zero-emission electricity, such designs could be used in industrial process heat and hydrogen production.

New York's four current reactors — Nine Mile Point units 1 and 2, James A. FitzPatrick and R. E. Ginna — total 3,358 MW of capacity and produced about one-quarter of the state's in-state generation in 2021. Each of the plants has received license extensions from the NRC allowing them to run for a 60-year lifespan.

Prior analysis found the state's electric system costs would increase by \$9 billion on a net present value basis if the plants shut down after only 40 years. Their current license terms expire between 2029 and 2046.

Adding 4 GW of new nuclear capacity would more than double nuclear's share of energy production from the current 31 terawatt

hours. No new nuclear would be added under the high-cost scenario.

In both scenarios, Mas said, "a majority of the energy and installed capacity is from wind and solar in 2050."

Nuclear's competitiveness would be dependent on new lower-cost designs — aided by more than \$2 billion in funding from the CHIPS and Science Act — and tax credits under the Inflation Reduction Act. The two bills represent a "significant ramp up" in federal investment in the technology, Mas said. (See *A Nuclear Renaissance in the Making?*)

Mas said transmission costs and a lack of operational flexibility could limit nuclear's future role. "We could hypothesize that with more flexible new reactor designs, we might see nuclear playing a larger role," he added. "If more transmission gets built for the whole system than what we modeled, you could see more energy flowing from upstate to downstate, and that could put a put additional economic value on upstate nuclear."

The scenario assumes the technologies would not come online until at least 2040. The findings "reinforce the benefits of a more flexible policy framework that can adapt over time," Mas said.

"We're looking at least a decade for when these types of projects can get up and going," he added. "Frankly, we just don't know yet ... since some of these new modules are only now being authorized."

Bob Howarth, a professor at Cornell University, questioned the assumption that New York's nuclear fleet possessed a 90% capacity accreditation factor (CAF), saying that Europe's fleet average is "closer to 72 or 74% CAF."

Mas responded that market signals under deregulation had led to a "substantial uptick in the utilization and CAFs of the nuclear fleet."

Gavin Donohue, CEO of the Independent Power Producers of New York, commended the presentation, saying it highlighted how the state needs to be flexible and "keep the door open" to new technologies.



Climate Action Council meets in Albany, N.Y. | © RTO Insider LLC

Paul Shepson, dean at Stony Brook University, asked whether nuclear waste disposal was incorporated into the cost estimates.

Mas responded that "there is an end-of-life assumption in terms of cost" and that, in the absence of national plan to manage spent fuel, the waste will be stored "in-place" at reactor sites.

### Next Steps

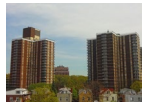
Sarah Osgood, executive director of the CAC, said that remaining redlines of the council's scoping plan will be circulated for consideration throughout the month ahead of a planned vote on the document on Dec. 19.

NYSERDA CEO Doreen Harris, the CAC's co-chair, said the remaining meetings would be extended to four hours to accommodate the longer discussions that are expected as the council completes work on the plan.

The meeting on Dec. 5 would be used to reach final resolutions on outstanding items before the Dec. 19 vote.

*Registration* is open for the next Climate Justice Working Group meeting on Nov. 16. ■

### Northeast news from our other channels



**EBC Partners Tackle Decarbonization in the Bronx 'Towers'**

NetZero  
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RTO Insider subscribers have access to two stories each monthly from NetZero and ERO Insider.

# NYISO News

## Clean Energy in NY: Reveling in Opportunity, Realistic About Challenge State's Regulations Cited as an Obstacle to New Infrastructure at ACE NY Conference

By John Cropley

ALBANY, N.Y. — With the green energy agenda intact after Election Day and with billions in new funding secured for the energy transition, the fall 2022 conference of the Alliance for Clean Energy NY had a triumphal note.

Speakers at the Nov. 9-10 event celebrated New York voters' approval of a \$4.2 billion environmental bond act and the election of Gov. Kathy Hochul (D), who has continued pushing the ambitious clean energy transition begun by former governor Andrew Cuomo.

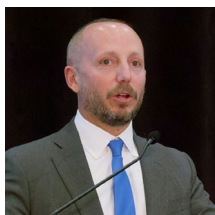
With tens of billions in funding expected from federal measures approved earlier this year, the stage is set for extensive progress under New York's Climate Leadership and Community Protection Act (CLCPA), policymakers said.

"Rather than looking forward to the transition in the future, we are in it right now," ACE NY Executive Director Anne Reynolds said in welcoming attendees. The world needs an example of a sustained and successful transition to carbon-free energy, she said. "I do believe that with your help that New York can be that place that shows the world how to get it done."



Anne Reynolds, Alliance for Clean Energy New York | © RTO Insider LLC

Leaders in the private sector, however, sounded a cautionary note about New York's regulatory framework, calling it the most expensive and most time-consuming to navigate of any state in the nation.



N.Y. Department of Environmental Conservation Commissioner Basil Seggos | © RTO Insider LLC

The state's top environmental regulator, Department of Environmental Conservation Commissioner Basil Seggos, acknowledged this and said work is underway to change it.

"That's part of our effort under the CLCPA. We need to not just identify all these opportunities for growth and

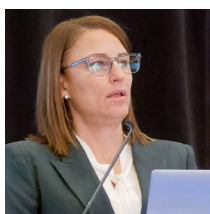
new programs but also, how do we streamline our processes and ultimately make New York



Attendees gather for the ACE NY Fall Conference in Albany, N.Y., on Nov. 10. | © RTO Insider LLC

more affordable for developers of clean energy and just New Yorkers in general?" he said.

### Optimism and Excitement



NYSERDA CEO Doreen Harris | © RTO Insider LLC

Doreen Harris, CEO of the New York Energy Research and Development Authority, said New York is at an inflection point. The extensive groundwork the state has laid toward decarbonization is in line for a massive infusion of federal money from the Inflation

Reduction Act (IRA) and other measures — as much as \$70 billion, according to a NYSERDA analysis.

Also, New York voters Nov. 8 approved a bond act providing \$4.2 billion for environmental projects, about a third of it for green energy and net zero initiatives. New Yorkers voted 2-1 in favor of the bond act, even as they gave a far narrower margin of victory to Hochul. (See *Incumbents Successful in Most Contested Governors' Races.*)

"And so we have this moment of tailwind that we are building on here today," Harris said. "It's really quite an incredible time."

Minelly De Coo, deputy director of infra-

structure for Hochul, said even if Republicans regain control of the federal government, the transition may slow but it will not stop. "The boat has left the dock," she said.

De Coo said the tens of billions of federal clean energy dollars coming to New York "is just a drop in the bucket for what is needed."

But it will have an outsized impact, she added, "because of how far ahead New York state is in implementing and employing some of these programs."

Harry Godfrey, managing director of Advanced Energy Economy, said manufacturing incentives are the most important part of the IRA. "The U.S. just became a much more attractive place to do business," he said. "We're talking about industrial policy we haven't seen since the beginning of the space race."

### Obstacles on the Path

New York's challenge is daunting: roughly tripling its generating capacity while simultaneously shifting from dirty-but-constant generation to clean-but-highly-variable power sources.

Some of the speakers tempered their optimism by acknowledging global and local challenges but said these are surmountable. Others centered their comments almost entirely on these challenges, and said they are particularly

# NYISO News

numerous in one of the most expensive and heavily regulated states in the nation.

Diane Sullivan, a senior vice president at renewable developer Hecate Energy, told attendees she had worked as a consultant in all 50 states and that New York has the longest, most expensive siting and permitting process of any of them.



Diane Sullivan, Hecate Energy | © RTO Insider LLC

The top three “balance of plant” contractors are not interested in working in New York, and as a result, some other major contractors are hesitant, EDF Renewables Vice President Stephane Desdunes said. The contractors that are willing to work in the state have less experience with grid-scale projects of more than 100 MW, he said.

This reluctance is based on concerns ranging from the shorter northern construction season to New York’s Scaffold Law, which is unique among the 50 states in establishing absolute employer liability for injury in all gravity-related worksite accidents.

Michelle Piasecki of the Harris Beach law firm spoke of the risk of retroactive policymaking. Niagara County, for example, enacted a solar stewardship law that altered the timeline, complexity and financing of multiple projects already in the pipeline. Developers



Michelle Piasecki, Harris Beach law firm | © RTO Insider LLC

must draw up a recycling plan, pay a review fee, pay an annual fee and face fines of \$100 per day per panel for non-compliance, she said.

This is a disincentive to development, Piasecki said, and there is a risk of it spreading to other counties across the state.

Sullivan said the permit issued for Hecate’s 500-MW Cider Solar project east of Buffalo had extensive checkoff lists and ran 78 pages — a red flag for contractors considering bidding on it.

“There seems to be a conflict between how NYSERDA screens projects vs. how the NYISO does,” Cypress Creek Renewables CEO Sarah Slusser said. “[They are] basically at odds with each other — one screens for concentration the other screens for lack of concentration of

facilities. That kind of needs to align. That kind of coordination would greatly help.”

ACE NY’s Reynolds acknowledged the concern.

“I’ve never developed projects in other states but I’m talking to developers all the time, and you can get a permit and get an interconnection so much faster in other places,” she said.

“I’m still optimistic but ... you have so many moving parts. You have the interconnection process, you have transmission constraints, you have permitting, you have getting a NYSERDA contract and then you have to negotiate a tax agreement.”

The review and permitting processes pose the biggest challenge, speakers said. During a review that can take three to five years, key factors such as technology, landowner consent, local politics and interconnection capacity can change. A change of detail as minor as the manufacturer’s model name for a solar panel prompts a material modification review by NYISO.

George Pond of the law firm Barclay Damon said NYISO — which is currently advertising 38 job vacancies — does not have the capacity to catch up with the volume of projects coming to it for review.

“I know that NYISO is struggling; I would say the biggest thing they need is more engineers,” he said. “In a sense I want to give a shout-out to them ... they have a lot more projects in their class-year facilities study now than they did when the process was set up 20 years ago, and they’re managing to keep the timeline about where it’s been. So you shouldn’t overlook all the hard work they’ve done to get to that point.”

Another major challenge is the difficulty obtaining equipment and labor. The wait time for parts delivery has increased. Delivery of a substation inverter, for example, might take 18 to 24 months. In addition, contractors are submitting bids valid for as little as 30 days due to price volatility.

With the increasing number of renewable projects, there is intense competition for workers and much of the work requires union labor and minority- and women-owned business enterprise (MWBE) participation.

While New York needs thousands of new electricians and other skilled tradesmen, workforce development programs often require a multi-year commitment that potential students are unable or unwilling to make.

The environmental justice and economic development component of New York’s clean energy transition is extensive and highly detailed. A 45-part scoring system will be used to determine if a community is economically disadvantaged, and it is being “continuously recalibrated,” according to Sameer Ranade of NYSERDA.

## The Path Forward

In an interview, Seggos said the permitting concerns are valid, but they are being addressed by shifting responsibility from the DEC and the Department of Public Service to the state’s new Office of Renewable Energy Siting.

“Now you’re seeing projects move through there more quickly and hopefully get their permits,” Seggos said. “They need to be coming in with the right applications — we encourage pre-consultations so that a developer isn’t selecting a hundred acres of wetland, which happens, even still.”

Reynolds offered an optimistic take despite all the factors complicating New York’s transition.

“It’s definitely a lot; I don’t want to minimize it,” she said. “I’m hoping that it’s not unrealistic, and we do have 17 projects under construction this year, which is more than we’ve ever had before.”

“I think the question you’re asking is, ‘If we keep hanging all these ornaments on the Christmas tree, will it eventually fall over?’ I’m still hopeful it won’t. It hasn’t happened yet; people are still coming to develop in New York, and there’s these projects under construction.”

“But it’s also predicated on an even playing field. So, if all the solar companies have the same requirements ... then it should work. And I think that’s what we’re counting on.”

Seggos said the technological challenges facing the engineers and scientists who will make the transition possible are exceeded by the societal challenge of carrying out such an enormous change.

Seggos compared it to simultaneously redesigning and building a plane while deciding where to go, navigating it to that location, and safely landing.

“What we’re trying to accomplish is to effectively undo a hundred years of how the state was built and regulated and adapt it to the current needs — without upsetting the apple cart along the way,” he said.

“It’s an extraordinary challenge.” ■

## PJM News



# Dominion Announces Full Business Review During Q3 Earnings

By Devin Leith-Yessian

Dominion Energy is embarking on a “top-to-bottom” review of its investments and operations to address underperforming share values, the company announced during its third-quarter earnings call Nov. 4.

“Fundamentally we took a look at how we’re doing — how our share price is doing — and the market is telling us that we’re not performing the way investors expect, so we think it merits a complete review from top to bottom,” Dominion CEO Robert Blue said during the call. The company started the year with a share price of \$80.21 and has seen that fall over the past three months to \$67.13.

The review will include looking at investments in businesses that may be considered “non-strategic” and exploring unregulated investment activities and initiatives. Blue said that the possible changes, however, are not likely to impact the “core earnings growth driver of this company: the continued execution of what we view as an industry leading, highly visible regulated decarbonization growth capital investment opportunity.”

Despite the decline in share value, Blue noted that operating earnings per share are above the midpoint of the company’s quarterly guidance range and said the company is well positioned to meet its annual expectations. It is setting expectations for 98 cents to \$1.13 in earnings per share and has narrowed annual 2022 operating earnings to be between \$4.03 and \$4.18, with the midpoint remaining the same as its original guidance, according to the company’s *announcement of the earnings report*.

Blue also said the company has “been steadily executing on our investment programs focused on decarbonization. This successful execution is already benefiting our customers, communities, the environment and our investors.”

The company reported \$778 million in net income (\$0.91/share), compared to \$654 million (\$0.79/share) for the third quarter of 2021.

Steve Fleishman of Wolfe Research questioned what reasons Dominion believes could be behind its stock performance.

Responding to an analyst’s question about what has driven the company’s stock price, Blue said, “Investors are telling us ... what they’re looking for is predictability. What they’re looking for is earnings quality.”

## Coastal Virginia Offshore Wind Project Remains on Track

Work on Dominion’s \$9.8 billion Coastal Virginia Offshore Wind (CVOW) project is continuing according to schedule, with onshore construction projected to begin in the third quarter of 2023 and offshore work starting in second quarter 2024. Completion of the 2.6-GW project is expected in late 2026, according to Blue’s *presentation*.

“Development of the project has continued uninterrupted to maintain the project’s schedule, and we expect over 90% of the project costs, excluding contingency, to be fixed by the end of the first quarter 2023 at the latest, as compared to about 75% today,” Blue said.

The company’s turbine installation vessel is more than 60% complete, and it expects it to be in service ahead of the 2024 turbine installation season, Blue said. There are currently no changes to the estimated installation cost, lifetime capacity factor or levelized cost of electricity.



| Dominion Energy

A draft environmental impact statement is anticipated from the U.S. Bureau of Ocean Energy Management, which is also expected to release a record of decision in mid-2023.

The company recently signed a settlement agreement with several parties, filed with the Virginia State Corporation Commission (SCC), that proposes an alternative to the performance requirement ordered by the commission in August. The proposed agreement would supplement the requirement — which Blue had called “untenable” — with a review process in which the company explains any capacity shortfalls and the commission can determine remedies. (See *Dominion, Va. Stakeholders File Settlement over Performance Req for OSW Project*.)

The agreement also contains consumer protections for possible construction cost overruns. The other parties to the proposal are Virginia Attorney General Jason Miyares, the Sierra Club, Walmart and environmental advocacy organization Appalachian Voices.

“The agreement provides a balanced and reasonable approach that allows the project to continue moving forward to meet the commonwealth’s public policy and economic development priorities and the needs of our customers,” Blue said during the earnings call. “If approved, significant customer benefits include protection from unforeseen increases in construction costs above the project’s budget and enhanced SCC review of performance in lieu of a performance guarantee. We look forward to a decision from the SCC later this year.”

Blue said the completion of the project will be a boon to the local economy and jumpstart the development of further offshore wind projects drawing off upgrades at the Port of Virginia’s Portsmouth Marine Terminal to support OSW installations. (See *Dominion Secures 10-Year Va. Port Lease for OSW Staging*.)

## Steven Ridge Promoted to CFO

Blue also announced the promotion of Steven Ridge, who currently manages Dominion’s Western natural gas distribution operations, to take the place of James Chapman as chief financial officer. Chapman is leaving the company to become treasurer at ExxonMobil.

Ridge “has a wealth of experience in finance, is well known to many of our investors and is a strong, capable leader. We are very fortunate to have him in this new role,” Blue said. ■

## PJM News



# NJ BPU Opposes Community Solar Program Expansion

*Regulators Fear Negative Impact on State's Other Solar Efforts*

By Hugh R. Morley

The New Jersey Board of Public Utilities (BPU) is opposing a bill that would more than triple the size of the state's heavily oversubscribed community solar program, saying the expansion could stress an already overloaded grid and "bring everything to a screeching halt."

Chance Lykens, the BPU's director of government affairs, told the state's Senate Environment and Energy Committee on Nov. 3 that the capacity increase outlined in the bill — from the 150 MW a year at present planned by the BPU to 500 MW a year — would have a series of consequences that could negatively impact agency solar programs.

Lykens made his comments at the first committee hearing of the bill (S3123), which was introduced Oct. 3. The committee did not vote on the bill. The hearing came as the BPU works to create a permanent community solar program, which will award incentives for 150 MW of capacity annually, after two rounds of pilot programs that together drew more than 650 applications and awarded 240 MW of capacity.

"This is one of the programs we're most proud of," Lykens said. "Because it both moves us towards our clean energy goals, while simultaneously helping us with our equity goals."

Yet the agency is concerned about the impact of "moving these caps up so quickly," he said. "We have to set these caps based on costs, on what the grid can support, on what the developers can do. ... We think 150 MW is the correct cap for now."

Sen. Bob Smith (D), the committee chairman and one of two primary sponsors of the bill, disagreed, saying the program's success suggests it should be made bigger given the state's goals.

"It is time to start thinking about a new allocation, in my opinion, because you already have the first one going and going well," Smith said.

The proposed expansion highlights underlying tensions in the state's solar programs that pit a desire by some stakeholders to expand rapidly against other stakeholders' concerns about the cost, uncertain impact on other programs and logistical challenges.

The bill garnered support from solar developer Solar Landscape, solar software developer Arcadia, the Chamber of Commerce of Southern New Jersey, the mid-Atlantic representative of the Solar Energy Industries Association and the League of Conservation Voters.

But the New Jersey Division of Rate Counsel expressed concerns about the proposed expansion, saying it "had almost-certain potential for increasing costs to ratepayers."

Director Brian O. Lipman, in a Nov. 2 letter to the BPU, said that forcing the agency to award such a large capacity each year would reduce its "ability to assure robust competition" between projects and make it difficult to ensure that incentives go to "projects that best serve the state's clean energy goals."

"Reducing the board's ability to harness competitive processes in the community solar program may be in the interests of certain segments of the solar industry, but it is not in the best interests of ratepayers or the state overall," Lipman said.

"In order to achieve the state's clean energy



A 500-kW community solar project covering commercial rooftops in Neptune Township, N.J., will provide enough clean electricity to power 1,400 homes. | Solar Landscape

## PJM News



goals, it is important to get the most ‘bang for the buck’ when ratepayers subsidize solar and other clean energy,” the letter said. “This will not happen if competition is reduced.”

### Expanding Too Fast

The BPU’s community solar initiative is part of Gov. Phil Murphy’s push for New Jersey to reach 100% clean energy and generate 32 GW of solar by 2050. The state had 4.99 GW of installed capacity on Sept. 30, the latest BPU figure available.

The BPU expects to release a straw proposal for a community solar program soon and launch it next year. The two pilot programs held to date — which together awarded 150 projects — each attracted between four and five times as many applicants as were eventually awarded.

Still, the state has been slow in getting community solar projects installed. Only 18 projects have been installed since the state approved the first 45 community solar projects, totaling 75 MW, in 2019, according to *BPU records*. There are 108 community solar projects in the pipeline.

Lykens said a problem with greatly expanding the program and increasing the number of incentives is that developers could see it as more “lucrative” than other state programs, diverting them from those alternatives, including the Competitive Solar Incentive (CSI) program, which provides the “most economical projects.” The CSI program awards incentives to grid-scale solar projects — those larger than 5 MW in capacity — through a competitive process.

In addition, Chance said, the increased capacity of community solar could put “stress on the distribution grid,” which is already under great

strain, with lengthy waits for some utilities to connect solar projects.

“There are certain territories where you cannot sign up even for a small rooftop program” to get connected to the grid, he said. “The concern is raising this cap this high is going to put those same pressures onto the local distribution grid and potentially bring the same problems we’re seeing at PJM here and just bring everything to a screeching halt.” (See *Solar Developers: NJ’s Aging Grid Can’t Accept New Projects.*)

Moreover, the community solar program to date has accepted only the “very best of the best” projects, he said. The sudden expansion of the program would require it to accept “less quality projects moving forward.”

Chance added that existing community solar projects already struggle to attract subscribers and the difficulty of finding them would limit further program expansion.

### Searching For Subscribers

Community solar projects target users who either cannot or do not want to have solar on their roofs but want to support a clean energy initiative. To make the projects work the developer must sign up subscribers, who commit to using the clean energy and in turn receive a credit on their utility bill, reducing the electricity cost by a set percentage.

New Jersey’s program requires 51% of the clean energy to go to subscribers from low- and moderate-income communities, but that requirement has proven challenging to developers, in part, they say, because low-income consumers shy away from providing documents to support their low-income status in their application to become a subscriber.

However, Smith, brushed aside the concern. He told Lykens that the difficulty of finding subscribers would diminish if they were able to “self-certify,” or simply attest to their low-income status without offering proof, as some developers have suggested.

With a “self-certification” system in place, “the program’s going to be filled,” Smith said.

Allison McLeod, policy director for the League of Conservation Voters, agreed that the state should be looking to help disadvantaged consumers. She said community solar so far accounts for only 3% of all residential solar.

“We support using this as an incentive to continue to expand access to low- and moderate-income communities to get the benefits of community solar,” she said.

Yvette Viasus, community solar engagement manager for Solar Landscape of Neptune, New Jersey, the developer of more community solar capacity in the program than any other, said the program could be a good economic driver for the state. She said the program has helped Solar Landscape quadruple its size, and it now has 120 employees and 54 of the 150 projects approved in the program.

“Commercial property owners across the state are eager to host more community solar installations,” she said. “Community solar is ready to go today. Now is the time to increase the capacity of this program.

“It harnesses the potential of one of New Jersey’s most successful shovel-ready clean energy programs and enables us to make progress towards our 100% clean energy future while giving everyone a part to play in fighting climate change,” she said. ■




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## PJM News



# Appellate Judge Presses FERC on End-of-life Transmission Planning

## PJM Stakeholders Seek to Ensure RTO Planning Role

By Rich Heidorn Jr.

PJM stakeholders asked a federal appellate court Wednesday to require the RTO to exercise more oversight over transmission owners' end-of-life (EOL) projects, saying some of the replacements should be subject to regional planning and competition.

The D.C. Circuit Court of Appeals heard 80 minutes of *oral arguments* in a challenge to commission rulings that EOL projects are the exclusive province of the transmission owners (20-1449).

In August 2020, the commission accepted a TO-initiated filing adding EOL projects to the planning procedures of tariff Attachment M-3 (ER20-2046). Four months later, the commission rejected proposed tariff changes support-

ed by stakeholders including American Municipal Power, LS Power and consumer advocates that would have moved such projects under the RTO's planning authority. The commission upheld its rulings last August. (See [FERC Rejects Challenges to Decision on EOL Projects in PJM](#).)

"When the need arises because a facility has been retired, we want PJM to be involved in deciding: Is that a need that gives rise to a plan or a project with regional benefits, in which case it should be regionally planned?" Erin Murphy, an attorney for appellants, told the D.C. Circuit panel, which comprised Judges Neomi Rao, J. Michelle Childs and David Tatel. "Or maybe it is a project that's local and can be locally planned. What we don't want is a world in which transmission owners get to make that decision for themselves and decide to locally plan projects, even when as here it's clear

that they actually have projects with regional benefits."

The appellants said FERC's rulings result in balkanized planning for EOL projects. In 2018, they noted in a brief, "there were \$8.5 billion worth of transmission projects planned, with the largest driver being the need to address end-of-life conditions."

Speaking on behalf of the TOs, attorney John Longstreth said PJM already has authority to override local EOL projects when there's an overlap between the local project and a regional project. "PJM gets to plan that project. ... We can't stop that," he said. "So that protects this regional planning authority."

In rejecting rehearing, FERC concluded that the Consolidated Transmission Owners [Agreement](#) (CTOA) with PJM was "ambiguous" as to planning EOL projects. But the commission sided with the TOs, noting that they had continued to plan EOL projects after the agreement was signed, "with PJM's acquiescence."

Rao pressed FERC attorney Susanna Chu on why the commission did not consider the justness and reasonableness of the local planning of EOL projects. Locally planned projects are allocated only to a TO's zone rather than regionally.

"FERC's position here seems to me very peculiar," Rao said. "By choosing the transmission owner proposal, you are choosing one particular allocation of cost. And then why isn't it incumbent on FERC to determine whether that cost allocation is just and reasonable?"

Chu responded that the rulings did not involve complaints over cost allocation. "The commission accepted it as just and reasonable, but on the basis that it didn't change the status quo — the existing cost allocation remained the same," Chu responded.

"Actually, on FERC's view, it did change the status quo," Rao shot back. "So at least, at a minimum, FERC's internal reasoning is unreasonable, maybe, or arbitrary and capricious."

The TOs intervened to challenge FERC's description of the CTOA as ambiguous, saying it "interferes with and adds uncertainty to" the transmission planning process. FERC said the TOs' claim should be dismissed because they failed "to demonstrate that they have suffered any concrete injury." ■



Repair work on a PEPCO transmission line in Potomac, Md. | © RTO Insider LLC

## PJM News

# Judges Skeptical of Capacity Sellers in PJM Offer Cap Dispute

By Rich Heidom Jr.

An attorney for Vistra and other capacity sellers faced skeptical questioning from the D.C. Circuit Court of Appeals last week in a bid to overturn FERC's September 2021 ruling changing PJM's offer cap rules.

Vistra and attorneys for FERC, PJM and its Independent Market Monitor presented arguments to Judges Judith W. Rogers, Patricia Millett and J. Michelle Childs during a 70-minute *hearing* Nov. 8 (21-1214).

In March 2021, the commission ordered PJM to revise its market seller offer cap (MSOC) in response to a complaint by the Monitor, which said the original cap was too high because it erroneously assumed the RTO would annually experience 30 performance assessment hours — emergency hours when capacity sellers face penalties for underperforming. (See [FERC Backs PJM IMM on Market Power Claim](#).)

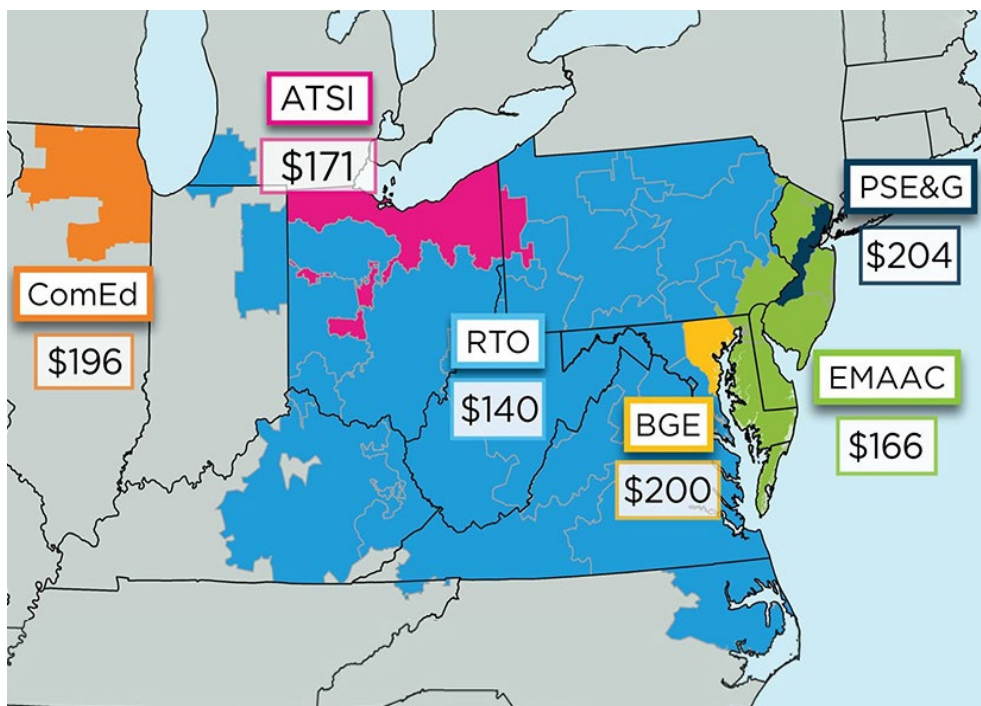
Six months later, the commission replaced PJM's single default offer cap with several default caps applicable to different generation technologies (EL19-47). PJM and capacity sellers sought rehearing, with the RTO arguing that the commission's decision could lead to over-mitigation of the market. (See [PJM Requests Rehearing of MSOC Change](#).)

Vistra said the prior rules allowed sellers to include opportunity costs in their offers, even if the offer is above the seller's avoidable costs.

In its brief to the D.C. Circuit, Vistra said that FERC could have corrected the MSOC by changing the assumed emergency hours to 20 hours or less.

"Instead of fixing the miscalibrated assumption ... FERC abandoned an opportunity cost-based offer cap altogether, without explanation or even acknowledgment, in favor of an offer cap based solely on a flawed calculation of projected operating costs," it said.

Under the new rules, Vistra said, the commission gave "precedence to the Market Monitor's alternative version of the supplier's offer and requires the supplier to make a filing with FERC to challenge the Market Monitor's



PJM's Independent Market Monitor said ratepayers were overcharged by \$2.7 billion (41.5%) in the 2018 Base Residual Auction because of economic withholding encouraged by an inflated market seller offer cap. | [PJM](#)

version of the supplier's offer." Vistra said that violates capacity sellers' rights under Federal Power Act Section 205 to file rates and terms for services rendered.

Rogers challenged Vistra attorney Paul Hughes' argument that the commission failed to adequately explain its ruling.

"I think some of the statements in your brief are a little misleading," she said. "I mean, it's fine if you don't agree [with FERC's conclusion] if you give us reasons. But that's different from saying FERC never responded, or never addressed the alternatives, when clearly — when you read its order and order on rehearing — it did."

PJM attorney Paul M. Flynn argued that FERC's ruling upset the balance between consumers and market sellers.

"We want to make sure that there is no exercise of market power, but where there is a real legitimate cost a supplier has, we want to

make sure they have reasonable opportunity to include that in their capacity price," he said. "FERC overshot. It went dramatically away from the Capacity Performance construct."

FERC attorney Matthew Estes said Vistra was erroneously contending "the commission has given the Market Monitor the ability to set the offer cap."

"That's not correct. The tariff gives the suppliers the ability in the first place to propose an offer cap based on the formula. The Market Monitor simply reviews that offer to see if it complies with the tariff. And ultimately, if the supplier disagrees with what the Market Monitor determines, it can go to the commission and ask the commission to decide what cap complies with the tariff."

In such a dispute, said Jeffrey W. Mayes, general counsel for IMM Monitoring Analytics, "we would bear the burden of proof to show that the offer was unjust and unreasonable — that it was not competitive." ■

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RTO Insider subscribers have access to two stories each monthly from NetZero and ERO Insider.

# SPP News

## SPP Briefs

### Markets+ to Offer Transitional Real-time Market in 2024

SPP said last week that it will implement major components of the governance structure of its planned Markets+ service next year and also explore launching in 2024 a transitional real-time balancing market, similar to its Western Energy Imbalance Service (WEIS) market.

The RTO *said* that by establishing its Markets+ governance framework in 2023, it will ensure stakeholders have a formal structure that enables “robust” input and provides independent oversight of market development and implementation.

Markets+ stakeholders will gather in Westminster, Colo., this week to review the final draft of the service offering. That will serve as the basis for the Markets+ tariff and guide the real-time service offering’s development, which has a targeted go-live date of June 2024. The day-ahead component will be developed at the same time and launched as soon as possible.

SPP CEO Barbara Sugg said that standing up the Markets+ governance framework quickly will let “stakeholders collaborate to build a strong foundation for a market that meets the needs of the West.”

The RTO plans to create a Markets+ seams working group to facilitate transfers between its participants, CAISO and other Western utilities.

SPP began administering the WEIS market on a contract basis in February 2021, centrally

dispatching energy from participating resources every five minutes. Market participants do not need to be members of the RTO.

The grid operator also said Powerex has indicated it will fully participate in funding development of Markets+ and join the market when it goes live. Powerex, Canadian utility BC Hydro’s marketing and trading subsidiary, said the market’s inclusive and independent governance framework, supported by a neutral market operator and independent board of directors, was the primary reason behind its decision.

Powerex is one of 11 Western entities that have declared their intent to participate in the next phase of Markets+ development. (See [4 Arizona Entities Commit to Developing SPP’s Markets+.](#))

### Meteorologist: ‘Crazy Weather’ this Winter

The SPP footprint can expect colder than normal conditions across the Northern Plains this winter but milder conditions to the south, a meteorologist told SPP staff and market participants Wednesday.

As if to illustrate the point, James Bryant, a meteorologist for KATV in Little Rock, Ark., was speaking as a winter storm bore down on North Dakota with blizzard conditions that could drop as much as a foot of snow on the state and with wind gusts as strong as 55 miles per hour.

“I expect quite a bit of crazy weather over the course of the next three months. This is kind

of our busiest season, and you guys know that all too well,” Bryant said during SPP’s annual winter preparedness workshop.

Bryant said this winter will be a triple-dip La Niña — the third straight year of La Niña conditions, which will result in highly variable weather if history is any indication. He said triple-dips in 1956, 1975 and 2000 all had high month-to-month variability.

“You can get some extremes on both ends of the spectrum,” he said.

Bryant cautioned his audience not to expect a repeat of the February 2021 winter storm, which he called a “once-in-a-generation kind of thing.”

Staff said SPP has about 17 GW of excess capacity to meet its highest demand expectations. They included data from last year’s winter storm to make their modeling as realistic as possible and reviewed the operational and communications changes they have made since the storm.

Attendees also heard from the Natural Gas Supply Association’s David Attwood, who said winter gas production is 4% higher than last year at 104 billion cubic feet/day.

### Summer SOM Report Released

SPP’s Marketing Monitoring Unit quarterly [state of the market report](#) for this summer found the average hourly load was 6% above summer 2021, driven primarily by increased temperatures. Load was up during June, July and August.

Day-ahead prices were up 124% to \$74.63/MWh this summer, from \$33.30/MWh last summer. Real-time prices also jumped to \$69.65/MWh this year, a 127% increase from \$30.68/MWh last year.

Gas prices hit a new all-time high for the Integrated Marketplace when they spiked to \$8.03/MMBtu in August. Gas prices have only been higher during the February 2021 winter storm. Average gas prices at the Panhandle Eastern hub were \$7.31/MMBtu during the summer.

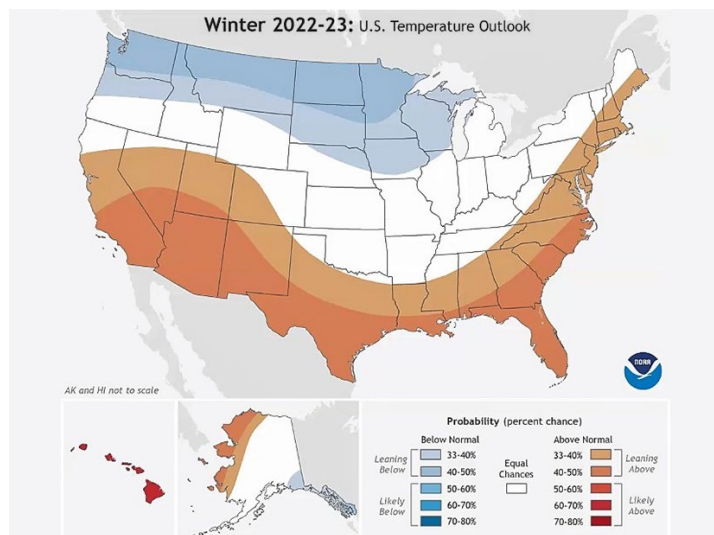
The quarterly report includes in its special issues section an initial review of the recently implemented ramp capability product.

SPP’s Monitor has also posted a pair of white papers on virtual activity during last year’s winter storm and transmission congestion rights funding in SPP.

The [virtual activity report](#) highlights shifts in virtual behavior and presents an analysis of market re-runs designed to assess the effect virtual positions had on price convergence, total production cost and total market convergence.

The [TCR funding report](#) explains the drivers behind their funding in both theory and practice and explores the potential implications of underfunding on asset prices and participant behavior. ■

— Tom Kleckner



The National Oceanic and Atmospheric Administration is predicting a cold winter in the Northern Plains and a warmer one in the Southern Plains. | NOAA

## Company Briefs

### Freyr Battery to Build Plant in Georgia

Freyr Battery last week announced it will build an electric battery factory southwest of Atlanta and invest up to \$2.6 billion in multiple phases.

Freyr said it initially would build a plant to annually produce batteries that could hold 34 GWh of electricity. The company plans an investment of \$1.7 billion; phases through 2029 would involve about \$700 million in additional investment that could include more production lines, material processing and other activities.

More: [The Associated Press](#)

### Duke Energy Names New NC President



Duke Energy last week said it has named Kendal Bow-

man as its next state president for North Carolina, effective Jan. 1.

Bowman, 50, will succeed Stephen De May, who is retiring after 33 years.

Bowman currently serves as the utility's vice president of regulatory affairs and policy in North Carolina and manages the company's presence in all regulatory matters before the utilities commission.

More: [Duke Energy](#)

### Canoo Reports Q3 Loss, Buys Oklahoma Plant

Electric vehicle maker Canoo last week reported a third-quarter loss while announcing it has acquired a vehicle manufacturing facility in Oklahoma City.

The facility will produce Canoo's Lifestyle



Delivery Vehicle and Lifestyle Vehicle in 2023. The company also said the location will be able to produce 20,000 units annually by the end of 2023, although that production rate could double to 40,000 units in 2024.

Canoo reported a loss of \$117.7 million for the quarter, compared to a loss of \$80 million for the same quarter a year ago.

More: [Arkansas Democrat-Gazette](#)

## Federal Briefs

### Analysis: World has 9 Years to Avoid Critical Climate Change Threshold

The annual Global Carbon Budget, which analyzes the maximum emissions under which the world can stay on track to avert a climate crisis, last week projected that more than 380 billion tons of carbon dioxide emissions would cross the red line — in roughly nine years.

The report found a decline in long-term increase rates for fossil fuel emissions, which were at about 0.6% over the last 10 years compared to a high point of 3% a year in the first decade of the 2000s. However, oil emissions have rebounded since the beginning of the COVID-19 pandemic, due largely to increased air travel.

The report identifies a number of steps nations can take to get back on track, most notably accelerating the transition to renewable energy and the reforestation of rainforests.

More: [The Hill](#)

### TVA Approves Building Solar Farm on Coal Ash Landfill



The Tennessee Valley Authority board last week unanimously approved \$216 million in funding for a pilot project aimed at building a

100-MW, 309-acre solar farm on top of a coal ash landfill at the Shawnee Fossil Plant in Kentucky.

The project is the first step in TVA's efforts to convert sites contaminated by coal into productive sources of renewable energy. TVA officials said they hope to get it online within two years.

Approval of the project comes as TVA has committed to more solar projects. This summer, TVA started soliciting proposals for 5,000 MW of clean energy and also announced plans to add an additional 10,000 MW of solar energy to its system by 2035.

More: [Nashville Tennessean](#)

### FERC: US Solar Capacity to Double in 3 Years

According to FERC's Energy Infrastructure Update, the U.S. will add 72 GW of solar capacity over the next three years, effectively doubling the nation's current capacity of 77 GW.

There are 206 GW of projects in queues in total, but some projects will be speculative, while others may run into interconnection approval issues or be delayed beyond 2025.

Wind and gas are also expected to add 18 GW and 17 GW, respectively.

More: [pv magazine](#)

### US has Blocked More Than 1,000 Chinese Solar Shipments

U.S. Customs and Border Protection seized 1,053 shipments of solar energy equipment between June 21 and Oct. 25 because of the Uyghur Forced Labor Protection Act, it said last week in response to a public records request.

The act banned imports from China's Xinjiang region because of concerns about slave labor. China denied abuses in Xinjiang, but then later admitted setting up "vocational training centers" to curb what it said was terrorism, separatism and religious radicalism.

More: [Reuters](#)

### EIA Expects US Natural Gas Prices to Average \$6/MMBtu This Winter



Natural gas spot prices will average \$6.09 per million British thermal units (MMBtu) this winter, the highest real price since the winter of 2009-10, according to the EIA's Short-Term Energy Outlook forecast.

Henry Hub natural gas spot prices reached a peak of \$8.80/MMBtu in August but then declined to average \$5.66/MMBtu in October following a period of strong dry natural gas production and several weeks

of relatively large injections into natural gas storage. Still, the EIA expects natural gas prices to rise this winter as a result of seasonal demand in space heating.

More: [EIA](#)

## UN: CO2 Emissions from Buildings, Construction Hit New High

Carbon dioxide emissions from buildings and construction reached an all-time high

in 2021, pushing the sector off course to decarbonize by 2050, a United Nations report said.

The U.N.'s 2022 Global Status Report for Buildings and Construction found that the building and construction sector accounted for 34% of all energy demand and made up 37% of energy and process-related CO<sub>2</sub> emissions last year. It also found that carbon dioxide emissions from buildings reached an all-time high of about 10 gigatons, marking

a 5% increase from 2020 and a 2% increase from 2019 after COVID-related lockdowns in 2020 briefly lowered carbon emissions around the world.

The report's authors attributed the increase not only to construction work rebounding to pre-pandemic levels, but also to buildings using more energy as in-person work returned.

More: [The Hill](#)

# State Briefs

## ALABAMA

### Alabama Power to Close Gadsden Steam Plant in January



Alabama Power last week announced it will retire its oldest plant, the Gadsden Steam Plant, on Jan 1.

According to the company, its plan to retire the plant was based on "providing customers with the most efficient and cost-effective electricity possible."

The plant, located on the Coosa River in Gadsden, was built to produce 10,000 kWh.

More: [WVTM](#)

## COLORADO

### Boulder, Denver Voters Approve Climate Taxes

Voters in Boulder last week approved a new tax to support climate resiliency projects and increased another tax for wildfire defense and prevention.

The new tax would increase costs for residential, commercial and industrial electricity consumers to raise the yearly amount collected for climate resiliency projects to \$6.5 million from \$3.9 million. Another county tax was increased by \$11 million a year to pay for wildfire defense and prevention.

In Denver, voters approved a measure allowing the city to keep \$1.3 million in excess revenue from a recent sales tax increase to counter climate change and economic disparities.

More: [CPR News](#)

## IOWA

### Utilities Board Denies Alliant Solar, Battery Plan



The Utilities Board last week denied an Alliant Energy application regarding its proposed construction of 400 MW of solar and 75 MW of storage, including the Duane Arnold Solar projects in Linn County.

A board order stated that Interstate Power and Light Company, an Alliant subsidiary, didn't adequately consider alternative generation options in its application for pre-approval of the projects and their costs. The application was filed last November.

Interstate Power and Light primarily relied on analyses within its 2020 Clean Energy Blueprint to justify the projects. The board said the utility didn't adequately consider other sources that could be more reasonable, as required by state code.

More: [The Gazette](#)

## OREGON

### PacifiCorp Settles with Victims of 2020 Archie Creek Fire



PacifiCorp last week said it has entered a confidential settlement with two families who were victims of Labor Day fires along the North Umpqua River in 2020.

According to filings, plaintiffs Kathy Kreiter and Tim Goforth lost their home and Goforth was blinded in one eye by an injury sustained in the fire. Phillip and Cassie Strader lost 750 acres of timber in the fire, which constituted their retirement fund.

PacifiCorp said it will go into mediation to potentially settle the claims of about 200 additional families who were victims of the fires.

More: [The Oregonian](#)

## SOUTH DAKOTA

### Utilities to Take Lead on EV Charging

The Public Utilities Commission last week said it will let investor-owned utilities decide how to handle customers who charge electric vehicles at their homes and businesses, including different prices depending on the time of day, and whether to offer equipment rebates.

The commission, which declined to establish statewide standards, will instead decide on each company's proposal as part of the normal rate-case process.

More: [KELO](#)

## TENNESSEE

### MLGW Delays Vote on TVA

Memphis Light, Gas and Water last week delayed a Nov. 16 vote on whether to enter a "never-ending" contract with the Tennessee Valley Authority due to appeals.

In September, Memphis Light, Gas and Water officials revealed intentions to sign a 20-year, renewing contract as the most cost-effective option due to TVA incentives. Since then, environmental groups and community activists have challenged the

decision and spoken out against long-term contracts with TVA that could prevent the city from negotiating better deals.

The delay also allows new MLGW CEO Doug McGowen to be present for the rescheduled vote.

More: [Tennessee Lookout](#)

## VIRGINIA

### Cumberland Planning Commission Approves Solar Permit

The Cumberland Planning Commission last week unanimously approved a conditional use permit for a Sun Tribe solar farm.

The plan for the farm, which will sit on 1,750 acres, now goes before the county Board of

Supervisors for a final vote.

More: [The Farmville Herald](#)

### Dominion Nixes Proposed Tx Line Routes for Amazon Data Center



Dominion Energy last week announced it has nixed all previously considered transmission line routes to power a proposed Amazon Web Services data center in Warrenton.

Instead, Dominion is proposing building a substation at one of two sites near an existing substation southeast of Warrenton. The new substation would power the data center, if it is approved, via underground distribution lines.

More: [Prince William Times](#)

## WISCONSIN

### MGE Customers to See Rate Hike from Fuel Costs

The Public Service Commission last week approved a 9% rate hike for Madison Gas and Electric to cover higher fuel costs, along with the company's plans to buy part of a new Alliant Energy natural gas plant.

The average residential customer will pay about \$8.20 more per month.

The higher rates are driven primarily by higher natural gas prices and an estimated \$25 million bump resulting from difficulties getting rail deliveries of coal to the Columbia Energy Center.

More: [Wisconsin State Journal](#)

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