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RTO Insider LLC

10837 Deborah Drive

Potomac, MD 20854

(301) 658-6885

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ACORE Policy Forum

Democrats Make the Case for Updating Permitting Laws at ACORE

By James Downing

WASHINGTON — While they recognize that changes to permitting laws are needed to fully realize the benefits of the Inflation Reduction Act, Democratic officials told the American Council on Renewable Energy on Thursday that a package emerging from House Republicans is a poor start.

Successful bipartisan permitting legislation is more likely to come out of the Senate, said John Podesta, a senior adviser to President Biden on clean energy innovation and implementation.

The House of Representatives is “going to produce some legislation, and they’ll pass it,” Podesta said at the ACORE Policy Forum. “My guess is they won’t consult with Democrats very much. They’ll sort of put together what’s their wish list of assets.”

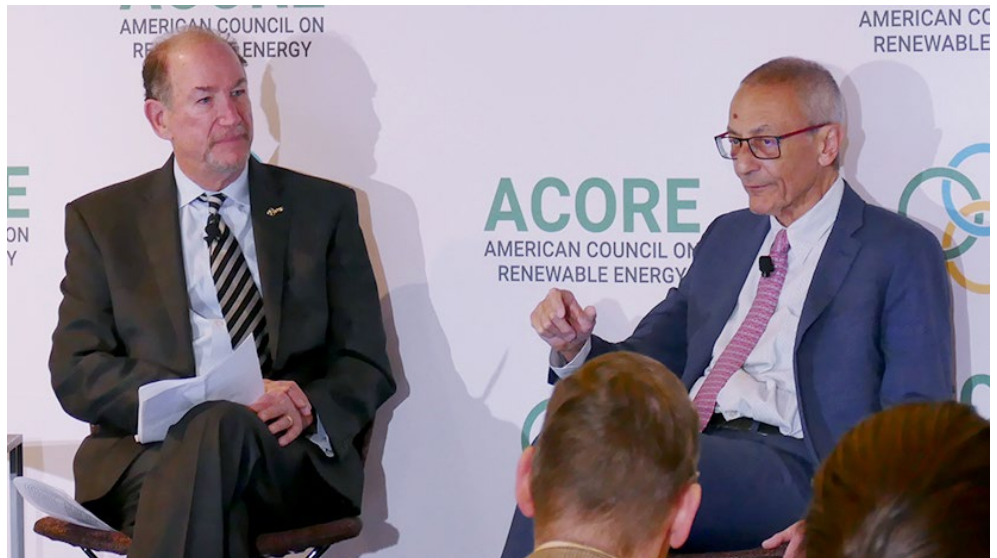
The White House could work with House Republicans if they come up with sensible proposals that “respect science” and do not “undermine core environmental laws,” Podesta said. But several senators are interested in working on serious permitting legislation, including Sen. Joe Manchin (D-W.Va.), who tried to get a bill through last Congress, and his fellow West Virginian across the aisle, Sen. Shelley Moore Capito, Podesta said.

The attention that permitting is getting from senior officials will help move things along in a process that is performed in the agencies with little attention from the heights of government, Podesta said.

“There’s nothing like accountability: having people at the top know that they’re responsible for working through and breaking through unacceptable delays,” he added.

Biden has also directed his cabinet to make sure that they are using their existing powers, which include some backstop siting authorities for the Department of Energy and FERC from the Energy Policy Act of 2005, Podesta said.

Both Podesta and Sen. Martin Heinrich (D-N.M.) have worked for years to try to get Pattern Energy’s SunZia transmission project built, which would bring up to 4,500 MW of wind power from New Mexico to markets in Arizona and Southern California. Podesta recalled working on it in the Obama administration in 2015 and thinking the line would move forward, only to find out that Pattern had not started construction when he started working



White House official John Podesta (right), talks with ACORE President Gregory Wetstone. | © RTO Insider LLC

for Biden.

The line recently received a final environmental impact statement from the Bureau of Land Management, and a final decision on its route over federal lands is expected this spring, said Heinrich.

“As we build out more transmission lines like this one and overhaul our existing transmission infrastructure, we can bring many, many more large-scale clean energy and storage projects onto the grid,” Heinrich said, “but only if we move much more quickly than we have in the past. It has taken more than a decade and a half for a series of developers to navigate the complex siting and permitting processes for just this transmission line.”

Eliminating carbon emissions from the power sector will require doubling, or even tripling, the capacity of the grid, and while Congress passed legislation last session that includes significant funding for transmission, more change is needed, Heinrich said.

“We all know we have to go a lot further,” Heinrich said. “And that means addressing the underlying problem: that financing timelines and the time it takes to get these major infrastructure projects through complex permitting processes simply don’t match up.”

Heinrich plans on introducing bills intended to improve the transmission planning process and would require that the multiple benefits of transmission be considered in cost allocation. He also plans to introduce a tax credit for transmission, which ACORE has found would

spur \$15 billion in private investments.

On changes to permitting, Heinrich said he was preparing legislation that would give FERC and DOE conditional authorities to expedite siting processes for high-voltage transmission through a collaborative process that involves states, tribes and other federal agencies.

Besides federal changes, Heinrich urged any firms interested in developing major transmission lines to meet early and often with the impacted communities so they can develop alternatives and avoid conflict as much as possible.

“I would encourage developers to look at issues like environmental mitigation and working with tribes as opportunities for positive engagement rather than just confrontational obstacles,” Heinrich said.

Changing permitting laws has a path to get through Congress this session, with Heinrich saying it is one of the few areas where the two parties have some overlapping goals. But he would rather see something like what Manchin proposed last Congress than what House Republicans have floated so far.

“There’s definitely a potential path,” Heinrich said. “And I think the question is, can the House become a bit more pragmatic? It is driven by its right flank right now; it is making a lot of statements; [but] at the end of the day ... [you] come to Congress hopefully to get things done, not just make statements. And that’s the pivot that we need.” ■

ACORE Policy Forum

Decarbonizing the Grid Faces Hurdles Despite Recent Laws

Experts Explain What Needs to Happen at ACORE Policy Forum

By James Downing

WASHINGTON — The Inflation Reduction Act and Infrastructure Investment and Jobs Act passed last year have given the renewable energy industry policy certainty with hundreds of billions of dollars in funding, but the industry faces some challenges in maximizing its opportunity.

“For the long term, we have the challenge ahead of us on transmission, building up the workforce that we need, on supply chain — all those things need to come together,” Enel North America’s head of public policy, Jack Thirolf, said at ACORE’s Policy Forum on Thursday. “And we need to not wait.”

One of the short-term issues facing the industry is waiting for the Treasury Department to implement many of the IRA’s tax provisions, but that has not stopped development, according to Bank of America Managing Director Ray Wood.

“We haven’t stopped to wait for guidance,” said Wood. “We continue to work on transactions. We’re seeing an incredible flow of opportunity to deploy capital. And we’re very excited about the prospects of the IRA bringing down the cost of capital for our clients and for the industry, thereby allowing for more deployment to bring in domestic manufacturing.”

General Electric thinks about the transition to a clean grid globally, which means it has to start making decisions about which technologies to ramp up manufacturing now so they can be deployed as needed, said GE Renewable Energy Senior Executive Director Chrissy Borskey.

“There’s got to be some things that, as an industry, we can start thinking about it, and we can start saying, ‘This is what we need today,’ or ‘this is what we need in the next three months,’” said Borskey. “And we’re going to have to prioritize.”

Meta Head of Renewable Energy Urvi Parekh said the internet giant has been on average making about 2,000 MW worth of renewable power purchase agreements every year recently, but this year could threaten that streak. The industry needs guidance on exactly how the IRA’s incentives will work, and that uncertainty is leading to more expensive PPAs.

“I’ll know it’s working when we start to see



Panelists at ACORE’s Policy Forum. From left: Dan Feldman of Covington & Burling, Becca Jones-Albertus of DOE, Lisa Morris of the National Minority Supplier Development Council, Troy Patton of Ørsted Americas, and Kathy Weiss of Nextracker | © RTO Insider LLC

clarity in the prices that we’re seeing,” Parekh said.

Supply Chain Issues Must be Overcome

Another challenge that has roiled the industry along with the rest of the economy recently is the supply chain. The new laws require more domestic manufacturing of goods such as solar panels, which are dominated by China now.

The Chinese dominate the manufacturing of polysilicon and wafers, which are key components to manufacturing solar, said Becca Jones-Albertus, director of the Department of Energy’s Solar Energy Technologies Office.

“A supply chain that has a heavy domestic component brings all kinds of other benefits,” said Jones-Albertus. “Economically, it brings resilience to shipping issues, in which we saw seeing a huge cost increase over the last couple of years.”

Onshoring the supply chain also means more jobs and all the economic benefits that come with increased employment, she added.

Ørsted Americas Head of Program Execution

Troy Patton said his firm, which is building seven offshore wind projects off the East Coast, buys from the entire market, so as long as supply can meet demand, the Danish firm does not run into supply chain issues.

“As long as there’s economically feasible supply, we’re happy with the security of supply,” Patton said.

However, while the onshore wind industry in the U.S. has developed its own domestic manufacturing and supply chains, the more nascent offshore industry has not, to the point where Ørsted is having to import all the major components for its first projects, he added.

Securing the solar supply chain is going to involve a lot of tough work, said Nextracker Vice President of Government Affairs Kathy Weiss. Her firm found some success in getting “trackers” that help panels follow the sun built domestically, but that involved reaching out to steel manufacturers and assuring them that the demand for the devices would be there for years to come.

China built up its dominance over 20 years, but the U.S. Commerce Department has issued

ACORE Policy Forum

tariffs on that country, in what has become a bipartisan and popular policy.

“For 20 years, China has been publishing a five-year plan that says, ‘We’re going to dominate,’” Weiss said. “And so now we just figured that out, and we’re trying to react to it; I hope the reaction is one that is smooth and not jarring for the industry.”

An executive order from President Biden gave the industry a stay on the tariffs, which will give it a couple years to rearrange supply chains and use IRA funding to build up domestic manufacturing of solar, she added.

“All our companies across the industries have jumped on that and are working 24/7 to try and stand up fast; to get partners that we’ve worked with offshore to bring them the equipment onshore; to get the equipment set up; get the workers trained; to get the steel prepared,” Weiss said. “So that activity is happening at every renewable energy company across the United States.”

Grid Needs to Triple in Size

Fully decarbonizing the electric sector is going to take massive amounts of new resources, with DOE’s latest modeling showing another terawatt each of wind and solar, about 500 GW of other renewable sources and 300 GW of battery storage. Linking it altogether will also require significant amounts of new transmission, said acting Assistant Secretary for Energy Efficiency and Renewable Energy

Alejandro Moreno.

“The modeling that we’ve done looks at sort of the base scenarios that we have increasing transmission by three times above current levels,” he added.

Federal support is needed to get that transmission built out, but it is not enough on its own, said Brian George, Google’s U.S. federal lead on global energy market development.

“The large buyers who need access to transmission really have an obligation to be engaged in our communities, in our local environments, to talk about the benefits that these projects have,” George said.

Cost allocation is another key area that needs to be tackled, and that will largely involve states coming to an agreement on where the most beneficial pathways for power are and agreeing to share the costs of new transmission, he added.

The industry has been run the same basic way for 100 years, with policies on top of an original framework that needs to be reformed from the ground up, said Breakthrough Energy’s manager of U.S. policy and advocacy, James Hewett.

“So how do we start to kind of pull those bricks down and build the grid that we know that we need?” said Hewett. “And that’s obviously going to be a really difficult challenge.”

The grid is the “most important machine in our society,” and too often transmission expansion

is narrowly focused on the needs that one project will address, said Dominion Energy Senior Vice President of Corporate Affairs William Murray. Such a narrow focus means most people will never be interested in that work.

“What we’re doing instead is strengthening the most important machine in our society for decades and decades,” Murray said. “But we’re also enabling the most significant economic transformation since the internet. And that’s kind of cool.”

FERC is not focused on bringing down barriers to new transmission because it is doing the job assigned to it instead: making sure rates are just and reasonable, said its special counsel, Kim Smaczniak.

The commission has three proposals aimed at improving its transmission regulations, including a Notice of Proposed Rulemaking on transmission planning that would require more long-term planning of 20 years based on various scenarios of a future grid. It also has a NOPR on changes to interconnection queues to speed up the process of connecting new generators, after many of the current rules have led to ever ballooning delays for projects.

The third major rule Smaczniak and colleagues at FERC are working on is an update to the commission’s backstop transmission siting authority from the Energy Policy Act of 2005, which was recently clarified in the IJJA to say that the federal agency can overrule a state that rejects a line. ■

National/Federal news from our other channels



Biden Admin Devoting Billions for ‘Climate-smart’ Agriculture



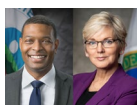
EPA’s Becker Breaks Down \$32B of Federal Funding for Decarbonization



DOE Announces \$6B for Industrial Decarbonization



Co-op Leaders Share Reliability Concerns



DOE, EPA Team Up on Reliability Efforts



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FERC/Federal News



DERs in Wholesale Markets Still Years Away

FERC has Approved Some Order 2222 Compliance Filings, but Work Remains

By James Downing

FERC has been working through compliance filings on Order 2222, but none of the ISOs or RTOs have yet to have aggregations of distributed energy resources actually participate in their markets.

The commission defines DERs as any resource located on the distribution system or behind a customer meter, or any subsystem thereof, said David Kathan, a former FERC staffer who worked on the issue and now runs his own consulting firm. Speaking on a webinar hosted Wednesday by the United States Energy Association, Kathan listed rooftop solar, community solar, electric vehicles, cogeneration facilities, distributed storage, demand response and others as potential DERs.

Load management and solar were the dominant DERs from 2015 to 2020, and they are expected to continue growing at a healthy clip but will be joined by additional resources

ramping up deployments this decade such as EVs and storage, Kathan said.

Hawaii is ahead of most states on renewable deployments with a goal of getting to 100% renewables by 2045, and DERs will play a key role there, he said.

"I know Hawaii is not exactly, you know, the normal state in the United States; it's islands," Kathan said. "It has a different set of resources and challenges. And they like to call themselves a postcard for the future."

Across the entire state, DERs could make up 15% of electricity by 2045, but they could be as high as 23% on the island of Maui. It is important for grid operators to have visibility into those resources, but that requires changes to how they have operated in the past.

"Many DERs, especially behind-the-meter resources, are too small to participate in wholesale markets," Kathan said. "Most RTOs and ISOs have set a minimum offer size re-

quirement of at least 100 kW."

Individual DERs often do not have the capability, nor the interest, to participate in the markets, but they are happy to have aggregators do much of the work so they can get paid, he added.

"At present, no DER aggregations participate in wholesale markets ... and will mostly have to wait until implementation of 2222 by the RTOs and ISOs," Kathan said. "Most plan for effective dates for their participation between 2024 and 2026."

MISO has proposed an implementation date of 2030, but that is still pending FERC approval. CAISO enacted its DER aggregation rules back in 2016, and many of the elements it set up then informed Order 2222. But even there, no DERs have participated in the wholesale markets yet.

"It is not necessarily a problem with the rules, and more having to do with issues that are still not resolved at the state level," said Kathan. "And in particular, whether various resources, like DERs and demand response, are able to see resource adequacy credits has been a major issue on why there has not been as much participation."

Getting the rollout of DERs and how they work on the grid right is going to be important when it comes to decarbonization efforts, said Omar José Guerra Fernández, of the National Renewable Energy Laboratory.

Much of the discussion has been on how to decarbonize the power sector, "but then we also need to decarbonize the industrial transportation and building sectors," said Guerra Fernández. "And, in my opinion, this is the place where the DER group will play a significant role."

DERs will help ensure that cars are charged up when the grid is producing clean power, providing a key cross-sectoral role in decarbonization, he added. It will also help decarbonize the building sector in ways that central station renewables are not capable of by adding distributed generation, heat pumps and other technologies that can ensure buildings do not produce greenhouse gases.

"DERs are a variety of technology that will allow us to do this cross-sectoral integration of the energy systems to help achieve net zero by 2050, or maybe before," Guerra Fernández said. ■



| ChargePoint

FERC/Federal News



Overheard at CERAWeek 2023

Podesta Touts Biden Administration's Clean Energy Actions

By Tom Kleckner

HOUSTON — The energy transition and the march of new technology were key highlights of last week's CERAWeek by S&P Global, which began 41 years ago with a focus on oil and gas.

The annual global energy conference attracted a record 7,200 executives, policy makers and others from 90 countries during what organizers called "the most innovative period in the history of energy."

More than three dozen sessions were held on hydrogen energy alone. Members of the Biden administration were on hand to add context to the Inflation Reduction Act (IRA) and explain its incentives for all parts of the industry.



CERAWeek by S&P Global co-founder Daniel Yergin | © RTO Insider LLC

"The energy industry continues to grapple with the twin challenges of meeting the world's growing energy demand while reducing emissions and redesigning the world's energy systems for a lower carbon future," CERAWeek chair and co-founder Daniel Yergin said in a post-conference

message.

Among the more than 1,000 speakers was John Podesta, President Biden's senior adviser for clean energy innovation and implementation and chair of the National Climate Task Force.

"It's no secret that the energy industry is changing. In these halls experts are showcasing innovative energy technologies, clean hydrogen stations, sustainable aviation fuels, direct air capture," Podesta said. "Just a few years ago, many of these technologies were considered no more than a pipe dream. There are many reasons for this shift — economics, energy security amongst them."

Podesta highlighted the economics of the climate crisis, saying extreme weather disasters last year cost the nation \$165 billion in damage. The year before, it was \$155 billion.

"Instead of paying to adapt to a problem of our own making, we could be solving that problem. We'll do that by producing clean energy," he



Special Presidential Envoy on Climate Change John Kerry discusses his responsibilities during CERAWeek by S&P Global. | © RTO Insider LLC

said. "And thanks to President Biden there's never been a better time to invest in clean energy in America."

Under the bipartisan IRA, the Department of Energy has made billions of dollars available for demonstration projects and energy technologies, Podesta said. He said the Commerce Department, under the Chips and Science Act, is overseeing another \$50 billion in investments to the domestic semiconductor industry, which is critical to the battery and solar industries.

"We're setting the rules of the road to grow the economy from the bottom up ... that will make clean energy jobs, good paying union jobs," Podesta said. "And then it's all up to all of you to grab the baton and to run with it. You just have to walk around the [technology-focused] Agora [exhibit hall] to see what the possibilities might look like. Now you can grow your clean energy investments by taking advantage of these new laws and create good-paying jobs while you're at it."

Responding to a question about pushback from other countries over the U.S. government's support of clean energy, Podesta said,

"We want European industry to succeed, but nothing beats American leadership on climate, innovation, technological development. We're proud of the accomplishment of this bill."

Addressing Issues with China

Podesta and John Kerry, the administration's special presidential envoy on climate, both addressed China's role in the global energy industry during their separate conversations.

Podesta said the U.S. needs to ensure supply chains are secure and "in friendly hands" to avoid authoritarian regimes blackmailing the rest of the world.

"The only way to do that is to kind of disperse supply, secure supply, and do it with our friends and allies, and I think, quite frankly, they agree with that," he said. "We want to try to find a path forward where, particularly on these supply chain questions, we have a collaborative relationship with our allies and partners. It's just clear to say directly, that China has too much of a chokehold on critical minerals, on critical mineral processing, and clean technologies and solar machines. We let that go. That was a mistake. We need to get it back, and

FERC/Federal News



we're seeing that happen."

However, it was a comment by Podesta later last week at an American Council on Renewable Energy conference that set off a bit of political turmoil. (See [Democrats Make the Case for Updating Permitting Laws at ACORE.](#))

While describing U.S. efforts to build domestic manufacturing for clean energy technologies, Podesta said Chinese companies will need to participate. He conceded that the government will need to balance China's involvement with concerns over reliability and energy security.

"The Chinese are going to be big players. They have a big domestic market. They're already the leaders in electric vehicles," Podesta said. "We're aware of that, but we can't be beholden to only Chinese supply for these critical materials, when they have indicated that they're perfectly prepared to use their economic power when it serves their interests in a strategic way."

Sen. Joe Manchin (D-W.Va.), chairman of the Senate's Energy and Natural Resources Committee and another CERAWeek participant, issued a [statement](#) in response.

"It is beyond irresponsible for someone speaking on behalf of the White House to not only condone but also advocate for sending American tax dollars to Chinese companies," Manchin said. "We have a dire dependence problem, and comments like this make it clear that this administration doesn't care about the energy security of this nation. I will do everything in my power to prevent this administration from welcoming China to take federal dollars with open arms."

Kerry, a former secretary of state, senator and presidential candidate, pointed out that the U.S. and China are the world's two largest economies and two largest emitters. He agreed that the relationship between the two superpowers is currently difficult, "certainly the most difficult we've seen, certainly in my lifetime," but that China remains one of the largest investors in renewable energy.

Asked whether he sees a prospect for developing "something constructive," Kerry responded, "I do. I absolutely do."

"I've met with the Chinese many times over the last few years," he said, pointing to joint agreements on accelerating the transition from coal and deforestation. (60% of the world's illegal logging goes to China, Kerry said).

"You have these things that just get in the way in a very serious way," Kerry said, listing a series of global issues. "I regret to say that in



John Podesta addresses a luncheon audience during CERAWeek by S&P Global. | © RTO Insider LLC

the last months, the intensity has ratcheted up. The Chinese helped us on a number of different, very sensitive issues. We cooperated on the Iran nuclear agreement; we cooperated on [the] Paris [climate treaty]. I do think we can surmount this, and we have to. The United States and China have to find a way to define the differences ... so that we can avoid the roiling of the markets and begin to deal intelligently with the world's greatest issues."

Kerry Calls for One Direction

Former U.S. ambassador (Mexico and Ukraine) Carlos Pascual closed his discussion with Kerry by noting the latter had extended his commitment as envoy through the end of the year.

"I take that as a ..." Pascual began.

"As a sign of insanity?" Kerry interjected.

"... reflection of your passion and commitment, but also one of hope," Pascual continued.

Kerry likened the challenges facing the industry to the Allies' collaborative effort during World War II.

"There were certain things we needed to do to win the war," he said, using as an example a Michigan automobile plant's ability to produce a B-24 bomber every hour. The decisions were made at the top, Kerry said, but it was the "people at the mid-level of engagement who made their own decisions because they were given a responsibility to get something done" that made the difference.

"That's what we need to do. Some of these things we need to be deploying faster, whether it's solar panels or wind turbines, or whatever we need to organize ourselves," he said. "If we can get people moving in the same direction, the same sense of purpose or with the same sense of urgency, I absolutely guarantee we can win this battle."

"But we can also lose it if we just continue business as usual and don't do the organizing necessary and liberating the kind of ingenuity of those mid-level people."

Panel: IRA to Accelerate Transition

Speaking on a panel debating how best to accelerate the transition to net zero in the U.S., Joseph Majkut, director of the Center for Strategic and International Studies' energy security and climate change program, said the key is not to impose costs.

"We want to demonstrate that there are huge benefits that accompany energy transition for consumers who might be lowering prices, right?" he said. "We might be able to get costs down for workers for those in these new energy technologies. It's manufacturing jobs to building a supply chain ... by building, by demonstrating these benefits, you can build momentum behind energy transition, such that we can accelerate our efforts. Everybody in Washington if you kind of get them in a quiet enough room and away from a camera, they know that this is not going to help us meet our even near-term climate goals, definitely not our long-term climate goals. If we can demonstrate that energy transition will bring benefits, then the belief is that we can accelerate our efforts over time."

Meghan Nutting, executive vice president of government and regulatory affairs for solar developer Sunnova, said the IRA's investment in energy-transition technologies is the "most impactful" she's seen in her 15 years in the industry.

"To say it's a big deal is an understatement," she said. "On the solar side, we have a 10-year runway for the 30% investment tax credit. That makes the investment tax credit even more valuable. We have \$41 billion that will be invested in domestic manufacturing ... so we don't have to worry so much about trade conflicts and we can produce that capacity domestically and serve people locally."

Majkut said that while the IRA is a substantial investment, it has "ruffled feathers in every cardinal direction."

The IRA "carries with it a lot of attempts to capture those benefits here in the United States ... and a focus on sort of an America-first climate policy," he said. "The champions of this legislation have talked about jobs, jobs, jobs. They don't as much talk about emissions, emissions, emissions, and that is going to provoke a competitive response not just from our allies, but from countries where we're competing, like China." ■

FERC/Federal News



EPA Proposes Tighter Coal Plant Wastewater Regs

Effluent Limitation Guidelines and Standards were Weakened in 2020

By John Cropley

EPA is proposing tighter standards on wastewater discharge from coal-fired power plants.

The revised Effluent Limitations Guidelines and Standards would restore and build on standards set under President Barack Obama in 2015 but weakened under President Donald Trump in 2020. EPA estimates the changes would block the release of 584 million pounds of toxic pollutants per year via three separate waste streams.

Use of coal as a fuel for steam electric generating stations has been steadily decreasing in the U.S., and the proposed changes appear to encourage additional decommissioning, with an exit option for plant operators planning or considering a shutdown or a conversion to a different fuel.

Operators will be eligible for less-stringent wastewater pollution limits if they agree to permanently stop burning coal by 2028. And

those that have already complied or are in the process of complying with the 2015 or 2020 requirements will get a pass on some of the new regulations if they plan to stop burning coal by 2032.

The original deadline for the 2028 opt-in has already passed, but EPA said in a *fact sheet* that it is aware that additional plant operators would opt in if the deadline were extended as it proposes and said the extension might give some operators the flexibility to cease burning coal earlier than they might otherwise.

Announcing the proposal Wednesday, EPA Administrator Michael Regan called it an ambitious step to protect communities from harmful pollution.

Coal-fired plants discharge large amounts of wastewater laced with mercury, other toxic pollutants, nutrient pollution and dissolved solids, EPA said.

The *proposal* would address three waste

streams from combustion — flue gas desulfurization wastewater, bottom ash transport water and combustion residual leachate — and pave the way for potentially stricter discharge standards on surface impoundments such as ash ponds.

EPA offers four sets of options in its proposal. It estimates the total social costs of its preferred option at \$200 million and total monetized benefit at \$1.56 billion, plus unquantifiable benefits such as habitat improvement for aquatic life.

In its *impact analysis*, EPA projects a 0.1% nationwide reduction in generating capacity and 0.1% increase in production costs by 2030 as a result of plant slowdowns or shutdown under its preferred option. Depending on the region, that could mean a residential bill increase anywhere from 9 cents to \$1.31 per household per year, EPA estimates.

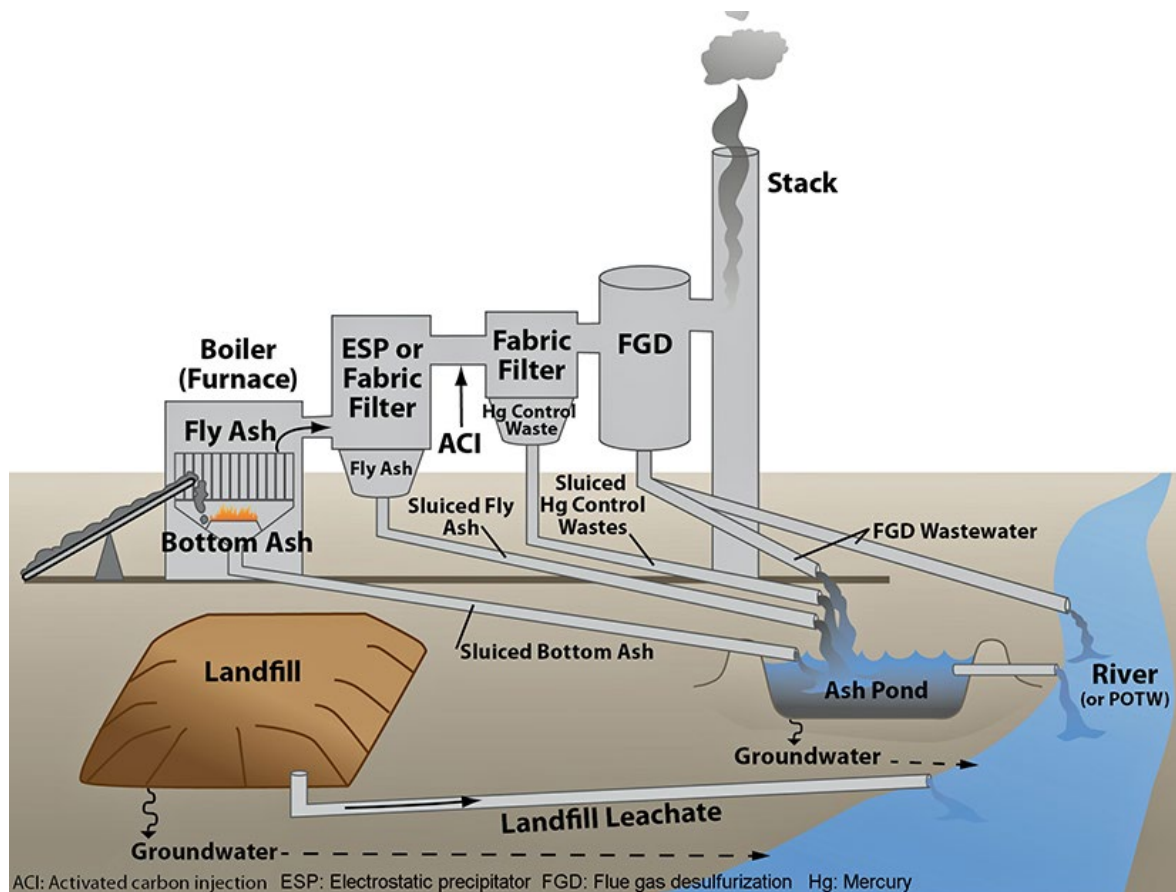
The rule was originally issued in October 1974. It was amended four times through

1982, then not again until 2015. After two legal challenges, EPA in August 2020 *revised* it again, changing limits on the flue gas desulfurization and bottom ash transport wastewater discharge.

Five months later, on his first day in office, President Biden issued Executive Order 13990, ordering the EPA to review all regulation and policy actions taken under President Trump and to revoke or revise any that did not protect public health and the environment.

EPA's move to reaffirm Mercury and Air Toxics Standards for power plants was one result of that order. (See *EPA Reaffirms Power Plant Mercury Regulations*.) The new wastewater regulations proposal announced Wednesday is another.

The agency will *soon post* details on virtual public hearings planned for April 20 and 25. ■



The EPA is proposing regulations to limit these key waste streams from coal-fired power plants. | EPA

FERC/Federal News



FERC Seeks More Funds, Employees in Latest Budget Request

By James Downing

FERC on Monday released its fiscal year 2024 budget *request*, with the regulator seeking a total budget of \$520 million for the year.

The commission recovers the full costs of its operations through annual charges and filing fees assessed on the industries it regulates and deposits that with the Treasury, offsetting its congressional appropriations entirely.

The funding request is about 2.3% above fiscal year 2023 and includes the hiring of 58 additional full-time equivalent employees, bringing the total number of staff at FERC to 1,566.

“The additional resources will allow the commission’s program offices to undertake forward-looking strategic studies and expand external engagement efforts with a wide range of stakeholders,” FERC said. “In addition, targeted FTE investments will enhance the commission’s advisory services, strengthen organizational capabilities, streamline processes and minimize inefficiencies to address the commission’s evolving mission requirements. The FTE increase will continue to directly staff the new Office of Public Participation established in FY 2021.”

The first priority that the document lays out for FERC in the next fiscal year is to modernize electricity market design.

“Current market designs may not allow for the operational flexibility needed to address changing system needs that are being driven by an evolving resource mix and changing load profiles,” FERC said. “The commission will work with stakeholders to explore the gaps in current electricity market designs and identify potential reforms to modernize them.”

FERC started that work in FY 2022, requiring



FERC headquarters | © RTO Insider LLC

additional information in parties’ electronic quarterly reports. It has also worked to improve credit rules in the ISO/RTO markets.

This year and next, FERC will continue to evaluate the impact of the new database on the market-based rate program and evaluate credit rules, it said.

Another priority is to facilitate the development of the electricity infrastructure needed for the changing resource mix, FERC said. A large amount of new transmission is needed to address the challenges of and facilitate the interconnection of large quantities of new renewable resources in the markets while preserving reliability. The commission has issued some proposals on transmission planning and interconnection queues, and it will continue to evaluate those going forward, it said.

On its enforcement efforts, FERC said it was starting to make use of new technology and plans to transfer key data assets into the cloud by the end of this fiscal year. Moving surveillance screening and analysis to the cloud will make it work better and improve staff’s ability to monitor electric and natural gas markets, it said.

Another one of FERC’s goals for the fiscal year is to continue safeguarding infrastructure from threats to reliability and security, such as extreme weather, climate change and cyber-attacks.

“The commission will address this priority through an integrated set of targeted actions designed to mitigate or avoid the adverse effects of widespread and extended power outages caused by these threats,” FERC said. ■

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CAISO/West News

CAISO Proposes Interconnection Queue Process Overhaul Studying Hundreds of Projects in Queue ‘Just Doesn’t Work,’ CEO Says

By Hudson Sangree

Struggling to deal with an overwhelming number of generator interconnection requests, CAISO has launched a new stakeholder initiative to overhaul its interconnection process to prioritize projects that serve the state’s resource requirements in areas that already have transmission.

The revamp is vital to help the state add the gigawatts of renewable resources and storage it needs to meet its 100% clean energy mandate by 2045, CAISO said in an issue paper and straw proposal it published last week to start the “Interconnection Process Enhancements 2023” initiative. The first stakeholder meeting was held Monday.

“With the ISO’s interconnection application queue inundated with applications, current

processes need to be reimagined to ensure resource procurement and queuing are effectively shaped and informed to take advantage of transmission and interconnection capacity that exists or is already planned and under development, and to align with the transmission upgrades necessary for longer-term resource development,” the paper says.

CAISO received 359 interconnection requests totaling more than 105 GW during its Cluster 14 window in April 2021, quadruple the number of prior years, with 205 projects totaling 65.5 GW proceeding into phase 2 of the interconnection study process.

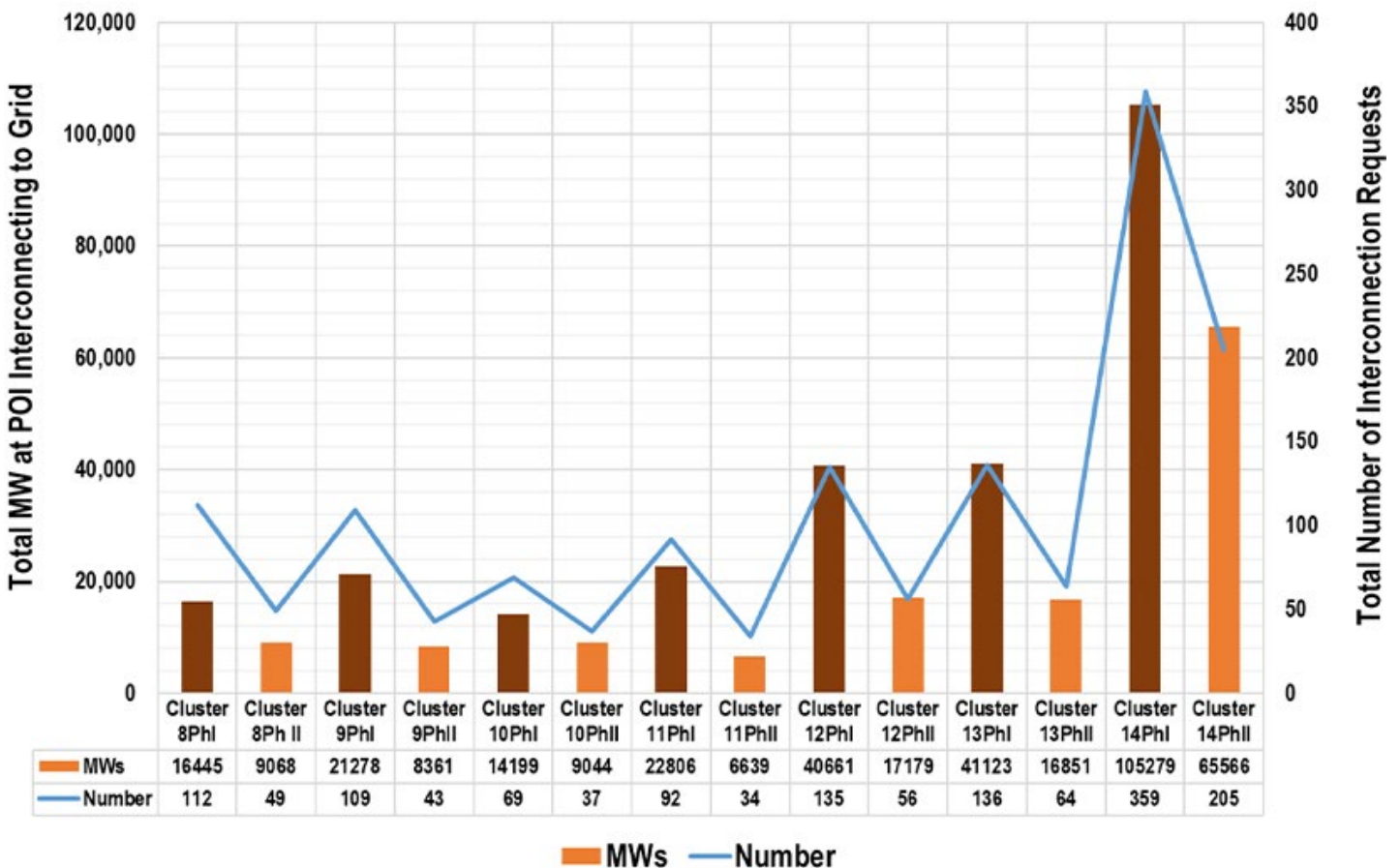
“When the schedule for the Cluster 14 super-cluster was developed, the ISO assumed that the unprecedented number of projects studied in phase 1 would ... result in a large percentage of projects withdrawing,” the issue paper

says. “That would have made for a much more reasonable number of projects needing to be studied in Cluster 14 phase 2.” But the “high project withdrawal rate ... did not materialize. In fact, the percentage of projects proceeding into phase 2 is higher than normal.”

The window for Cluster 15 requests is scheduled for April 3-17. CAISO said it expects to receive 279 to 308 interconnection requests based on an informal survey of developers late last year.

“Simply layering a massive influx of new Cluster 15 interconnection requests on top of the existing queue and the Cluster 14 projects in the queue is not an effective way to advance interconnection proposals,” the paper says. “To do so would exacerbate an already unworkable situation.”

Refinements to CAISO’s interconnection



CAISO says the number of interconnection requests (blue line) and requested capacity (red bars) has accelerated dramatically, while the percentage of projects moving into the second phase of interconnection studies (orange bars) has been higher than normal. | CAISO

CAISO/West News

process over the past two years have not sufficiently reduced the number of requests to the manageable level needed to “support the pace of new resource development that must be sustained in the years ahead,” it says. (See [CAISO Approves More Interconnection Enhancements](#).)

“Simply put, without transformational changes to the [Generator Interconnection and Deliverability Allocation Procedures] in the 2023 [Interconnection Process Enhancements] initiative, we will not be able to accommodate the rapidly accelerating pace of new resources that must be connected to the grid to achieve SB100 goals in a reliable and cost-effective fashion.”

The new initiative has two tracks. The first involves adjusting the schedule for processing Cluster 15 requests by postponing request validation and scoping meetings until the Cluster 14 phase 2 studies are finished by Nov. 24 and the results meetings are complete by Feb. 22, 2024.

“As such, the ISO does not anticipate resuming Cluster 15 until 2024,” the straw proposal says.

Track 2 of the initiative is meant to prioritize projects that would use available transmission capacity and that are in zones where the ISO’s transmission planning process identifies the need for additional capacity based on state resource planning. It also seeks to limit the number of requests studied within those zones according to the state’s resource procurement needs.

Track 2 “will focus on the transformative changes to the interconnection process needed to achieve the strategic direction” agreed to in a December memorandum of understanding between CAISO, the California Public Utilities Commission and the California Energy Commission. (See [CAISO CEO Lauds Transmission Planning Agreement](#).)

‘It Just Doesn’t Work’

The MOU was meant to better coordinate the CPUC’s Integrated Resource Planning process, the ISO’s transmission planning process and the CEC’s Integrated Energy Policy Report, which identifies the state’s energy needs and its activities under Senate Bill 100, the 2018 measure that established the state’s clean energy mandate.

Long-term resource planning and procurement by the CPUC and CAISO’s transmission planning process “requires just exquisite coordination and synchronization of those different processes,” CAISO CEO Elliot Mainzer said in a speech to the Energy Bar Association Western Chapter on March 2.

The MOU “defines the order of operations to make sure that the CEC-CPUC-CAISO processes are much more tightly coordinated and synchronized,” Mainzer said. The ISO needs “to start getting out of this traditional reactive mode of transmission planning” and a “dysfunctional” queuing process.

“I think running 60,000-MW cluster studies just prevents transmission planners from doing actual transmission planning,” Mainzer said.

CAISO’s annually updated transmission plan will be released soon and will take a more proactive “zonal approach,” he said.

“It will let the transmission plan shape the queuing and shape the procurement so that we’re queuing up and running competitive solicitations on the buy side of places where we’re actually going to be building transmission capacity, as opposed to running fictional studies that give you useful insights or coming out with studies that say, ‘Sure I’ll interconnect you. It will cost you \$850 million.’ It just doesn’t work.”

‘First-ready, First-served’

Long interconnection queues have plagued

other RTOs and ISOs in recent years.

In November, FERC approved PJM’s proposal to speed up its interconnection queue by handling requests through a new clustered approach that prioritizes ready-to-build projects. (See [FERC Approves PJM Plan to Speed Interconnection Queue](#).)

The number of generation projects entering PJM’s interconnection queue nearly tripled between 2018 and 2022 as more renewable projects were proposed. The RTO started 2022 with nearly 2,500 projects under study in its queue, with 95% of the more than 220 GW of requests from renewables, storage or a combination of the two.

It estimates it will take until 2026 before it can clear the backlog. New interconnection requests will not be studied before then, PJM said.

In a Notice of Proposed Rulemaking in June, FERC proposed similar changes by replacing the serial “first-come, first-served” study procedure with “first-ready, first-served” cluster studies ([RM22-14](#)). The commission also proposed more stringent financial commitments and readiness requirements for interconnection customers, which it said would discourage speculative interconnection requests. (See [FERC Proposes Interconnection Process Overhaul](#).)

In calling for a switch to a “first-ready, first-served” study process, the commission endorsed rules it had already approved for MISO and SPP. Even with the rule changes, MISO faces scrutiny over whether it can deal with 170 GW of new generation requests that were added to its interconnection queue in September. (See [MISO Insists it can Handle Record-setting Interconnection Queue](#).)

CAISO has fast-tracked its new interconnection initiative and plans to seek approval from its Board of Governors in May. ■

Devin Leith-Yessian contributed to this report.

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CAISO/West News

Extreme Weather a Key RA Concern, Western Commissioners Say

By Elaine Goodman

While utility commissioners are concerned about variable energy generation when it comes to resource adequacy, it's extreme weather that's really keeping them up at night, speakers said during a webinar hosted by WECC.

During the March 2 webinar, part of WECC's monthly resource adequacy discussion series, panelists explored myths and realities of resource adequacy. The first potential myth discussed was whether the rising volume of variable generation is playing a major part in resource adequacy concerns.

California's duck curve, in which solar energy drops off at the same time electricity demand is peaking in the evening, was cited as an example of variable generation.

For panelist Eric Blank, chair of the Colorado Public Utilities Commission, the problem of variable generation is increasingly "understood, quantifiable and capable of solution."

But extreme weather events, ranging from heat waves to winter storms, haven't been consistent with past weather patterns and are a "new world," he said.

"I think it's less a variable generation problem and much more an extreme weather and correlated outage problem," Blank said. "That's what keeps me up at night."

Panelist Mary Throne, a commissioner on Wyoming's Public Service Commission, said variable generation does play a role in RA. Combined with extreme weather, she said, the



Western utility commissioners speaking on the WECC panel were especially concerned about the impact of new extreme weather patterns on grid operations. | Caltrans

two issues keep her up at night.

Another issue is to what extent extreme weather events, previously considered to occur with low probability, should be factored into resource planning.

Branden Sudduth, vice president of reliability planning and performance analysis at WECC, explained that in the past, planning revolved around determining the hour of peak demand in a given year. The thinking was that if demand in that peak hour could be met, resources would be adequate the rest of the year.

Now, Sudduth said, planners are starting to change their approach.

"People are recognizing the need for more of the stochastic planning," Sudduth said. "Looking at a wide range of generator availability conditions and then coupling that with a wide range of demand conditions as well. And then

using those stochastic models to help us identify specific hours of the year when demand might be at risk."

But cost is also a consideration when planning for extreme conditions.

"We have to ask the questions, ... see what happens in extreme conditions and correlated unit outages," Blank said. "But the question, 'Do we incur the cost to manage to those scenarios?' is a much more difficult question [without] obvious answers."

Electrification is another piece in the puzzle.

"You have to consider it in terms of changing weather patterns and increasing demand as we attempt to move toward more electrification," Throne said, although she noted that electrification of vehicles and buildings was likely to occur slowly in Wyoming.

Another potential misconception panelists discussed was whether an organized market, such as a Western RTO, will be the solution to resource adequacy issues.

Throne said the impact of an organized market is still unknown.

"We are going to move incrementally, and whether we ever get to a full RTO remains to be seen," Throne said.

Blank said an organized market isn't going to solve every problem, but it has the potential to accelerate transmission expansion and lead to better regional planning.

"If it's done right, it could produce a lot of benefits," he said. "And if we screw it up, it could create a mess." ■

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CAISO/West News

WPP CEO Looks to ‘Earliest Possible’ Binding Season for WRAP But Edmonds Acknowledges Need for Participants to Prepare Before Transition

By Robert Mullin

Western Power Pool CEO Sarah Edmonds would like to see the Western Resource Adequacy Program (WRAP) become “binding” on its participants as soon as possible, but making that transition could still be years away, she said last week.

After winning FERC approval for the WRAP tariff last month, WPP now has the option to initiate the binding phase of the program during any season between 2025 and 2028. At that point, participants will be subject to “very, very significant” penalties for not meeting their resource adequacy obligations outlined under the program, Edmonds said in a briefing to WECC’s Board of Directors on Wednesday.

Edmonds emphasized that the WRAP is not the product of any state or federal requirements but was developed by electric industry participants as a voluntary program to address concerns about imminent RA shortfalls in the West.

“Once [load-serving entities] are in the program, they are obligated at least for a period of two years to fully comply with all the [RA] metrics, so to get these companies comfortable with jumping into this compliance framework, where there are significant consequences, we have to offer some flexibility about when the binding season will occur,” Edmonds said.

The current “nonbinding” phase continues to offer important lessons for participants, she pointed out.

“To be candid, some load-serving entities are in better shape to go binding than others. Others need a little more time to adjust their procurement strategies and their positions relative to what they see coming at them,” she said.

Edmonds said the WPP is in a “very active” discussion with the WRAP’s current 19 participants about when to enter the binding phase.

“I will certainly be pushing for the earliest possible binding season, but we also have that built-in flexibility, and that was the bargain that we struck to get this program off the ground,” she said.

‘Insurance Policy’

Edmonds outlined some of the challenges — and risks — participants face in entering the binding phase. She said the WRAP is “a little novel” compared with other RA programs in that it includes a strict deliverability requirement, which stipulates that a resource must have 75% firm or conditional firm transmission from source to sink to be considered compliant with the program’s counting rules.

Seven months ahead of a season, a participant must provide WPP a “workbook” of “forward showings” of their RA, which the program operator evaluates to ensure the participant

is meeting its specific allocation of the WRAP planning reserve margin.

“When we say you’re a little bit short, and you have few months to cure, if you don’t cure, you are subject to pretty significant penalties,” Edmonds said. “They are of such significance that they’re really trying to send an economic signal that you should not lean on this program. You cannot rely on this program to serve your load; you need to solve your own problem.”

Once a season becomes the current operations period, the program operator will monitor conditions and notify participants of any expected RA deficits relative to their workbooks seven days in advance of an operations day.

“If they want to go out and fix that problem without relying on the program, we encourage it. The program is not meant to be the first go-to place for serving load; it is meant to be an insurance policy ... a backstop,” Edmonds said.

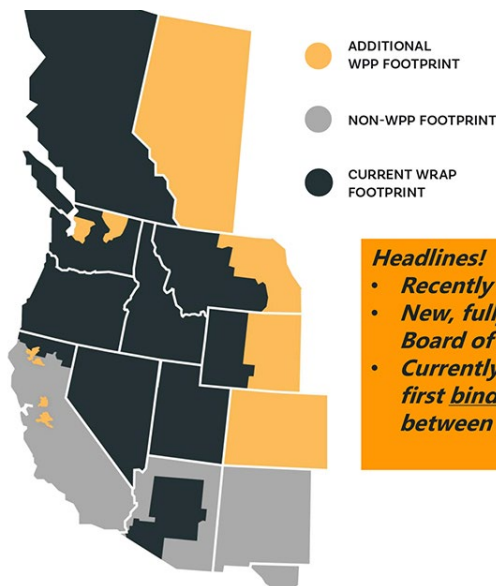
From an operational standpoint, the WRAP “is really delivering surplus to deficit entities in those hours of highest need,” Edmonds said. “It relies entirely on using traditional bilateral trading mechanisms and transmission which is sold under open-access transmission tariffs. We’re not a market; we’re not creating anything there. We’re relying on what’s out there, but we are matching up the surplus and the deficits and creating the overall structure.”

Edmonds likened the WRAP to a contingency reserve program “in the sense that we are creating a pool with the right to call on the pool.”

“Those entities receive that insurance policy. They get help through that difficult day to serve their load,” subject to paying a settlement price for drawing on the pool, she said.

And while the WRAP has the potential to reduce its participants’ planning reserve margins over time through more coordinated resource sharing and a greater diversity of resources, getting there is part of the broader learning process of the nonbinding phase, Edmonds said.

“Is everyone in a position to yield that benefit right away? Probably not. I mentioned to you that there are some entities that are going to have to adjust into that position over a period of time. But overall, and in the long term, the goal of the forward showing is to get to that lower potential position,” Edmonds said. ■



Headlines!

- **Recently approved FERC Tariff**
- **New, fully independent WPP Board of Directors**
- **Currently working to identify first binding season – between 2025 to 2028**

The WPP is now working with WRAP participants to identify the program’s first binding season. | Western Power Pool

ERCOT News



Texas Senate Lays out Changes to ERCOT Market

Legislation Would Incent Thermal Generation, Impair Renewables

By Tom Kleckner

Texas lawmakers Thursday laid out a legislative package that threatens the state's renewable industry and provides generous incentives to dispatchable generation.

Sen. Charles Schwertner (R), chair of the Business and Commerce Committee, listed seven bills and three more by Vice Chair Phil King (R) that he said would address the operational flexibility and resource adequacy "needed to power Texas into the future." That parroted language used by ERCOT CEO Pablo Vegas during the grid operator's most recent board meeting. (See related story, [ERCOT's Vegas Makes His Case for PCM.](#))

The bills would create a reserve market of 10 GW of gas-fired generation; require that, effective next year, 50% of capacity installed in the state be dispatchable; institute a firming requirement for all resources and load-serving entities; and mandate that generation be built closer to load to reduce transmission costs.

Asked whether the legislation can be interpreted as saying that lawmakers want to focus more on dispatchable energy rather than renewable energy, Schwertner, flanked by

signs that read "Powering Texas Forward," said, "That's absolutely correct.

"I think it is important that we state the facts," Schwertner said. "Certainly, renewable penetration is significant, and when it gets too high, because of the variability and lack of performance at critical times ... we need that dispatchable generation to balance out and assure that we have a grid that's performing in times of critical need.

"We've got companies that are wanting to invest here. We have to have generation that performs when it's critically necessary, and that's dispatchable generation that can be counted on when the wind is not blowing and the sun is not shining. It's absolutely critical that we level the playing field and balance out that market," he added.

Advanced Power Alliance CEO Jeff Clark said many of the bills would "dramatically" raise consumer costs, distort the free market and "stifle" advancements in innovative technologies that would provide "a more affordable, reliable and resilient electric grid."

"Serious policy proposals have been put forth by stakeholders since Winter Storm Uri, and this suite of anti-renewable bills spits in the

face of the many productive conversations that have taken place regarding how best to solve the issues we face in Texas," Clark said. "Grid reliability events are caused by a variety of factors, and the Texas Legislature should be laser-focused on addressing those issues, not searching for ways to tax cheap energy and increase profits of existing generators. The Texas Senate is playing a high-stakes game of politics, with no attention paid to who will lose in the end: Texas consumers."

The legislation is a response to the deadly February 2021 winter storm, also known as "Uri," that almost brought the Texas grid to its knees, killed hundreds of residents and inflicted billions in economic damage. A joint FERC-NERC inquiry into the storm found natural gas facilities accounted for more than 50% of unplanned outages, de-rates and failures to start during the storm. (See [FERC, NERC Release Final Texas Storm Report.](#))

The gas fleets in ERCOT and other RTOs and ISOs suffered similar problems during the winter storm in December last year.

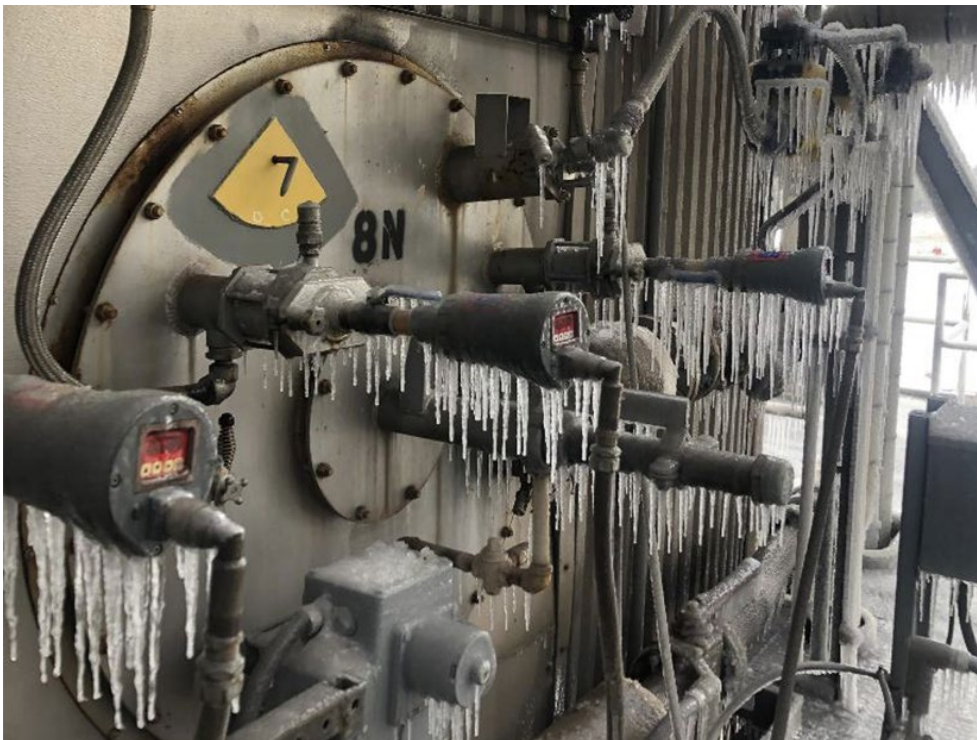
Lt. Gov. Dan Patrick, who leads the Senate, called the proposals a "bold agenda" that will "fix the Texas power grid once and for all."

"I have been abundantly clear that we need to bring new dispatchable (primarily new natural gas plants) generation online as soon as possible to make sure that Texans have reliable power under any circumstance," Patrick said in a [statement](#).

He has included two of the bills, SB6 and SB7, as two of his top 10 priorities for the current legislative session that ends May 29. Schwertner drafted both bills.

SB6 would establish an "energy insurance program" by offering state-backed loans as low as 1% to build 10 GW of natural gas generation, similar to a program that the state uses for water projects. The units in the program would operate under a last-on, first-off construct. The program's transmission and distribution costs would be allocated to retail customers in ERCOT.

"This is not building a capacity market; it is an insurance product," Schwertner said. "The energy-only market has been very successful here in Texas at keeping costs down. But it is again important to have a backup system so that Texans can be reassured that we have the power necessary in times of crisis."



Frozen instrumentation on a thermal plant during the 2021 winter storm | Entergy

ERCOT News



SB7 would create a new day-ahead ancillary service product, a dispatchable reliability reserve service with two-hour ramps and four-hour runtimes, targeted at dispatchable resources. The bill would also address “market distortions” caused by federal tax credits for “less reliable generation,” Schwertner said.

“Reliability comes at a cost, and for too long that cost has not been shared equally between intermittent and firm generation,” he said.

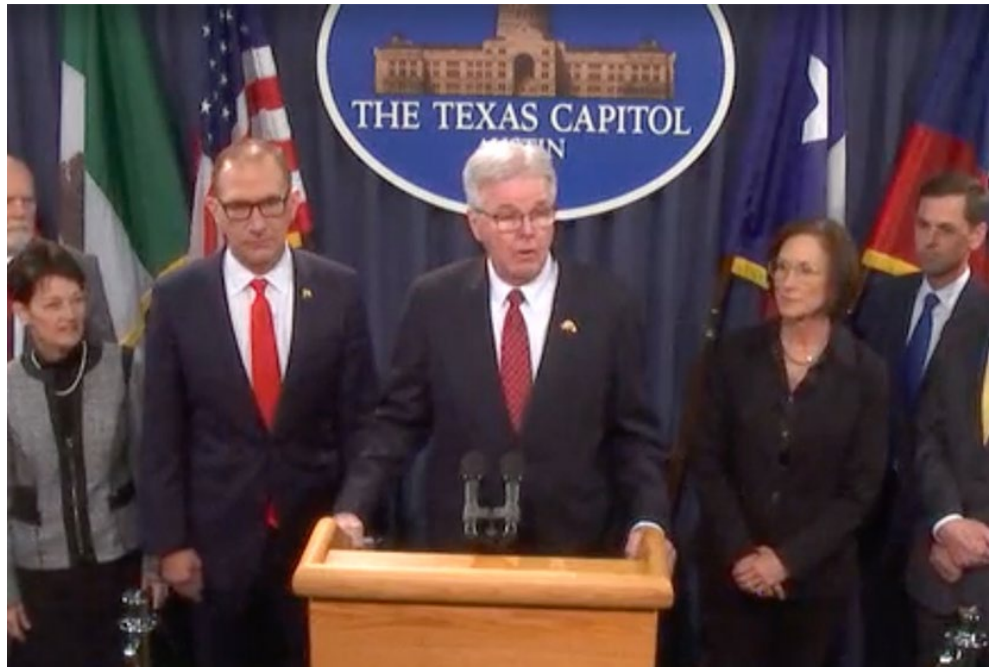
The bill would also institute a firming or reliability requirement “in a nondiscriminatory manner” on a cost-causation basis. Procurement costs for ancillary and reliability services would be allocated to both dispatchable and non-dispatchable resources and LSEs “in proportion to their contribution to net load variability over the highest 100 hours of net load in the preceding year.”

SB2015, authored by King, would require the Public Utility Commission to monitor each generation company, municipal utility or cooperative operating in the state and to ensure they meet the legislature’s intent that 50% of capacity installed in Texas after 2023 is dispatchable.

The bill would also direct the PUC to establish a dispatchable generation (e.g., natural gas) energy credits trading program. Power providers that are short of the 50% requirement would be required to purchase enough credits to satisfy the requirement.

A second King bill, SB1287, would set a cap on the cost Texans pay when new generation is interconnected to the grid, the idea being to site them closer to existing transmission.

“Everything above, that is going to be paid for by the company that’s building that power facility,” King said. “That will be a tremendous



Texas Lt. Gov. Dan Patrick (center), standing with state senators, explains the need for more thermal generation in the ERCOT market. | *The Texas Senate*

incentive to better site those instead of going out and looking for the cheapest land, which often ends up in a very remote area.”

Other bills include:

- SB2010, which would require ERCOT’s Independent Market Monitor to immediately report any potential market manipulation or rule violations to the PUC;
- SB2011, which would update voluntary mitigation plan requirements to protect ERCOT’s wholesale market against market power abuse;
- SB2012, which would add guardrails to the PUC’s proposed performance credit mech-

anism to ensure any rate increases are “manageable and go directly toward improving reliability through dispatchable generation”;

- SB2013, intended to protect the grid against sabotage and hostile foreign powers; and
- SB2014, which would eliminate a state subsidy paid by state consumers to renewable generation.

The bills were filed by Friday’s deadline. Any legislation will have to be coordinated with the House State Affairs Committee, chaired by Rep. Todd Hunter (R), who has positioned himself as a protector of consumer costs since the 2021 storm. ■

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ERCOT News



ERCOT's Vegas Makes His Case for PCM

CEO Says Market Design Will Incent, Preserve Dispatchable Gen

By Tom Kleckner

AUSTIN, Texas — ERCOT CEO Pablo Vegas has laid down his markers to redesign the market, framing the Texas regulators' preferred design construct as a reliability product that will "incentivize development and preservation of dispatchable generation."

Vegas told his Board of Directors Feb. 28 that the performance credit mechanism (PCM) — which would retroactively reward dispatchable generation that meet performance criteria during the tightest grid periods with incentive payments — addresses the grid operator's resource adequacy and operational flexibility challenges.

Vegas said ERCOT needs more dispatchable energy, pointing to a chart that showed demand has grown steadily since 2000. (Vegas likes to say Texas adds a city the size of Corpus Christi — population 317,773 in 2021 — every year.) ERCOT's peak load cracked the 80-GW threshold last year, a more than 5-GW jump in three years.

Some 27 GW of thermal, or dispatchable, generation in the grid operator's footprint has been shuttered since 2000. During that time, more than 52 GW of renewable energy has been added; almost as much thermal generation has been added, but it nets out to 24 GW of thermal resources when retirements are taken into consideration.

"We're now getting to a place where the peak demands require the availability of renewables in order to meet the energy needs of Texas and that's going to continue to grow into the renewable space," Vegas told the board. "The reality is, we cannot always predict and plan for when renewables will be available. We can't control when the wind blows and when the sun shines. With both a correlation of extreme peak and very low performance on renewables, then we can be in an area of risk of significant risks."

Renewable energy's growth and its potential swings in availability on any given day create operational risks to the grid, Vegas said.

"The more energy that we carry with renewables as the fleet of renewables have been growing meaningfully across the state of Texas, the risk associated with real-time operations grows at the same time," he said.



ERCOT CEO Pablo Vegas lays out the Texas grid's long-term resource adequacy problem. | © RTO Insider LLC

Vegas allowed that renewables offer a "tremendous service" as a low-cost energy source, while also filling the demand gap on high-demand days or when fossil generation outages are up. He said the challenge in ERCOT's energy-only market is that it allows "the zero cost of those renewables to suppress pricing in the overall market."

"What that has done is it made it very difficult for dispatchable generators to recover a more significant cost profile to build these large power plants, and they don't have any federal subsidies to help them do that. It makes it difficult for them to make investments in the state," Vegas said. "We have to fix the market so that we continue to support the long-term reliability of the grid and look to the future and feel confident that we'll always be able to meet the needs of Texans, regardless of what's happening."

The PCM adds a new revenue stream from generators separate from the energy and ancillary services markets, Vegas said, "specifically created to incentivize generators that can perform when needed and can do so when the grid is tight." (See *Texas PUC's Market Redesign Dominates ERCOT Market Summit*.)

ERCOT expects the PCM to increase total energy costs by \$460 million a year, adding a "modest" 2 to 3% to customers' bills. It has projected implementation will take up to four years and cost between \$2 million and \$4 million.

Critics say the cost could be much higher.

A *report* released last month by Bates White Economic Consulting for several industrial consumer groups contends the construct will cost billions "without a meaningful improvement in reliability." The study reviewed consultant E3's evaluation of the alternative market options, including the PCM, a dispatchable reliability reserve service (DRRS) and a direct procurement mechanism that could be deployed as a last resort should a dispatchable resources' shortfall be identified in the future.

The Bates White assessment concluded that a DRRS ancillary service will provide additional market signals sufficient to incentivize new dispatchable generation at a fraction of the PCM's cost. The latter would create a "tortuously complicated system" that adds costs without improving reliability, the report said.

Bates White said ERCOT's immediate reliability challenge is to ensure operational flexibility

ERCOT News



to accommodate continuing additions of intermittent renewable generation. It said the energy and ancillary services markets are the appropriate focus for ensuring flexible and cost-effective operations.

Aurora Energy Research's Oliver Kerr said during a recent conference that the firm's analysis found the PCM would be "fairly costly," ranging from \$3 billion to \$5 billion across various scenarios.

During the latest *legislative hearing* on ERCOT's market design before the House State Affairs Committee on March 1, Texas Industrial Energy Consumers' Katie Coleman said the PCM means higher costs "without any guarantee we'll get anything in return." The construct will simply shift money from consumers to generators, she said.

ERCOT staff is keeping close tabs on the Texas Legislature, where the PCM proposal contin-

ues to run into headwinds. The Public Utility Commission recommended the design to the lawmakers in January but will defer to them on the final design.

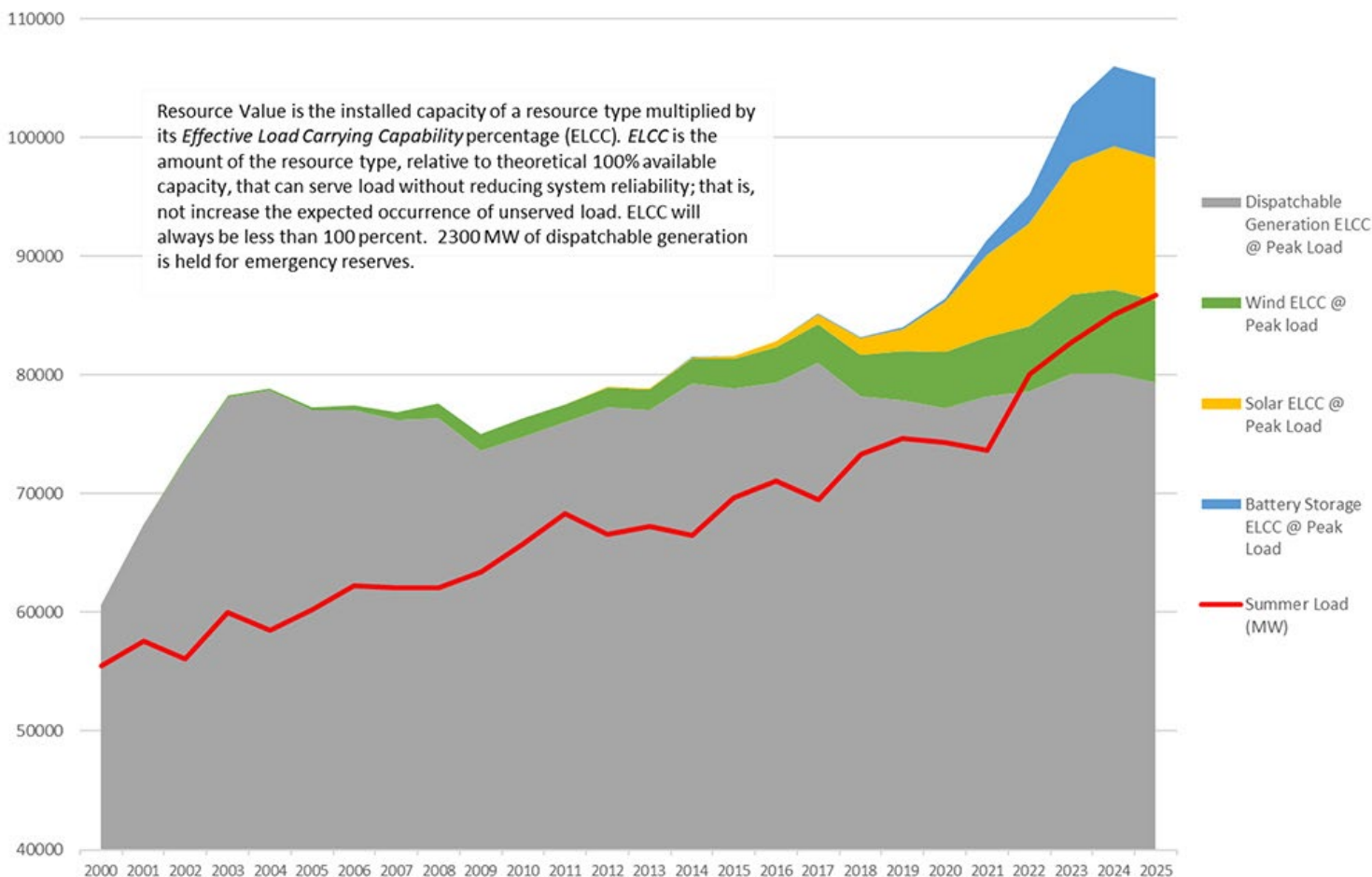
At the PUC's direction, ERCOT staff is soliciting input from stakeholders on a proposed bridging mechanism that would retain existing resources and attract new generation until the final market design is developed. The options include a manually settled PCM, procuring more ancillary services, tweaking the operating reserve demand curve, and a backstop reliability service, previously offered by the PUC, to set aside capacity that is only dispatched during scarcity conditions.

"We're going to look at what options we can do today to continue to operate the grid as reliably as we have and what can we do to try to send signals to the market, potentially to start developing resources today," Vegas said.

During the first workshop on the bridging construct March 3, Kenan Ögelman, who oversees the ERCOT market's design and its commercial operations, asked for stakeholder involvement in the process.

"My goal is to have some kind of matrix summarizing the feedback that we received from you such that there is an easy way for board members to tabulate and figure out where there might be some stakeholder consensus," he said. "Certainly, I want to recommend something that has some broad stakeholder consensus and that meets the commission's objective."

A second workshop is scheduled for this Wednesday, during which staff will provide feedback on the comments they have received and seek further discussion on each option. ERCOT plans to bring a final bridging solution to the board for its consideration and approval April 18. ■



ERCOT projects thermal contributions to remain steady while renewables increase. | ERCOT

ERCOT News



ERCOT: Nearly 100 GW Available for Spring Demand

ERCOT quietly dropped a spring resource adequacy assessment last week that indicated it expects nearly 100 GW of seasonally rated capacity to be available to meet demand.

The Texas grid operator projects demand will peak at 59.5 GW in April and 69.9 GW in May, according to its latest seasonal [assessment](#) of resource adequacy (SARA). That assumes the footprint will experience “typical” spring grid conditions, based on average weather conditions during the 2007-2021 spring peaks.

The total capacity includes 63.4 GW of thermal generation, 15.8 GW of wind resources

and 10.7 GW of solar resources. It also assumes 844 MW of battery storage capability will be available for dispatch before the highest spring net load hours. Staff calculate net load as total load minus wind and solar generation to represent the demand that must be met with other available resources.

The report includes typical thermal outages of 19.5 GW during the March-April maintenance window and 16 GW during May’s forecasted spring peak. ERCOT based the outage assumptions on historical data for the previous three spring seasons; staff excluded 2021, when February winter storm outages extended into

the spring.

The load forecast incorporates expected increases during the peak demand hour from interconnected cryptomining facilities and other large loads. Staff evaluated two risk scenarios: based and moderate, and extreme risk.

ERCOT’s only public notification of the SARA was a [tweet](#) Wednesday. It previously issued the report in press releases; follow-up conference calls were discontinued after the deadly 2021 winter storm. ■

— Tom Kleckner



ERCOT expects to have almost 1 GW of storage resources available this spring. | [Jupiter Power](#)

ISO-NE News

FCA 17 Sees Low Capacity Prices Stick Around

ISO-NE procured 31,370 MW in this year's capacity auction, the grid operator said Friday in a press release.

Forward Capacity Auction 17, which was

procuring capacity for the region for 2026 and 2027, took place on March 6. The preliminary clearing price was \$2.59/kW-month in all of ISO-NE's zones and import interfaces except

for the New Brunswick interface, which cleared at \$2.551.

That's largely in line with the prices cleared in last year's auction, which ranged from \$2.531 to \$2.639, but ISO-NE noted that this year's price "was among the lowest in the auction's history." The lowest price in the history of the auction was FCA 14 in 2020, at \$2.001.

About 750 MW of new renewables, storage and demand response secured capacity obligations this year, 519 MW of which were solar and/or storage and 130 MW were DR.

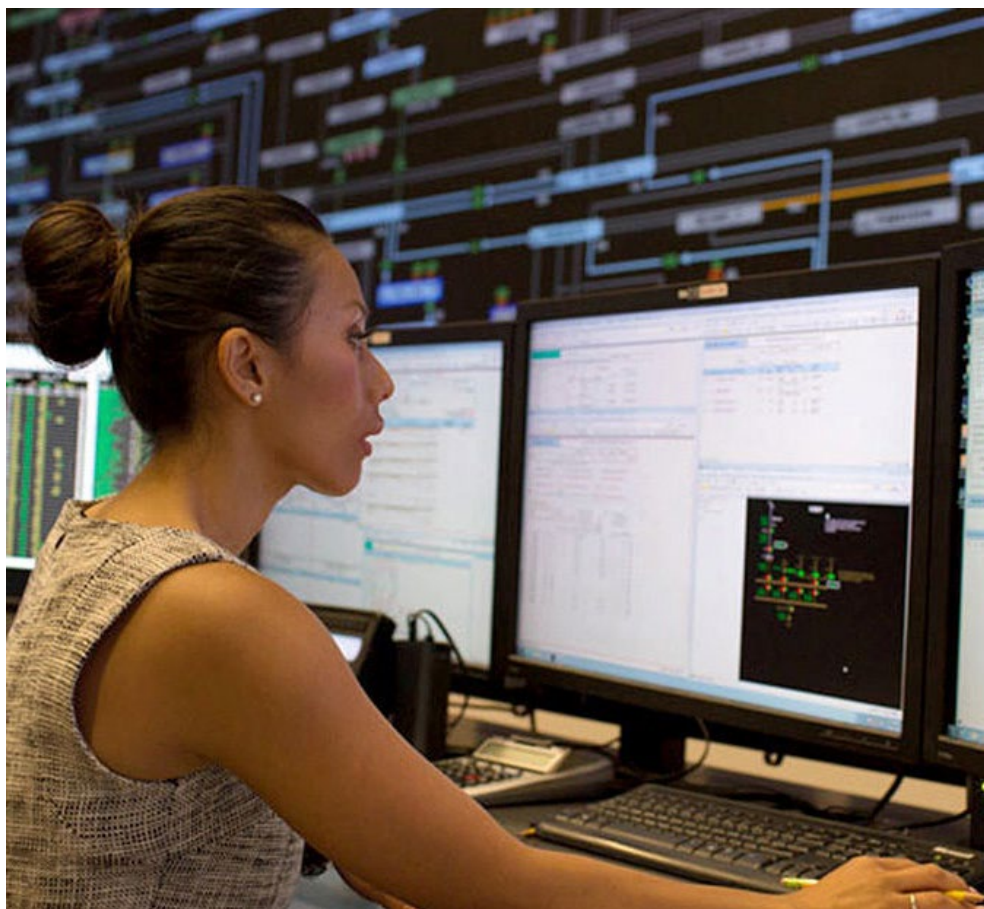
More than 5,000 MW of renewables, storage and demand cleared in total, accounting for about 16% of total capacity, ISO-NE said.

"This year's auction secured the lineup of resources — including clean electricity generation, energy storage and resources that reduce demand — needed to meet the region's power system reliability requirements, at a low price," Peter Brandien, ISO-NE's vice president of System Operations and Market Administration, said in a statement. "The results represent clear benefits to New England's residents and businesses in the form of cost-effective resource adequacy and support for the clean energy transition."

The auction awarded capacity obligations to 567 MW of imports from New York, Quebec and New Brunswick.

ISO-NE said finalized auction results, including details on specific resources, will be filed with FERC and announced publicly soon. ■

— Sam Mintz



ISO-NE completed its 2023 capacity auction, FCA 17, last week. | ISO-NE

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GCPA MISO-SPP Conference

DOE Clears JTIQ Projects to Proceed with Funding App

By Amanda Durish Cook

NEW ORLEANS — MISO and SPP said Wednesday the Department of Energy has signaled that the grid operators and their state commissions can move forward with a full application for funding from the agency's *Grid Resilience and Innovation Partnerships* (GRIP) program.

MISO Vice President of System Planning Aubrey Johnson said DOE urged the RTOs and their regulators March 3 to move forward in seeking funding for the \$1 billion Joint Targeted Interconnection Queue (JTIQ) transmission projects.

"We were 'strongly encouraged' to bring a full application forward," Johnson said during a panel at the Gulf Coast Power Association's MISO/SPP Regional Conference.

MISO and SPP are collaborating on the DOE application that is led by the Minnesota Department of Commerce. The Great Plains Institute (GPI) is organizing stakeholders and coordinating the multistage GRIP application process. The organizations sent a concept letter to the DOE in mid-January that served as a preliminary application.

Matt Prorok, the Institute's senior policy manager, said in an email that the organizations will begin working on a full application.

"We were excited to receive encouragement,"



MISO VP Aubrey Johnson at the MISO-SPP GCPA conference | © RTO Insider LLC

he said. "GPI, the Minnesota Department of Commerce, MISO, SPP and a number of other partners have been hard at work since January, and we look forward to submitting a full application in May."

Full GRIP applications are due May 19. Approved projects could potentially be awarded a 50% project match. (See *DOE Opens Applications for \$6B in Grid Funding*.)

David Kelley, SPP's vice president of engineering, said as soon as the first JTIQ is approved and its process memorialized, the RTOs will begin analysis creating a "JTIQ 2.0" portfolio.

He said the second effort will focus on the southern portion of the grid operators' seam, where MISO South meets SPP's Arkansas and Louisiana footprint.

MISO has said DOE funding will not affect its and SPP's plan to lay out a 90%/10% cost allocation methodology for interconnecting generation and load, respectively, for the JTIQ projects. (See "DOE Funding for JTIQs Won't Affect Cost Allocation," *MISO, SPP Update Stakeholders on Joint Tx Planning*.)

The first JTIQ portfolio is expected to support 28.6 GW of new generation on either side of the seam.

Johnson said he and Kelley "bristle" when they hear stakeholders question whether generation developers will bring forward enough projects to fund the first collection of JTIQ facilities.

"We've got over 100 GW in their queue," Johnson said, pointing to Kelley and referring to SPP's generator interconnection queue. "And we've got more than 200 GW in our queue. ... We think this is going to fill up rapidly."

Kelley said once-obvious regional differences between grid operators are shrinking. He said all are experiencing renewable energy growth, baseload generation retirements, rising electrification and green hydrogen developments. "The pace of change is absolutely incredible," he said. ■

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GCPA MISO-SPP Conference

GCPA Speakers Embrace MISO Sloped Demand Curve

By Amanda Durish Cook

NEW ORLEANS — The likelihood of a sloped demand curve in MISO's capacity market earned seals of approval from panelists at Gulf Coast Power Association's 9th Annual MISO/SPP Regional Conference March 8-9.

MISO Independent Market Monitor David Patton said he recommended the grid operator adopt a sloped demand curve for about 20 years, to remedy its "broken" capacity construct.

Patton said he assumes that stakeholders opposed to a sloped curve are acting in their self-interest. He said members sooner or later must accept that they may have to purchase capacity "that keeps the lights on" in a market structured to reflect capacity's marginal reliability.

MISO is intent on designing and implementing a downward-sloping demand curve by its 2024/25 capacity auctions. It will replace a demand curve that abruptly cuts off excess capacity's value when reserve margin requirements are satisfied. (See [MISO Charts Course on Capacity Auction's Sloped Demand Curve](#).)

The grid operator is proposing four sloped demand curves for each of its seasonal auctions based on separate seasonal reliability targets. Its analyses have [shown](#) an incremental value for capacity procured beyond the summer reliability target.

"Historically, as an industry, resource adequacy was binary. Either you had it or you didn't," said Todd Ramey, MISO's senior vice president of markets and digital strategy.

Ramey said that the paradigm led to the RTO's longstanding vertical design.

However, he said a 1.2-GW shortfall in last year's capacity auction chipped away at MISO's one-day-in-10-year reliability standard to a "one-in-eight, one-in-five year." (See [MISO's 2022/23 Capacity Auction Lays Bare Shortfalls in Midwest](#).)

"When we started, we had a pretty healthy reserve margin for the footprint," Ramey said. "Here we are 10 years later, and we've been



MISO IMM David Patton | © RTO Insider LLC

wildly successful at bumping down our reserve margin."

He said the static demand curve has produced capacity pricing that is "inefficiently low" to spur new generation development.

Patton said that had MISO used a sloped curve in previous auctions, it would have produced prices in the \$100-\$150/MW-day range.

"It's going to hit everybody," Patton said of reliability issues, especially during winter storms.

"We can't maintain reliability without a capacity market that functions," he said. "We need to realize that keeping the lights on is way more important than spending a little more on capacity."

Patton also said stakeholders must get comfortable with MISO placing a marginal value by resource type on capacity.

"You get to a point that you have enough wind that building more wind isn't going to have reliability value," he said.

Brett Kruse, Calpine's vice president of market design said he was surprised that MISO is willing to bend its demand curve after years of opposition. He said he considered it inevitable.

Kruse said a demand curve sending "investment signals" is meant to keep existing baseload generation online. He said new

merchant thermal generation is unlikely to be built without developers first securing 20- to 30-year power contracts.

Peregrine Consultants President Charles Griffey said MISO doesn't need a three-year forward market if it can develop incentives within its one-year spot market.

"The problem is do we really have that incentive in these areas?" he asked rhetorically.

Griffey said demand curved shapes will likely be a "political decision" involving a subjective reliability target, while factoring in carbon-reduction goals.

Patton agreed that forward capacity markets are a "terrible, terrible" idea, saying they interfere with investment, fuel procurement and generator-retirement decisions.

Lisa Duffey, Cleco's director of strategic market and fuel operation, said she wasn't sure MISO and SPP were doing enough to make sure that capacity is deliverable to load. She said MISO's planning doesn't ever seem to help localized transmission constraints.

"Are we fixing the real problem?" she asked.

Patton said MISO should design its local resource zones to reflect actual load pockets. He said Zone 9, which combines East Texas and Louisiana, is the worst offender for not recognizing natural electrical boundaries. ■



MISO Senior VP Todd Ramey | © RTO Insider LLC

GCPA MISO-SPP Conference

Overheard at the 9th GCPA MISO-SPP Conference

By Amanda Durish Cook

NEW ORLEANS — Panelists at the Gulf Coast Power Association's 9th Annual MISO/SPP Regional Conference March 8-9, which attracted a sellout crowd of 230 attendees, made links between long interconnection queue wait times, major transmission expansion, reliability worries, and the inexorable integration of renewable energy.

Terry Chambers, director of the Energy Efficiency and Sustainable Energy Center at the University of Louisiana at Lafayette, said there isn't a route to achieving the state's *climate goals* unless grid operators can bring generation projects online in a timely fashion.

He said MISO and SPP should share more information sooner and publicly so developers can make an informed decision on whether to enter their projects into the queue. He said MISO might recruit more staff to assist with processing and studying the queue.

Kelly Pearce, AEP's managing director of integrated resource planning, agreed that "four- to five-year delays and the uncertainty" they breed for developers is frustrating.

Recurrent Energy's managing director Robert Moore said he realized he and a colleague had

spoken about the same issue in 2019. He said the dinner discussion then was largely the same as now, other than the fact they dined on grilled oysters instead of barbecue.

Moore said when he tells farmers and county officials they'll have to wait five years to have certainty on revenue through solar projects "[they] look at me like I'm a moron."

"I've been married long enough [to know] that you want to manage expectations," Moore joked.

Advanced Power Alliance's senior vice president of markets and infrastructure, Steve Gaw, said developers need new transmission capacity quickly. He said MISO's long-range transmission planning (LRTP) is a "huge, huge advance" in incorporating more renewable energy.

"Certainty is the issue that most developers face. We need to get this transmission built earlier, and we need more certainty," Gaw said. He added that developers enter queues without a firm estimate of their interconnection costs or how many restudies their projects will be subjected to.

Gaw said MISO's and SPP's efforts to reduce wait times has largely raised the developers' financial risk by requiring more capital upfront.

"It just becomes a question of how long can you afford it and how long can your company afford it to know that your project is viable," he said.

LRTP to Aid Transition

Increasing renewable energy is the thrust behind MISO's ongoing LRTP effort.

"On July 25, 2022, we shook up the world," MISO Vice President of System Planning Aubrey Johnson said, referencing the MISO Board of Directors' approval of the first LRTP portfolio, valued at \$10 billion. MISO has now embarked on a second portfolio again aimed at its midwest region. (See *MISO Says 2nd LRTP Portfolio Still in Flux.*)

Johnson said parties might have doubted the RTO's ability to bring forward another comprehensive, forward-looking transmission portfolio after its 2011 slate of multi-value projects.

He said MISO envisions requiring about 330 GW of renewable energy over the next 20 years to meet goals set by states and members. That will require dramatic transmission expansion, he said.

"And I have a lot of people sitting on their hands. They take long breaks and take a lot of vacations," Johnson joked of his overtaxed planning team.



MISO's Aubrey Johnson (left) and SPP's David Kelley | © RTO Insider LLC

GCPA MISO-SPP Conference

Johnson said MISO needs to keep focus on “regulatory support” needs for long-range transmission expansion. He said MISO is counting on its incumbent developers to convey to state regulators how crucial LRTP projects are.

David Kelley, SPP’s vice president of engineering, said SPP is seeking to “innovate and completely transform” its transmission planning by using a consolidated process. He said SPP must devise “a fair and equitable manner” to divide the costs of an optimized grid. He added that SPP is being “very deliberate” about planning for more common extreme weather.

“We have to continue to learn from each other,” Kelley said.

Jim Dauphinais, an energy consultant representing multiple MISO end-use customers, said his clients are disappointed that MISO has already devised and is now coming up with a new cost allocation for LRTP projects. (See [MISO to Test Long-range Tx Allocation Benefits.](#))

He said MISO had a durable and comprehensive cost-sharing method in its existing market efficiency project allocation and *relies* on adjusted production cost savings, avoided reliability projects, and savings when a project can reduce dependency on the transmission constraint between its Midwest and South regions.

“Somehow, that got tossed aside ... That’s highly problematic,” he said. “There are tens of billions of dollars being talked about in transmission investment.”

Dauphinais called for a refocus on LRTP cost allocation and “a lot of care” in selecting which projects are needed now. He said cost-allocation challenges are behind MISO’s delay to plan LRTP projects in the south until it completes two planning rounds for MISO Midwest.

“Quite frankly, I believe, the cost-allocation issue is a sensitive issue for the MISO South commissions,” he said.

The Regulatory View

In a panel focusing on the regulators’ perspective of recent events, Kansas Corporation Commission Commissioner Andrew French said the industry is realizing that one grid operator’s

reliability risk affects another grid operator’s reliability status.

Michigan Public Service Commission Chairman Dan Scripps said MISO’s 2022/23 capacity auction, which resulted in a Midwestern shortfall, was “a wake-up call for MISO and the country.” He said the RTO’s LRTP portfolio represents “a best-in-class” transmission planning exercise to facilitate the generation fleet’s evolution.

But Scripps said it’s currently taking too long to bring generation online through MISO’s queue process. He questioned whether the first LRTP planned projects are sufficient to meet the fleet evolution, “the ground literally moving under our feet.”

Scripps said he thought the second LRTP portfolio’s preliminary possibilities is a good start. He said the first two portfolios that focus on MISO Midwest should be relatively uneventful compared to the third and fourth packages in which planners will analyze MISO South’s transmission needs.

“I think it’s really interesting in terms of tranches three and four,” he said, saying the fourth portfolio is where MISO will get to the “holy land” of better connecting its Midwest and South regions. Scripps said MISO’s current postage-stamp allocation applying to Midwestern LRTP projects probably won’t pass muster in MISO South.

“That approach is one that, let’s say, hasn’t been fully embraced by people in [MISO] South,” he said.

But Scripps said a “free flow of electrons and benefits” between subregions is necessary for a unified MISO system.

“The current bifurcation of the MISO footprint does no favors, I think, on either side,” he said.

Louisiana Public Service Commissioner Davante Lewis, noting he was only 69 days into the job after upsetting incumbent Lambert Boissiere III in a December runoff, said his priorities include helping renewables gain quicker



Michigan PSC Chairman Dan Scripps | © RTO Insider LLC

access to the grid, customer affordability and grid hardening. (See [Lewis Upsets Boissiere for Seat on La. PSC.](#))

“I know we talk about how the contractors and developers can’t wait. People can’t wait,” Lewis said of more affordable energy.

Lewis warned that there’s an inflection point at which customer disconnections due to non-payment will begin to accumulate.

MISO Counsel Calls for Collaboration

MISO Senior Vice President and General Counsel Andre Porter said the GCPA audience has “no other choice [but] to be a high-performing team” in managing the evolving grid. He said the alternative is to be territorial, insular companies, “dysfunctional” and “engaging in disputes [and] spending too much time solving to the last decimal place.”

Porter advised his listeners to collaborate, communicate openly and “check in with each other.”

“There are millions of people, companies outside this room relying on us,” Porter said. He said MISO has long believed there are “unsafe consequences of an uncoordinated transition.”

Porter said he is concerned over accredited capacity exiting the footprint and being replaced by even more gigawatts “coming online, but not providing that same level of high confidence.”

He said MISO’s staff vacancy rate is receding to normal levels, and he said the RTO is hiring the next generation that stands ready to tackle reliability challenges.

“There is a tremendous change and a revolution going on,” Gaw said, also stressing the need for parties to work together.

ACES Power Senior Vice President Jason Painter said that for the first time in his career, he’s witnessing reliability concerns take precedence over price considerations.

“Fixing the shortfall is No. 1,” he said. ■



MISO Counsel Andre Porter | © RTO Insider LLC

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[Bipartisan Community Solar Package Introduced in Mich. Senate](#)

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MISO News

MISO Reports Loss of Control Room Capabilities

By Amanda Durish Cook

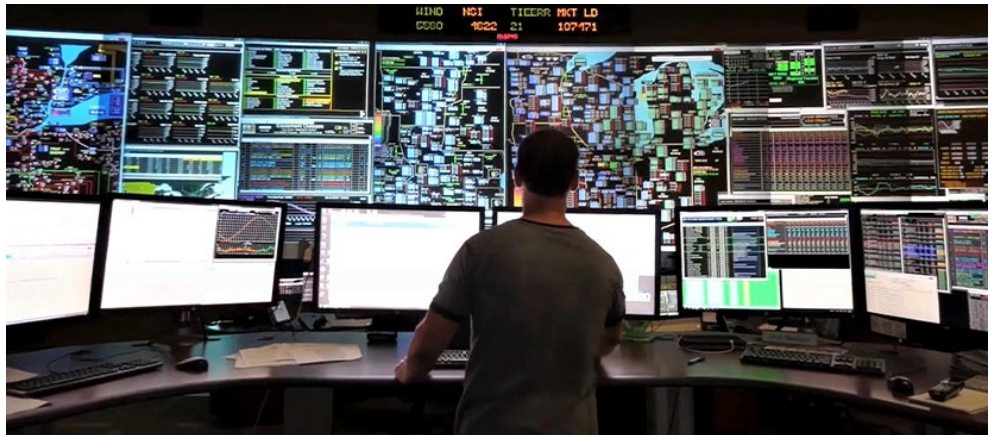
MISO said it experienced a “complete loss of monitoring or control capability” at its control center early this month, setting off short-lived energy imbalances.

According to the grid operator, the March 1 incident lasted about 41 minutes. It said it was administering routine quarterly maintenance on its energy management system (EMS) at midnight to update modeling. However, “issues with the update” sent incorrect dispatch signals to generation through the RTO’s automatic generation control tool.

MISO said the glitch led to an imbalance in its balancing authority and a Balancing Authority ACE Limit (BAAL) event. It said its area control error (ACE) reached as high as 2,000 MW, resulting in a 17-minute BAAL event.

The ACE then swung as low as -4,285 MW, resulting in a second BAAL event for 11 minutes, MISO said. It said it used “backup tools and processes” to regain the control room’s monitoring and control capability.

The grid operator said it reported the disturbance to the Department of Energy through the agency’s electric emergency incident and



MISO control room | MISO

disturbance report (form DOE-417), which is used to collect information on incidents and emergencies.

MISO said its backup plan included reverting temporarily to its earlier December model. It said the model worked as intended.

“We were able to address the incident in less than 15 minutes and move to our new model within a couple of hours,” spokesperson Brandon Morris said in an emailed statement

to *RTO Insider*. “We are reviewing the situation and will improve the processes under our new model manager and EMS systems.”

MISO is working to deploy a new EMS and a one-stop model manager that will serve as a single record for maintaining members’ modeling information. The RTO said it experiences redundant data entry and review because it lacks a unified modeling process for reliability, markets and planning. (See *MISO Pivots to Models, Market Engines in New Platform Replacement.*) ■

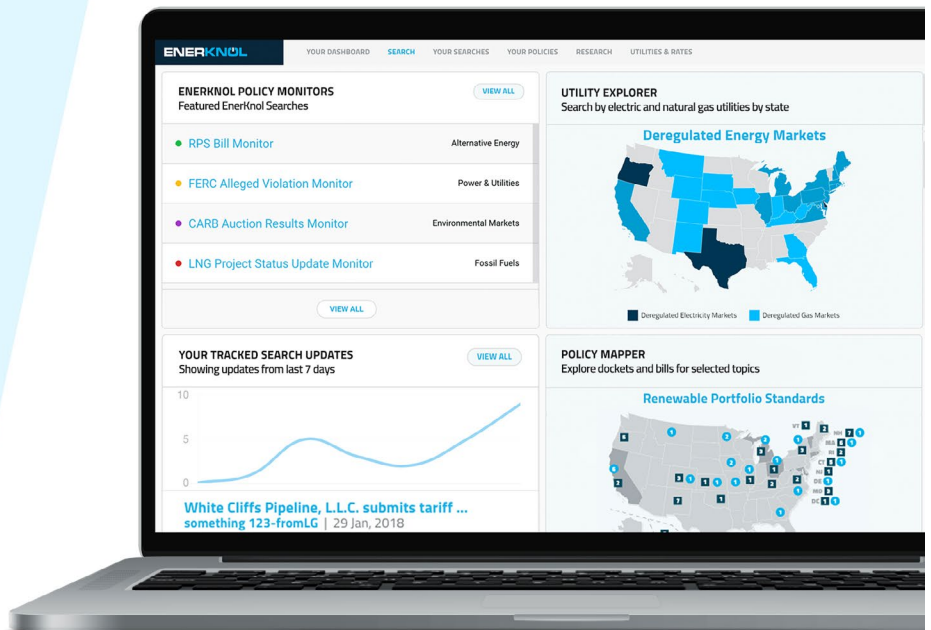
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MISO News



Consumers, DTE Energy on the Hot Seat over Michigan Outages

Legislative Hearings, Audits Planned

By John Lindstrom

LANSING, Mich. — After a month's worth of weather-related outages that affected as many as 1 million customers across the state, its two largest utilities are facing inquiries into why so many of their customers were left in the dark and why it took so long to restore power.

The Michigan House Energy, Communications and Technology Committee will hold a hearing this Wednesday looking into massive outages that primarily struck utility customers of Consumers Energy and DTE Energy over two consecutive weeks in February and the first days of March.

The Senate Energy and Environment Committee also is planning a hearing on the outages, but a list of witnesses has not been completed nor has a date been set, according to an aide to Chair Sean McCann (D).

In addition, the Public Service Commission soon will issue a request for proposals from third-party outlets to audit CMS and DTE regarding their ability to handle storms and respond to outages. The audits, ordered in October, could take a year to complete.

While customers of other utility systems — including the Lansing area's municipal utility — also lost power during the series of storms, most of the affected residents were customers of Michigan's two largest utilities, CMS and DTE.

As many as 1 million customers were left without power after a major ice storm hit the state on Feb. 22. Another ice storm hit on Feb. 27, knocking out power to some who had earlier lost service and had it restored; it also affected a new batch of customers. A week later, a major snow and windstorm knocked out power to another 200,000 customers, most of those DTE customers in the Detroit area.

Social media accounts across the state were filled for several weeks with outrage over the delays in having service restored. Many customers went more than a week without power, a situation that drew national attention. Affected customers complained that they pay some of the highest utility rates in the Midwest while enduring some of the worst service in the nation.

Michigan ranked 46th among the states and D.C. in reliability, according to a 2022 [report](#) by the Citizens Utility Board of Illinois that compared the average duration and frequency of outages along with average time to restore power.

The winter outages especially infuriated DTE customers who for several years have suffered blackouts following major wind and rainstorms during the summer.

In Ann Arbor, which along with the rest of Washtenaw County was hard-hit by outages, a city council member introduced a resolution calling on the legislature to help local commu-

nities be better prepared and more resilient against outages. The resolution, introduced by Ayesha Ghazi Edwin, urged the legislature to approve bills creating community solar systems as well as letting communities invest more in renewable energy and electric storage systems. The council has not yet acted on the proposed resolution.

Rep. Helena Scott (D) told the *Detroit News* that the House hearing will look into what needs to be done to prevent future outages.

"We cannot and will not simply accept that this is our new normal," Scott said. "The power grid and associated infrastructure must be reinforced, updated and improved so that residents are safe, warm and receive the services they pay for."

PSC Chair Dan Scripps will be one of the witnesses expected before the House committee hearing. The committee has not yet released a list of witnesses, but a spokesperson for CMS said the company's senior vice president of engineering and vice president for electric operations will be speaking.

PSC spokesman Matt Helms said the audits are needed because "over the last couple of years, the commission has been aware that Michigan's electric utilities are facing significant new reliability challenges as the state sees increasingly severe and frequent storms."

Helms said the audits were the first time the PSC had undertaken such a comprehensive review of the utilities' systems.

CMS spokeswoman Katie Carey said the utility is spending \$5.4 billion over five years to strengthen its grid and reduced customer outages by 20% last year. "We understand the frustration that people are feeling after the historic ice storm, and this strengthens our resolve to do better," she said. "We are open to ideas from the Michigan Public Service Commission, policymakers and others."

DTE spokesman Peter Ternes said the company has spent more than \$5 billion rebuilding its grid over the last five years and plans to increase its spending to \$9 billion over the next five years. "DTE looks forward to appearing before the House and Senate energy committees to discuss our shared goals of improving reliability, delivering cleaner energy and maintaining affordability for our customers," he said. "Our customers deserve a reliable electric grid, powered by cleaner energy." ■



A Consumers Energy worker responds to a downed power line following the late February ice storm | Consumers Energy

PJM News



Householder Convicted in FirstEnergy Bribery Case

By John Funk

A federal jury in Cincinnati on Thursday found former Ohio House Speaker Larry Householder (R) guilty of racketeering conspiracy in connection with nearly \$61 million FirstEnergy paid a dark money group controlled by him to win passage of legislation authorizing a \$1.1 billion public subsidy for the utility's two uncompetitive nuclear power plants in northern Ohio.

Also found guilty as a co-conspirator was former Ohio Republican Party Chairman Matt Borges for his role in lobbying lawmakers to approve HB 6 in 2019 and to help defeat a referendum petition overturning the legislation in 2020.

Two other co-conspirators pled guilty to lesser charges and testified against Householder and Borges. A fifth defendant and top Ohio lobbyist died by suicide in 2021.

The jury deliberated about nine hours following the seven-week trial that included hundreds of documents.

FirstEnergy in July 2021 agreed to pay a \$230 million fine in a deferred prosecution agreement that included its willingness to assist federal prosecutors. (See [DOJ Orders \\$230 Million Fine for FirstEnergy](#).) The company fired its CEO and up to a half dozen others following internal investigations in the last two years.

In March 2021, Ohio lawmakers reversed the nuclear bailout subsidy with passage of a bill that continued a public bailout of two aging coal-fired power plants owned by the Ohio Valley Electric Corp. (See [Ohio Lawmakers Repeal Nuclear Subsidy for Energy Harbor](#).)

After the FBI arrested Householder and his four associates in July 2020 pre-dawn raids, the office of the U.S. Attorney for the Southern District of Ohio called the months-long investi-

gation the largest public corruption case in the state's history.

Following the verdict Thursday, U.S. Attorney Kenneth Parker said in a prepared [statement](#) Householder "illegally sold the state house, and thus he ultimately betrayed the great people of Ohio he was elected to serve. Matt Borges was a willing co-conspirator, who paid bribe money for insider information to assist Householder."

The Justice Department said that, beginning in March 2017, Householder began receiving quarterly \$250,000 payments into the bank account of Generation Now, a 501(c)(4) he controlled, from FirstEnergy and its subsidiary FirstEnergy Solutions, operator of the power plants at the time.

Both defendants plan to appeal the conviction and remain free on bond. A sentencing hearing has not been set. ■



Former Speaker of the Ohio House of Representatives Larry Householder | [Ohio General Assembly](#)

PJM News



Illinois Commerce Commission Chair Announces Resignation

Zalewski Says Departure Not Connected to ComEd Bribery Trial

By John Funk

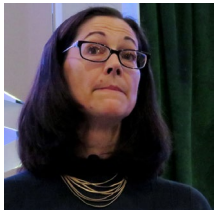
Illinois Commerce Commission Chair Carrie Zalewski announced her resignation days before the beginning of the first of two Commonwealth Edison bribery trials in which the Justice Department will try to prove the utility engaged in a years-long scheme to bribe elected Illinois and Chicago politicians for legislation and policies favorable to the company.

Zalewski, a litigation attorney and former assistant chief counsel for the Illinois Department of Transportation, was appointed ICC chair in April 2019.

She is the spouse of former State Rep. Michael Zalewski (D), a member of the Democratic House caucus controlled by Speaker Michael Madigan (D), and the daughter-in-law of former Chicago alderman Michael Zalewski (D), who prosecutors said benefited from ComEd's bribery scheme.



Michael Madigan, former speaker of the Illinois House | *Illinois Legislature*



Anne Pramaggiore, former ConEd CEO | © RTO Insider LLC

Prosecutors say that then-ComEd CEO Anne Pramaggiore agreed in 2018 to pay the former alderman about \$5,000 a month at Madigan's request.

Zalewski has not been charged in the bribery probe and *told* the *Chicago Sun-Times* she

doesn't expect to be called to testify in the upcoming trial. She declined to comment when asked if she has been questioned or subpoenaed by federal authorities.

Zalewski has abstained from voting on ComEd issues since federal prosecutors made the probe public two years ago.

In a LinkedIn *post* Thursday, Zalewski announced she would resign effective June 16, about six months before her term expires on Jan. 15, 2024. Her five-page resignation letter expressed pride in the ICC's role in implementing the Climate and Equitable Jobs Act and in providing bill relief to consumers during the



Carrie Zalewski, chair of the Illinois Commerce Commission | *State of Illinois*

COVID 19 pandemic. She did not give a reason for her resignation.

Dozens of colleagues responded to her posting with praise. "Congratulations on an incredibly successful and productive tenure at the ICC!" wrote former Michigan commissioner Sally Talberg.

Gov. JB Pritzker announced Zalewski's resignation in a joint *release* Friday.

"Chairman Zalewski served the state of Illinois diligently during a period of challenging unprecedented circumstances and clean energy transition, and her stalwart leadership was essential to the successes of that period," Pritzker said. "I'm so grateful for her years of service and the long-lasting impact her work will have on building a more equitable and sustainable Illinois for generations to come."

Pritzker said he will nominate former ICC Chair Doug Scott to replace Zalewski. Scott, who served as chair from 2011 to 2015 and is the former director of the Illinois Environmental Protection Agency. He is currently vice president of strategic initiatives at the Great Plains Institute.

The governor also announced the appointments of Conrad Reddick and Stacey Paradis to the five-member commission.

Paradis is currently the executive director of the Midwest Energy Efficiency Alliance. Reddick, an attorney, previously represented the Illinois Industrial Energy Consumers and served as special assistant corporation counsel to the city of Chicago on utility oversight issues.

In the first bribery trial scheduled to begin March 14, Pramaggiore and three political lobbyists face charges that they schemed to corrupt Madigan, who was the longest-serving state house speaker in the nation.

Prosecutors have alleged the company created a scheme to pay Madigan's associates over years with contracts, jobs and company internships through "*an old time patronage scheme.*" (See *How ComEd Got its Way with Ill. Legislature.*)

The defendants have said their activities were typical of a utility and that the government is seeking to criminalize legal lobbying.

Madigan's trial is set for April 2024.

ComEd signed a *deferred prosecution agreement* with the U.S. Attorney's Chicago office in July 2020, admitting to its efforts to corrupt elected officials, agreeing to pay a \$200 million fine and to cooperate with the on-going investigation. (See *ComEd to Pay \$200 Million in Bribery Scheme.*) ■

PJM News



PJM Stakeholders Debate Capacity Auction Delays

By Devin Leith-Yessian

Green/Yellow/Red indicate BRA schedule is back on track

VALLEY FORGE, Pa. — PJM stakeholders appeared split last week over proposals to delay the RTO’s capacity auctions to incorporate market rule changes being considered by the Board of Managers.

On Feb. 24, PJM issued a [letter](#) invoking the critical issue fast path (CIFP) process to consider market rule changes to address concerns that plant retirements are occurring faster than PJM can connect new resources. The board also directed PJM staff to consider delaying upcoming auctions so that any changes could be implemented before the Base Residual Auction for 2027/28. (See [PJM Board Initiates Fast-track Process to Address Reliability](#).)

PJM staff outlined two options at the March 8 Market Implementation Committee meeting. The more aggressive [schedule](#) would push the 2025/26 BRA, currently scheduled for this June, to May 2024. The following three auctions would each be pushed back six months, returning to the normal schedule with the 2029/30 BRA to be held in May 2026.

The less impactful change would leave the 2025/26 BRA timeline untouched and push the 2026/27 and 2027/28 auctions back six months to May 2024 and November 2024, respectively.

Either alternative could require the cancellation of the first or second incremental auctions (IAs), though PJM’s Peter Langbein said the third IA would still be held for each delivery year.

Many of the steps PJM goes through prior to an auction are chained together and dependent upon the completion of the stage before them, limiting how close together PJM can hold BRAs.

In 2021, FERC agreed to delay the BRAs for delivery years 2023/24 through 2026/27 in response to an order revising the market seller offer cap (MSOC). Without any additional delays, the schedule would return to the three-year lead time with the 2027/28 auction in May 2024. (See [FERC Accepts PJM BRA Delays](#).)

Those in support of delaying the June BRA argued that auctions shouldn’t be held when problems have been identified and market changes are being considered. They said revised auction rules could result in more accurate prices and address the reliability concerns outlined in a [whitepaper](#) the RTO issued

Auction	Auction Opening Date	Option 1	Option 2
2025/26	Jun-23	same	May-24
2026/27	Nov-23	May-24	Nov-24
2027/28	May-24	Nov-24	May-25
2028/29		May-25	Nov-25
2029/30			May-26

PJM displays potential alternative auction schedules during a stakeholder discussion on delaying future Base Residual Auctions during the March 8 Market Implementation Committee meeting. | PJM

last month along with the board’s letter.

Erik Heinle, of Vistra, said PJM should adopt the more aggressive delay. He noted that market participants have been talking about postponing the 2025/26 auction since December, when PJM delayed posting the results of the 2024/25 BRA because of problems in the DPL South locational deliverability area. (See [Capacity Auction ‘Mismatch’ Roils PJM Stakeholders](#).)

“We have expressed concerns about the 2025/26 auction in June for a couple months now,” he said.

Jeff Whitehead, of the GT Power Group, said the current market rules allow PJM and the Independent Market Monitor to usurp sellers’ assessments of their risk with their own beliefs, which he said could lead to unjust and unreasonable results considering the risk presented by the Dec. 23 winter storm.

“It would be pretty irresponsible for PJM and market participants to move forward with any auctions until we can address some of those issues,” he said.

Market Monitor Joe Bowring said there is no substance to Whitehead’s assertions and that the market sellers’ preferred offer cap was in place for Winter Storm Elliott.

“Participants have no reason to assert that their own views of risk were not included in their offers,” he said in an email to *RTO Insider*. “Some participants are attempting to create a narrative in which Elliott did not represent a failure of the Capacity Performance market design and that it did not represent a failure on the part of many generators to respond and that somehow the only solutions are to weaken market power mitigation and arbitrarily increase capacity market prices. Those are

not the answer.”

Supporters of a more limited schedule change said it would be disruptive to delay the 2025/26 auction because many pre-auction activities — including planning parameters, must-offer exception requests and unit specific market seller offer caps — are in process or already complete. They also argued that if PJM does not receive a quick approval from FERC, the rule changes may not be ready to implement for the 2025/26 BRA, undermining the rationale for delaying the auction.

Bowring said any auction schedule should avoid disrupting the 2025/26 auction, given that it has already begun.

“The process is already well underway and has been for some time ... I think it would be a mistake to postpone that,” he said.



PJM's Adam Keech | © RTO Insider LLC

PJM’s Adam Keech said it’s likely that the Board of Managers will make a decision on whether and how to delay the auction schedule “relatively soon.”

Responding to stakeholder requests that the board members

attend future Markets and Reliability Committee meetings to provide clarity on what they want to see in revised auction rules, Keech said that it was determined that since initiating the CIFP process was an action of the full board, it would not be proper to have a subset of the body come before stakeholders. Instead, he suggested that members write letters to the board with any questions or comments that they have on the process. ■

PJM News



North Carolina Regulators Face Questions on Holiday Outages

By James Downing

North Carolina lawmakers last week peppered state utility regulators with questions about widespread outages stemming from a winter storm over the December holidays.

Duke Energy had to resort to rotating outages for the first time in its history on Dec. 24 to avoid even worse impacts as Winter Storm Elliott brought historic cold weather and extremely high demand, impacting about 500,000 – or 15% – of the utility’s customers.

The North Carolina Utilities Commission has been looking into the outages, but its investigation is still ongoing, Chair Charlotte Mitchell said during a hearing of the state House of Representatives’ Energy and Public Utilities Committee on March 7.

The cold weather had been expected and utilities were planning to meet associated demand, but “the temperature dropped more rapidly than the weather forecasts were anticipating,” causing “problems for the utilities,” Mitchell said.

The rapid drop in temperature meant that the utilities’ load forecasts were off by 10% and that unexpected demand contributed to the outages.

“There had been no history of a temperature drop like the one that was experienced during that period of time,” Mitchell said. “So, the model was off, and to the extent that the model is the predicate for ... the planning of generation resources to meet load there, there was sort of a problem.”



NCUC Chair Charlotte Mitchell | North Carolina Utilities Commission

On top of that, the extreme cold impacted generation. Despite the NCUC’s focus on winterization for more than a decade, some units were knocked offline during the extreme cold.

Rep. Larry Strickland (R) asked whether regional markets, such as PJM, performed any better during the cold snap over the holidays.

“It’s tough to say whether it fared better,” NCUC Public Staff Executive Director Christopher Ayers said. “I can tell you PJM came very, very close to rolling blackouts. But they, to my understanding, did not experience rolling blackouts.”

Dominion Energy’s territory in northeastern North Carolina requires Ayers, the state’s consumer advocate, to follow PJM; he noted the RTO lost up to 23% of its generation and

is in the process of “fining” generators who did not perform under its capacity performance mechanism.

“Is it possible that integrating the grid more closely with surrounding states could help prevent blackouts in North Carolina?” Strickland asked. “Shouldn’t we study this further to find out?”

Generally, the more integrated a state is in regional markets, the more resources it can call on and access it has to a greater diversity of supply, Ayers said.

“If they don’t have power to send you, then there’s no power to be received,” he added. “So, you know, there’s no easy answer to that, at least from what we have seen in the data that we have looked at.”

PJM was unable to bail out Duke’s utilities in the Carolinas during the cold snap because it was facing the same weather and also ran into supply issues, though it avoided rolling blackouts, Mitchell said.

The cold weather led to inaccuracies in the demand forecasts of other grid operators, including PJM, and while that experience will now be included the historical data feeding future forecasts, Mitchell said factoring in extreme weather is an important issue going forward.

“We are concerned about the divergence and the strain that it causes the system operators when all of this load shows up that they were not anticipating,” Mitchell said. “So, it’s an issue that we – sort of the greater universe of electric utilities, natural gas utilities and regulators – have to study.” ■

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PJM News



PJM Monitor: Rise in Fuel Costs Led to Record-high Prices in 2022

Calls for Replacing Capacity Performance

By Michael Brooks

PJM’s real-time load-weighted average LMP for 2022 was a record-high \$80.14/MWh, more than double that of 2021, the RTO’s Independent Market Monitor reported Thursday.

The 101.4% increase was itself a record, beating 2021’s 82.8% increase from 2020, during which prices were at their lowest amid the COVID-19 pandemic. (See *PJM Monitor: Prices, Coal Power Bounced Back in 2021.*)

The previous high was in 2008, which saw an average LMP of \$71.13/MWh. Monitoring Analytics’ annual State of the Market [report](#) attributed nearly two-thirds of the increase to rising fuel costs, particularly for coal and natural gas, the prices for which doubled in the eastern part of the RTO’s footprint.

Real-time hourly average load only increased

by 1.5%. While there was an increase in data center load, this was offset by increased use of behind-the-meter solar, according to the report.

The rise in fuel prices was from an increase in global demand for both coal and gas, Monitor Joe Bowring said during a press conference Thursday.

“The cost of coal was up very dramatically,” he said, citing the closures of coal mines in the U.S. Meanwhile, the U.S. exported more LNG last year, he said.

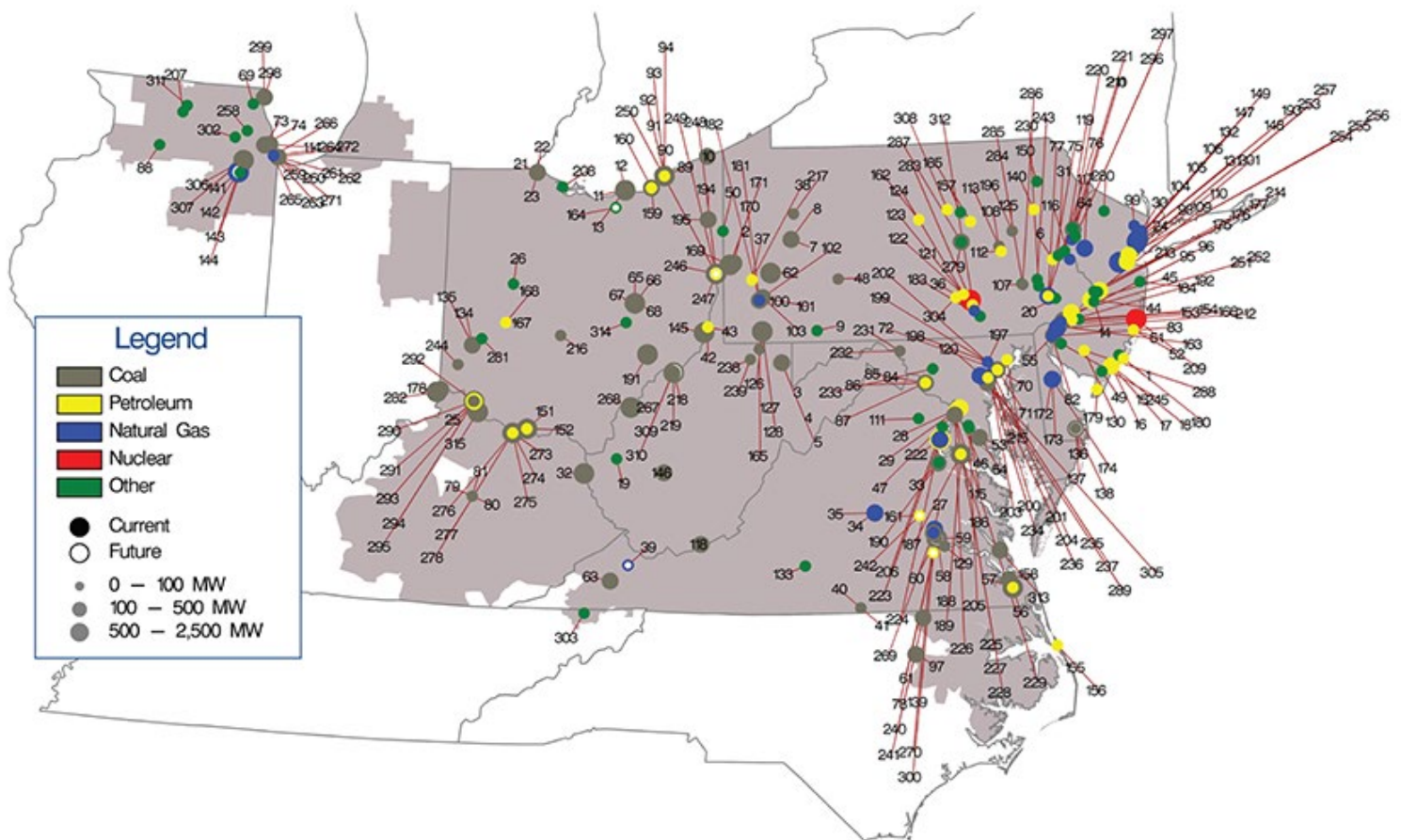
Nevertheless, the Monitor found the results were indicative of a competitive market.

“Market performance was evaluated as competitive because market results in the energy market reflect the outcome of a competitive market, as PJM prices are set, on average, by marginal units operating at, or close to, their marginal costs in both day-ahead and real-time

energy markets, although high markups for some marginal units did affect prices,” the Monitor said.

But as he has in the past, Bowring noted that “during extreme weather” – such as the December winter storm, also known as “Elliott” – “there is market power being exercised on the gas side. And that’s outside our direct bailiwick, but nonetheless, we believe that’s something [FERC] needs to pay attention to.”

Bowring also criticized components of how PJM forms LMPs. “Largely because of Elliott ... we see emergency demand response contributed 4.3% [of the increase over 2021]. ... We don’t think that’s the way it should work.” The transmission constraint penalty factor’s contribution of 3.2% is “a result of PJM de-rating transmission lines in a way that it shouldn’t do.” And 12% was market power-related, which “obviously we don’t think that should occur,” Bowring said.



Map of unit retirements: 2011 through 2026 | Monitoring Analytics

PJM News



Capacity Performance a 'Failed Experiment'

The Monitor found the performance of PJM's capacity market to be overall competitive in 2022, but Bowring noted that the analysis did not include the latest Base Residual Auction, the results for which were released in February after a delay. (See [PJM Capacity Prices Jump in 5 Regions.](#))

Still, Bowring said that generators' performance during Elliott indicated that the Capacity Performance construct — a response to an extreme cold weather event in 2013/14 — has not worked as intended. PJM has said that generators may face penalties totaling between \$1 billion and \$2 billion for as much as 46,000 MW in capacity being offline during the late December storm, including more than one-third of gas resources.

"The CP design is a failed experiment," the report says. "The fundamental mistake of the CP design was to attempt to recreate energy market incentives in the capacity market. The CP model was an explicit attempt to bring energy market shortage pricing into the capacity market design."

"Given that the market seller offer cap has already been removed by FERC," Bowring said, "the remainder of the fundamental element of the [CP] design should be removed. The whole notion of PAIs [performance assessment intervals] and having these extreme penalties ... putting resources at risk, creating this huge administrative nightmare for PJM, including subjective elements of when PAIs occur ... it's simply not a rational way to run a market."

Bowring has proposed his own replacement design. (See [PJM Stakeholders Discuss Capacity Market Changes After Winter Storm.](#))

The Monitor also highlighted its concern with the amount of capacity at risk of retirement by 2030: about 51.8 GW. For comparison, it noted that about 47.5 GW retired between 2011 and 2022.

The high level of retirements is outpacing the entry of new generation, as highlighted by PJM in a [white paper](#) released last month. (See [PJM Board Initiates Fast-track Process to Address Reliability.](#))

Of the amount the IMM says is at risk, about 23.5 GW is for regulatory reasons. The plants are primarily coal, Bowring said, and the regulations are primarily from EPA.

PJM and the agency have been working together to "try and ensure that all the resources don't shut down instantly; that resources are given the opportunity to fix their problems, particularly with wastewater treatment, and some have done that," he said. "Some are not going to do it. So the EPA and PJM have been trying to make sure that any ultimate retirements are spread over time so that they don't affect reliability."

Bowring also said that the Monitor is "very concerned about the increase in" reliability-must-run agreements. Some generators "have interpreted the RMR rule as allowing them to recover costs which have already been sunk."

"So we're extremely concerned that this high level of retirements could lead to more RMRs, and we think that the PJM RMR tariff needs substantial revision to ensure that units that are required for reliability are paid and paid appropriately — that is, paid every penny of the costs they incur to provide that service, plus an incentive payment — but not paid more than that; not paid two to three times that, which are the kinds of requests we have seen over the last 10 years." ■

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PJM News



W.Va. PSC Files Complaint over PJM Meeting Policy

By Devin Leith-Yessian

The West Virginia Public Service Commission last week filed a complaint with FERC alleging that PJM is violating its tariff by not granting the PSC access to the RTO's Liaison Committee (EL23-45).

"PJM's refusal to allow the PSC access to discussions with the PJM board that can be observed by electricity producers, transmission companies and other market participants is wrong," PSC Chair Charlotte Lane said in a [press release](#) announcing the complaint Wednesday.

"This compromises the PSC's ability to understand the full range of underlying factors and special interests driving PJM decisions so that it can be fully armed to protect the West Virginia electric customers in grid decisions, as well as in decisions we make in regulating West Virginia electric utilities," Lane said.

Along with other state regulators, the commission had been permitted to attend LC meetings from 2011 through 2018. But in September

2018 the Members Committee voted to enforce the LC's charter to restrict attendance to members of the RTO and PJM's Board of Managers, locking out state commissions, FERC staff, the Independent Market Monitor and the Organization of PJM States Inc. (OPSI). (See [PJM Stakeholders Table WVva PSC Attendance at Liaison Committee.](#))

"We are disappointed that PJM has required the PSC to take this extraordinary step in filing a complaint to access information needed to protect West Virginia electric customers," Lane said in the release.

The PSC complains that PJM's tariff and past FERC transparency rulings require that ex officio, nonvoting members must be allowed to observe the LC meetings and that prohibiting their attendance violates the non-discrimination provisions of the Federal Power Act Sections 205 and 206. It notes that PJM continues to allow other ex officio members, namely state consumer advocates, to attend the LC given their status as voting members of PJM's standing committees and makes the case that there is no reason to not allow state regulators

as well, as the LC is not a voting committee.

After being told that it was not allowed to register for LC meetings in August 2018, the PSC attended two MC meetings in September and November 2021 to make the case for its right to attend. While a motion was made during the Nov. 17 meeting, stakeholders narrowly voted to indefinitely postpone voting on the matter.

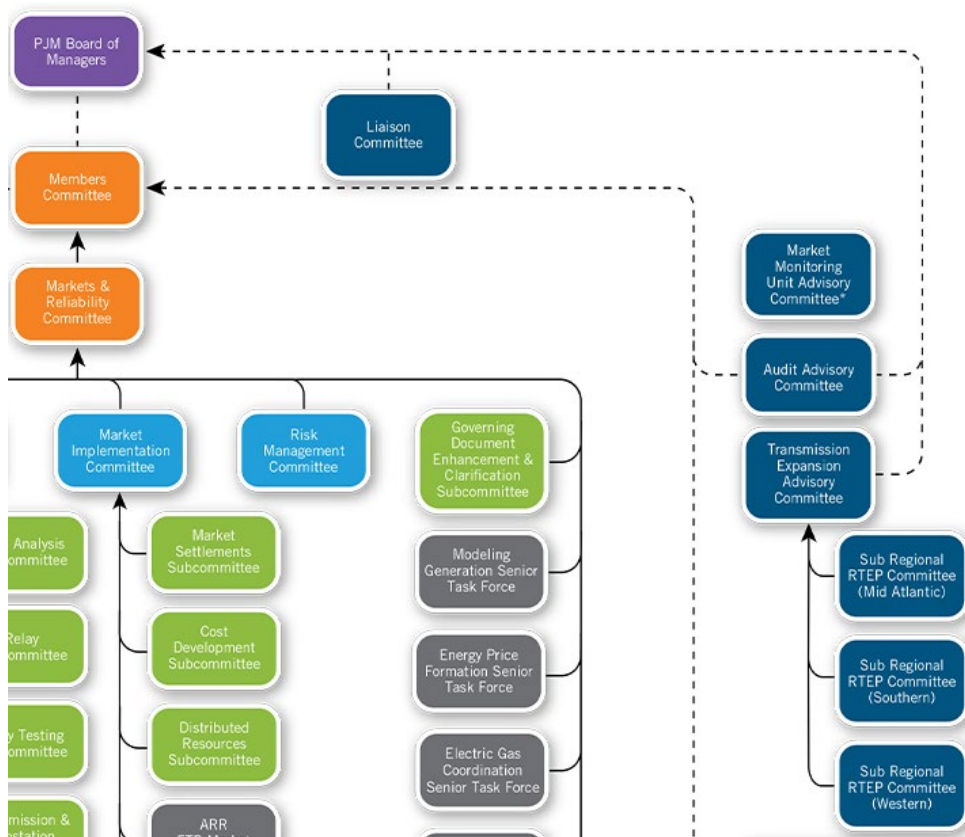
"Indeed, the Liaison Committee charter makes clear that the Liaison Committee does not 'vote' on matters, but rather exists to improve transparency between the board and the members. There is thus no reason to distinguish between voting and non-voting *ex officio* members of PJM regarding their rights to attend and observe the Liaison Committee meetings," the complaint states.

PJM spokesman Jeff Shields responded that the RTO "is fully compliant with its governing documents on this issue. Participation on the Liaison Committee is determined by members, who did not support participation by the West Virginia Public Service Commission when it was brought before the Members Committee in November 2021."

The PSC argued that knowledge of the meeting's proceedings is necessary to allow it to fulfill its mandate to protect consumers' interests, since FERC-regulated utilities operating in West Virginia may participate in the meetings and have an opportunity to advocate before the PJM board for market rules that are not in the state's interests.

"The statements made by those utilities to the PJM board and the positions they take before the board are matters of unique and critical interest to the PSC given the state regulatory commission's obligation to oversee the actions of those West Virginia-jurisdictional utilities and the positions they take in discussions with an entity charged with overseeing the markets and transmission operations for their utility operations in West Virginia," the PSC wrote. "Absent the right of the PSC to attend those meetings, it would be unable to discern what the West Virginia-jurisdictional utilities were telling the PJM Board of Managers regarding issues of critical importance to regulation of utility operations in West Virginia."

The PSC said attending the LC meetings "is critical to its ability to ensure service reliability and affordability in West Virginia, especially during the market's transition to renewable energy resources." ■



Representatives of state regulatory commissions, such as the West Virginia Public Service Commission, are barred from attending PJM's Liaison Committee meetings with the Board of Managers. | PJM

PJM News



PJM PC/TEAC Briefs

PC Discusses Attachment M-3, Transmission Upgrade Timeline

VALLEY FORGE, Pa. — The PJM Planning Committee last week discussed the remaining open *action items* in tariff Attachment M-3, which describes the process by which transmission owners plan supplemental projects in coordination with the RTO's development of the Regional Transmission Expansion Plan (RTEP).

Much of the discussion centered on the amount of time between TOs' submission of needs for projects and their proposed solutions, with there currently being no specified timeline to follow.

Alex Stern of Public Service Enterprise Group said there was significant discussion between PJM and TOs following feedback from stakeholders that the amount of time between needs being brought before the Transmission Expansion Advisory Committee and proposed

solutions was often too long, sometimes more than a year. He said TOs felt that was a valid concern and have asked their planning staff to bring solutions back sooner.

"Thus far it's an informal monitoring process, but the TOs so far are not seeing the same degree of problem that inspired the concern," Stern said. "And by that I mean we definitely heard about the need being brought and then the solution not being brought for a significant amount of time after that, but the TOs heard the critique, believe it has been addressed and are not seeing that issue continuing to be a problem." He added that if significant gaps start to reappear, those concerns should be voiced.

PJM's Sami Abdulsalam said the RTO is considering that action item in the ongoing review of Attachment M-3 to be closed.

Update on RTEP Window 3

Abdulsalam provided the TEAC with an *update*

on the ongoing 2022 RTEP Window 3, which opened on Jan. 31 and is scheduled to close on April 25. The window was added to the RTEP to address reliability needs caused by rising load expected from data centers in the Dominion and APS transmission zones. (See "Load Forecast for Northern Virginia Data Centers Continues to Climb," *PJM PC/TEAC Briefs: Jan. 10, 2023*.)

Solutions should be expandable and scalable to allow them to address future expansion beyond the 2027/28 delivery year should the data center load growth continue, as is expected. The constraints in the 2027/28 baseline include the 230-kV substations serving local load into points of delivery and regional constraints primarily being seen on the 500-kV system importing energy into the region. They should also address any new violations created by the proposal itself to be considered. ■

— Devin Leith-Yessian



PJM Senior Manager of Transmission Planning Sami Abdulsalam | © RTO Insider LLC

PJM News



PJM MIC Briefs

Merged IMM-PJM Issue Charge on Multi-schedule Modeling Endorsed

VALLEY FORGE, Pa. — The PJM Market Implementation Committee on Wednesday endorsed a problem statement and issue charge to explore multi-schedule modeling of combined cycle generators in the market clearing engine (MCE).

According to the [problem statement](#), combined cycle generators have a larger number of configurations that can be modeled in the MCE, which raises performance impact challenges. The engine is currently designed to look at each schedule that a generator offers into the energy market as a separate logical resource. While most resources offer only one or two, it's possible for the number to be much higher for combined cycle units, potentially leading to an exponential increase in solution times.

The statement says that a typical 2x1 combined cycle unit would have at least six configurations, meaning that if it offers two schedules into the market, it would be represented by 12 logical resources. (See "Feedback on Issue Charge, Problem Statement for Combined Cycle Modeling," [PJM MIC Briefs: Dec. 7, 2022.](#))

Both PJM and the Independent Market Monitor had offered proposals that left stakeholders divided over the best way to frame the discussion and whether to go forward at all. After stakeholders deferred voting on the proposal during the January MIC meeting, the Monitor suggested amendments to PJM's issue charge, and the two were able to merge their proposals. (See "Stakeholders Disagree on Approach to Combined Cycle Modeling," [PJM MIC Briefs: Jan. 11, 2023.](#))

The [issue charge](#) was revised to add education on the current schedule selection process as a key work area and expanding the out-of-scope section to include topics under the Cost Development Subcommittee's purview, unit-specific parameter review, cost-based start-up and no-load cost rules, and the requirement that parameters be mitigated during emergencies and hot/cold weather alerts.

Deputy Monitor Catherine Tyler said the changes will allow for the discussion to cover the issues identified in PJM's [white paper](#) without affecting existing market power provisions.

Paul Sotkiewicz, of E-Cubed Policy Associates, said the calculation constraints should have been identified and brought before stakeholders far sooner, as it leaves little time for stake-



PJM's Gary Helm speaks to the Market Implementation Committee during a discussion on local impacts to the cost of new entry on March 8. | © RTO Insider LLC

holder deliberation before General Electric — which provides the MCE software — completes its collection of design preferences and begins building its Next Generation Markets Systems (nGEM), including any multi-schedule modeling components.

The committee will begin holding special sessions on the issue later this month.

Proposals on Rules for Generation with Co-located Load Presented

Stakeholders discussed proposals to create rules for generation with co-located load, addressing whether they are subject to ancillary service charges, FERC- or state-jurisdictional, and able to retain their capacity interconnection rights (CIRs).

A proposal from the Monitor and a joint Constellation Energy-Brookfield Renewable Partners package had been considered by the MIC last year, but they were dropped after a poll found [little support](#) for either in November. The central question in the previous discussions

was whether generators with co-located load not directly connected to the PJM grid should be able to retain the CIRs for the portion of their output supplied to load. (See "Limited Support for Co-located Load Proposals," [PJM MIC Briefs: Dec. 7, 2022.](#))

Constellation made the case that when highly interruptible loads are paired with generators, allowing those generators to maintain their capacity ratings would create a dispatchable capacity with rapid ramping capabilities. It also would have defined the load as not being FERC-jurisdictional and not subject to ancillary service charges. The Monitor's proposal would have codified the existing practice of requiring generators in such a configuration to relinquish a share of their CIRs based on the output serving the co-located load. Both those proposals continue to stand in the [proposal matrix](#).

The Advanced Energy Management Alliance (AEMA) [presented](#) a proposal that would treat all co-located load as receiving service from the grid, arguing that the energy produced

PJM News



by the generator is FERC-jurisdictional and must be supplied to a wholesale customer. The load would be treated as receiving wholesale energy by firm point-to-point transmission and served to the grid at the LMP level. The generator would retain its full capacity rights and be levied the PTP costs. Presenting the package, Bruce Campbell, of Campbell Energy Advisors, said it carries the bonus outcome of designating load meters as wholesale rather than retail, which he believes PJM lacks the authority to require.

PJM *presented* its own package during last month's MIC meeting that would allow generators to retain their CIRs but make them subject to ancillary service charges, such as black start, regulation and reserves, effectively on load's behalf. (See "First Read of PJM Proposal on Co-located Load," *PJM MIC Briefs: Feb. 8, 2023*.)

Discussion on Local Considerations for Net CONE

Stakeholders continued laying the groundwork for proposals to address how local factors such as regulations and legislation could impact the net cost of new entry (CONE), with much of the discourse centering on whether new CONE areas could be created to reflect such

considerations. (See "Local Considerations for Net CONE," *PJM MIC Briefs: Feb. 8, 2023*.)

The *options matrix* was revised to include feedback from the meeting to include the calculation of gross CONE, the creation of new CONE areas for regions with restrictions that may impact asset lifespan and the relationship between gross CONE for price-separated locational deliverability areas (LDAs).

Sotkiewicz defended the addition of a design component item for new gross CONE areas, stating that he believes PJM has previously held that the number and sizing of CONE areas cannot change. He pointed to Illinois and New Jersey as regions with legislation that could impact generators' lifespan or operations to the extent that it may be necessary to break them out as their own CONE areas.

"PJM has indicated that it is not open to change in the Quadrennial Review filing," he said.

PJM Senior Counsel Chen Lu said the issue was raised in the Quadrennial Review at the "11th hour" and the RTO told FERC that it felt it was better to address the topic through the stakeholder process. Sotkiewicz responded

that he felt that was inaccurately characterizing the filings in the review and that PJM made it clear in its responses that it was not appropriate to even look at localized net CONE (*ER22-2984*).

"We just didn't think it was appropriate to consider this in the Quadrennial Review at the 11th hour ... so we never foreclosed raising this issue with the broader stakeholder group," Lu said.

Other MIC Actions

Stakeholders endorsed new default gross CONE and avoidable-cost rate figures updated through the Quadrennial Review. The *new parameters* will be used for the 2026/27 delivery year. All resource types, except storage, will see their gross CONE figures increase largely because of changes in tax credits and new reference resources used for combined cycle and onshore wind resources. (See "Stakeholders Consider Recognition of Local Impacts to Net CONE," *PJM MIC Briefs: Feb. 8, 2023*.)

The committee also partially endorsed *revisions* to Manual 11, with a portion of the changes removed for further discussion. ■

— Devin Leith-Yessian

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PJM News



PJM OC Briefs

Stakeholders Approve PJM Proposal on IROL-CIP Cost Recovery

VALLEY FORGE, Pa. — PJM's Operating Committee voted to approve a proposal to allow for cost recovery for facilities determined critical for interconnection reliability operating limits (IROLs) under *NERC* Critical Infrastructure Protection (CIP) standards.

The PJM-endorsed package received 89% support over the status quo, while an opposing proposal from the Independent Market Monitor received 11%.

PJM's Darrell Frogg likened the structure to the payments received for providing black start service in that the costs to comply with the requirements can be submitted to both the RTO and Monitor for review and monthly payments would be made through revenue socialized across market participants.

PJM and several stakeholders supporting the proposal argued that having an asset designated as critical infrastructure is beyond the control of an owner, comes with significant financial burden and is unpredictable for market participants because the analysis PJM conducts to identify critical facilities doesn't look far enough ahead for a generator to include any expenses in future Base Residual Auction (BRA) offers. (See "No Consensus on IROL-CIP Cost Recovery," *PJM OC Briefs*: Feb. 9, 2023.)

PJM's proposal calls for cost recovery to be conducted over 12 months, which supporters pushed for on the basis that CIP status can change annually, creating the prospect that a facility could be designated critical and then have that status reversed shortly after the required upgrades have been completed.

Monitor Joseph Bowring contended that PJM runs markets and is not a cost-of-service regulator, saying there is no justification for having a separate cost-recovery mechanism outside the markets. He also argued that there are substantial differences between IROL-CIP and black start, and that there already are ways for generators to represent the costs of IROL-CIP upgrades in their market offers, which he said is the appropriate place to include costs.

The proposal Bowring *presented* to the OC would have memorialized that "there is no PJM cost of service recovery mechanism for IROL CIP costs under the PJM governing agreements" and that market participants can instead recover their costs through the existing markets.



PJM's Dan Bennett presents updated data from Winter Storm Elliott to the Operating Committee on March 9. | © RTO Insider LLC

Updated Information on Winter Storm Generator Outages

PJM's Dan Bennett *presented* more detailed analysis of generator outages during the Dec. 23 winter storm, which shut down more than 23% of capacity in the PJM fleet. (See *PJM Gas Generator Failures Eyed in Elliott Storm Review*.)

The new data, which was collected from generators reporting to NERC's Generating Availability Data System (GADS), shows the impact of the total of 2.4 TWh of forced outages over Dec. 23-25. Gas-fired units made up 63% of the unavailable capacity, followed by coal at 28%. All other fuel types represented under 5% of the forced outages during the storm.

The loss of gas supply was the largest reason for gas outages, constituting 31% — or 473,208 MWh — of unavailable capacity, followed by freezing and plant equipment issues. More than half the coal outages were attributed to boiler issues. Across resource types, fuel availability accounted for nearly 500,000 MWh of outages, nearly matched by issues with plant equipment.

Bennett said also that the bulk of unavailable generation did not have a commitment in the day-ahead market, representing 64% of the missing capacity at 7 a.m. on Dec. 24, the peak of the outages. Day-ahead commitment played an even greater role for gas generation, with those lacking a commitment making up 72% of the forced outages; for outages attributed to

gas fuel supply issues that figure rose to 89%.

Paul Sotkiewicz, of E-Cubed Policy Associates, said he believes many of the forced outages attributed to gas supply are being misrepresented and that generation may not have been called upon at all and was instead asked to incorrectly take forced outages in some cases. He also questioned how many of the outages could be related to PJM's forecast, which underestimated temperatures and the amount of generation that would be needed during the storm.

"I'm understanding that there were many resources that were available but were simply not called upon by PJM, and that gets into the question of why that was the case," he said.

PJM's Chris Pilong said the data being *presented* Thursday was based on further analysis of GADS reporting, which would not capture the issues raised by Sotkiewicz, which could be addressed in future presentations to the Market Implementation Committee or in the final report to be released later this year. Sotkiewicz said he believes the OC is the proper forum for that information, which involves how gas nominations are understood operationally.

During an earlier presentation on daily peak forecast error, PJM's Hong Chen told the OC that demand response load reductions were smaller than the initial estimates, meaning the load forecast error was also lower than originally reported.

PJM News



Responding to questions about how that is reflected in the data Bennett presented, Pilong clarified that Chen's presentation was not reflecting that demand response underperformed, but instead that it's the "measure of expectation." When calculating the amount of load reduction received by DR, it was not taken into account that some of the load curtailed would already be switched off prior to the DR dispatch. While the amount of load reduced is smaller than expected, the amount of generation offline was the same.

PJM Drafting Comments on Virginia Environmental Rule Change

PJM is planning to submit comments to the Virginia Department of Environmental Quality on a rule change to allow data centers to receive variances expanding the usage of on-site generators when the RTO has declared a maximum generation emergency.

In the announcement of the comment period, which is open through early April, the DEQ said an area in Fairfax, Loudoun and Prince William counties was identified to be at risk of having inadequate transmission capability going into the summer months. The DEQ subsequently revised the proposal to apply only to Loudoun County.

Presenting to the OC, PJM's Gary Helm said the comments will likely focus on the conditions that would lead PJM to issue a maximum generation alert and how that would interface with the rule change. He noted that PJM recently released a white paper on the balance between resource development, retirements and load growth, which included the accelerating demand from the Data Center Alley centered on Loudoun County. (See "PJM White Paper Expounds Reliability Concerns," PJM Board Initiates Fast-track Process to Address Reliability.)

Adrien Ford, of the Old Dominion Electric Cooperative (ODEC), recommended that PJM increase its contact with data center developers and operators to get a better understanding of the emergency generators being installed

there and the impact that backups of that scale could have on the grid if they go online.

"They're so big, and some of these are measured in gigawatts not megawatts," Ford said of the data centers, questioning if the emergency generators would cover a portion or the whole of the data centers' load.

PJM's Donnie Bielak said that although PJM does not have dispatch control over the generators, it's aware of what is being installed and is ready for them in terms of emergency conditions.

Transmission Outage Coordination Proposals Discussed

Stakeholders discussed two *proposals* being drafted by the Monitor and a joint package from PJM, Public Service Enterprise Group (NYSE:PEG) and DC Energy on coordination between utilities and PJM for extended transmission outages. (See "Outage Coordination Issue Charge Endorsed," *PJM Operating Committee Briefs*; May 12, 2022.)

The Monitor's package would aim to ensure that events like the surge in congestion pricing caused by line work in Virginia's Northern Neck peninsula are prevented or limited when possible by correctly identifying likely congestion impacts in advance of approving the outages and requesting alternative approaches by relevant transmission owners.

The package would also seek to ensure that outage submission deadlines are enforced prior to FTR auctions and the closing of the day-ahead market. The package would more generally help ensure the provision of more accurate and timely information to all customers about transmission outages, increasing transparency around when they will occur and allowing customers to better plan for them. Bowring said PJM's current rules need to be strengthened and enforced and must include more clearly defined consequences for utilities that do not provide that information.

The revisions the IMM is proposing in its package include:

- treating a request to reschedule an outage as a new request or as a late submission if they try to reschedule too far out;
- clarifying the definition of the congestion analysis required for outage requests;
- rewriting rules to reduce or eliminate approval of late outage requests after FTR auction bidding opens;
- preventing transmission owners to divide long duration outages into smaller segments to avoid the requirements for longer outages.

In response to the IMM presentation, Exelon's Sharon Midgley said the outages must be looked at from a reliability lens, not just market impact, adding that they're necessary for maintenance and implementing capital projects. She said the existing rules are already clear, and levy consequences for being late and have protections to ensure that outages that would cause congestion aren't approved if they are submitted late. Midgley also noted that much of the IMM proposal is outside the scope of the OC-endorsed stakeholder deliberation as it contains many aspects that conflict with the PJM Consolidated Transmission Owners Agreement (CTOA).

Bowring acknowledged that TO must take outages to support a reliable transmission system but that there are no consequences for not following the existing rules that require clear public notice about those outages, and that the rules are frequently not followed as documented in the Market Monitor's presentation to the OC.

The joint proposal would expand the transmission outage information shared by PJM, expand the switching solutions information PJM provides and change the Regional Transmission Expansion Plan (RTEP) outage coordination process to have PJM staff review approved RTEP projects to identify those that may require extended outages and to then coordinate with TOs to assess the need for those outages and their impacts. ■

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Company Briefs

SCANA Exec Gets 15 Months in Prison in Doomed Nuclear Project



Ex-SCANA Executive Vice President Stephen Byrne was

sentenced to 15 months in prison for his role in a doomed \$9 billion nuclear project.

Byrne met with state and federal agents and walked them through what happened from the 2008 proposal to build the plants — which led to a state law allowing the utility to raise rates so much of the risk fell on customers — to the final desperate meetings in 2017 when it was obvious the project was dead.

Byrne is the second SCANA executive to go to prison. Former CEO Kevin Marsh was sentenced to two years in prison in October 2021 and released earlier in March after serving about 17 months.

More: [The Associated Press](#)

Delta Announces New Climate Goals



Delta Air Lines last week announced a new

set of climate goals to reach net-zero carbon emissions by 2050.

The goals include plans to step up the company's use of more climate-friendly alternative fuels, switch its ground crews to EVs by 2050, and introduce its first airplane that uses a "revolutionary" new energy source by 2035. Delta said it plans to phase out fossil fuels in favor of lower-carbon, sustainable aviation fuels and use at least 35% of the fuel by 2035.

Jet fuel accounts for about 98% of its carbon emissions, Delta said.

More: [Miami Herald](#)

Hertz to Add EV Rentals to Houston Fleet



Hertz last week said it aims to bring more than 2,100 rental EVs to the

Houston area, nearly tripling its existing EV fleet in the city.

In partnership with bp pulse, Hertz will support the installation of a large, EV fast-charging hub designed to serve ride-hail, taxi fleets and the public at the Hertz location at Houston Hobby airport.

"Our goal is to convert all non-emergency, light-duty municipal vehicles to electric by 2030. This partnership with Hertz will provide an invaluable boost to achieve this goal and the goal of our climate action plan for Houston to be a net-zero city by 2050," Houston Mayor Sylvester Turner said.

More: [Hertz](#)

Federal Briefs

GOP's Graham Plans Carbon-Import Fee



South Carolina Sen. **Lindsey Graham** last week said he plans to introduce legislation that would place tariffs on carbon-intensive imports.

Several senators in both parties have pitched carbon border adjustments to have a global climate impact while giving credit to U.S. businesses that run cleaner than overseas counterparts. However, critics of domestic-focused climate initiatives have noted the risk of what's called climate leakage, where higher costs can encourage production moving to countries with higher emissions.

"We're examining it," said John Kerry, President Biden's special presidential envoy for climate. "Europe has one. Others are talking about it. We're talking about it."

More: [Bloomberg](#)

US, EU Agree to Begin Talks on Critical Minerals

President Joe Biden and European Com-

mission President Ursula von der Leyen last week agreed to launch talks on critical minerals used for electric vehicles.

In a joint statement after their meeting in Washington, D.C., the leaders said they intended to "immediately begin negotiations on a targeted critical minerals agreement" to ensure that minerals extracted or processed in the EU would count for clean vehicle tax credits under the Inflation Reduction Act law.

Biden and von der Leyen met against a backdrop of European complaints that clean energy subsidies in the IRA and others will divert investment away from Europe and hurt their economies.

More: [Reuters](#)

OSHA Fines Company \$300K After 2 Workers Killed at Pueblo Power Plant



The U.S. Department of Labor's Occupational

Safety and Health Administration fined Savage Services more than \$300,000 for safety violations following an accident that killed two workers at the Comanche Generating Station last year.

Kyle Bussey, 28, and Phillip Roberts, 36,

died of injuries sustained in the mishap on June 2, 2022. The two men were buried in a "landslide" in a pile of coal.

OSHA investigated the accident and cited the company for insufficiently training its employees, insufficiently monitoring their safety, and insufficiently protecting its workers from hazards. The agency described how the workers were "exposed to engulfment hazards" as they walked and worked on the coal pile while a conveyor belt system pulled coal from below them.

More: [CBS Colorado](#)

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State Briefs

ARIZONA

Court: ACC Didn't Have Power to Cut APS Profits over Bad Service



The state Court of Appeals last week ruled that the Corporation

Commission did not have the power to cut APS profits due to bad customer service in a 2021 rate case.

While the court agreed with the way the commission calculated the value of APS assets versus original costs and with its determination on how much APS should profit, it threw out the commission's move to cut profitability over bad customer service.

More: [KJZZ](#)

ARKANSAS

Senate Passes Bill Ending 1-to-1 Net Metering

The Senate last week voted 24-9 to pass a bill that would end the state's one-to-one net-metering policy in which customers get credited at the full retail rate for any power they generate.

Instead of the current policy, solar customers would get credited for the wholesale rate, about 5 cents per kWh.

The bill would also prevent customers who benefit from net-metering from entering into interruptible power agreements with utilities.

More: [Arkansas Times](#)

COLORADO

Vehicle Exchange Program Could Knock Down Price of EVs

State Energy Office staff said it is finalizing details of the Vehicle Exchange Colorado program that would give participants an instant \$6,000 point-of-sale rebate on a new electric or plug-in hybrid vehicle, and a \$4,000 rebate for a used electric or plug-in hybrid vehicle, in return for their gas-powered car.

Vehicles from model year 2011 or older, or those that fail a state emissions test, are eligible for trade-in. They must be in working order and use gasoline or diesel; the participant must have owned the vehicle for more than one year.

The program will also be restricted to low- and moderate-income residents.

More: [CPR News](#)

GEORGIA

Georgia Power Splitting Atoms Inside One Vogtle Reactor



Georgia Power last week said it has begun splitting atoms inside one of its two new nuclear units at Plant Vogtle, a key milestone that brings the country's first

new reactors built in more than 30 years closer to completion.

The company said Unit 3's reactor has reached a stage called "initial criticality," meaning a self-sustaining fission reaction has started inside the unit. Georgia Power said it will continue to conduct tests as operators gradually raise the power to 100% before syncing it with the grid.

Georgia Power said it still expects the unit to come online in May or June. The unit had been projected to enter commercial operation this month, but a series of issues discovered during startup testing in recent weeks pushed the date back.

More: [The Atlanta Journal-Constitution](#)

INDIANA

Noblesville Power Plant Returns to Full Operation Following Fire



Duke Energy's Noblesville power plant returned to full capacity last

week after a natural gas fire forced a 10-day shutdown.

Duke said the fire occurred in the facility's natural gas supply yard on the southwest corner of the power plant on Feb. 23. Within a few minutes, a first responder reported a "significant fire" at the plant and began an evacuation of all houses in the area. However, first responders appeared to change their minds about the evacuation a few minutes later after confirming that Duke had shut off its natural gas supply line.

Duke said it is still investigating how the fire started.

More: [WTHR](#)

LOUISIANA

Entergy Looks to Add 224 MW of Solar to Generation Mix



Entergy is seeking Public Service Commission approval to add 224 MW of solar power resources to its generation mix.

The utility is proposing a 20-year purchase power agreement with Coastal Prairie Solar for about 175 MW from a solar facility to be built in Iberville Parish. Entergy would also build and operate the Sterlington Solar Facility in Ouachita Parish, which would account for about 49 MW. Entergy currently has about 280 MW of renewable resources.

If approved, construction on the Iberville facility could begin in 2024 and be fully operational in late 2025. The Sterlington facility could deliver power by early 2026.

More: [Greater Baton Rouge Business Report](#)

PENNSYLVANIA

Gov. Shapiro's Proposed Budget Accounts for RGGI

Details released from Gov. Josh Shapiro's proposed budget assumes the state will take part in the Regional Greenhouse Gas Initiative.

Shapiro's administration says including the program in the budget does not indicate a change in the governor's stance but accounts for the program should it be allowed to move forward. The projected \$663 million raised from allowance auctions would not go to the state's general fund but would be restricted to the Clean Air Fund.

More: [The Allegheny Front](#)

NEBRASKA

State Supreme Court Dismisses Challenges to Kilgore Wind Farm

A pair of state Supreme Court decisions dismissed the remaining legal challenges in state courts to the construction of a 19-turbine Kilgore wind farm.

The rulings on Feb. 24 and March 3 threw out appeals by Preserve the Sandhills and other opponents of the Cherry County commissioners' approval of a conditional use permit for the project on Oct. 29, 2019. The judges ruled each time that Preserve

the Sandhills and its fellow plaintiffs failed to meet legal standards required to consider their appeals.

The trio of defeats appears to remove BSH Kilgore's legal impediments to building its 60-MW wind farm.

More: *The North Platte Telegraph*

NEW MEXICO

San Juan County Approves PNM's Demolition Plans for Coal Plant

The San Juan County Commission last week unanimously approved the Public Service Company of New Mexico's plan to demolish and remediate the San Juan Generating Station.

County Manager Mike Stark said the plan indicates the area will be leveled, except for some portions such as the substation, and there are no proposed projects for generation at the closed plant. One replacement power project — the San Juan Solar project — will be built near the site and tie into the substation. A pump station that was used to provide water to the power plant for operations will be sold to the Bureau of Reclamation.

The entire process will likely take about four years to complete, a PNM official said.

More: *NM Political Report*

NEW YORK

Nine Mile Nuclear Plant First in US to Produce Green Hydrogen



The Nine Mile Point Nuclear Station recently became the first facility in the country to generate clean hydrogen using nuclear power.

Constellation's Hydrogen Generation System produces hydrogen without emissions by using electricity generated at the plant to split water into hydrogen and oxygen. The system started producing clean hydrogen

in February to supply hydrogen for plant operations, a process that was previously dependent on deliveries of hydrogen made from fossil fuels.

The Hydrogen Generation System is one of four projects supported by DOE to demonstrate clean hydrogen production at commercial nuclear plants.

More: *Renewable Energy World*

WISCONSIN

Madison Adopts Energy Savings Rules for Big Buildings

The Madison City Council last week unanimously approved new rules to require larger commercial building owners to report annual energy use and do building energy "tuneups" every four years or face fines.

The city's Building Energy Savings Program is designed to help commercial building owners increase energy efficiency, save money and reduce their carbon footprint.

The program would be phased in over several years.

More: *Wisconsin State Journal*

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