MISOCCC RASC Comments – Wind & Solar Accreditation – March 2023

The MISO Cities and Communities Coalition (MISOCCC) appreciates the opportunity to submit this feedback to MISO on its resource accreditation reform proposal. MISOCCC is a coalition of communities across the MISO footprint that coordinates collective action to further the individual clean energy, economic development, decarbonization, affordability, and grid reliability goals of participating communities through engagement with MISO leadership, its staff, and its stakeholders.

MISO's resource adequacy (RA) construct design has a direct impact on the ability of MISOCCC members to achieve their respective energy goals as the RA construct sends a fundamental investment signal to the region's utilities that serve MISOCCC members. As such, we strongly urge MISO to adhere to the core principle of compensating resources based on their reliability contributions. MISO must demonstrate clear ties between reliability value and compensation for resources.

Key Design Principles for RA Reforms

One critical component of the design construct which will directly impact the tie between compensation and reliability value is the selection of risk hours to be used in the capacity credit calculation in MISO's proposed Direct Loss of Load method. We urge MISO to fully explore all available risk hour selection options and share the full results of this analysis with stakeholders.

We disagree that the proposed reforms would maintain or improve reliability in the face of increasingly frequent extreme cold and heat weather events. Solar energy can provide reliability value during extreme heat events, and MISO's construct should recognize that. Further, pairing energy storage with generation of all types adds flexibility and value to the grid and should also be appropriately accredited.

Fair Credit to All Resource Types

MISOCC urges MISO to ensure its RA construct is fair for all resources, including distributed energy resources (DERs) as well as large-scale renewables, storage, and hybrids. DERs are a core component of many MISOCCC members' energy goals, expanding our ability to procure clean energy resources when our local utilities are unable to meet that need. Consistent with FERC Order 2222, in which DERs must be compensated for the value they bring, MISO's RA construct must ensure these asset types and the retail programs through which they participate in MISO are fairly and fully valued.

MISO's current proposal undervalues renewable and other clean energy resources, which MISOCCC members are relying on to meet their energy goals while maintaining grid reliability. As written, MISO's proposal is in direct conflict with public policy goals for energy affordability and pollution (or greenhouse gas?) reduction because the proposed accreditation would favor building out a new generation of gas plants rather than renewables and energy storage. We urge MISO to avoid making arbitrary assumptions on hybrid and storage asset behavior, and instead embrace the flexibility of these resources to respond to market signals in Day Ahead and Real Time to provide reliability value to the MISO region.

Thank you for considering our feedback. We look forward to continuing to work with MISO and stakeholders to ensure MISO's wind and solar accreditation reforms are aligned with the policy and reliability needs of MISOCCC members and the region more broadly.

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 $^{^1}$ For the purposes of coalition membership, the term "community" is defined as city governments, county governments, tribal nations, regional planning commissions, etc.