

# **MGA Renewable Electricity & Advanced Coal with Carbon Capture and Storage Advisory Group (REACCS) Meeting**

## **Transmission Subgroup Summary**

March 19, 2009

Traverse City, Michigan

# **MGA**



**Midwestern Governors Association**

## Transmission Studies For Information on Meeting The MGA Renewable Energy Goals

<b>Transmission Study</b>	<b>Potential MW of wind sited in MGA region</b>	<b>Timeline</b>	<b>MGA States in Study Region</b>
Regional Generator Outlet Study (RGOS)	16,000 MW	June, 2009	MN/IA/WIS/III (ND/SD included)
MTEP08 Study-Renewable Option	40,000 MW	Complete (Indicative Results)	Midwest ISO states
Joint Coordinated System Plan (JCSP)	90,000 to 120,000 MW	Complete (Pretty useful results)	Midwest ISO/PJM/TVA/SPP
Southwest Power Pool (SPP) Regional Transmission Study	2,000 to 12,000 MW	2009/2010	Kansas, Nebraska Missouri for MGA region
RGOS II	26,000 MW	Late 2009	Midwest ISO states

# Transmission Studies for MGA 10% Goal 103 million MWhr (25,000 to 35,000 MW)

MGA 10% Goal by 2015

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graph TD; A[MGA 10% Goal by 2015] --- B[RGOS Phase I-16,000 MW-4/2009  
RGOS Phase II- +10,000 MW-11/2009]; A --- C[SPP 765/345 kV study  
3,000 MW-2009]; A --- D[ATC Wisconsin/  
ITC Michigan- "Green Express"]
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RGOS Phase I-16,000 MW-4/2009  
RGOS Phase II- +10,000 MW-11/2009

SPP 765/345 kV study  
3,000 MW-2009

ATC Wisconsin/  
ITC Michigan- "Green Express"

# Transmission Studies for MGA 20% Goal 219 million MWh (55,000 to 70,000 MW)

MGA 20% Goal by 2020

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graph TD; A[MGA 20% Goal by 2020] --- B[MTEP08- 40,000 MW  
RGOS Phase II-26,000 MW-late 2009]; A --- C[SPP 765/345 kV study-7,000 MW  
2010]; A --- D>JCSP Phase II- 50,000 MW  
2010];
```

MTEP08- 40,000 MW  
RGOS Phase II-26,000 MW-late 2009

SPP 765/345 kV study-7,000 MW  
2010

JCSP Phase II- 50,000 MW  
2010

# Transmission studies for MGA 30% Goal 376 million MWh (90,000 to 130,000 MW)

MGA 30% Goal by 2030

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graph TD; A[MGA 30% Goal by 2030] --- B[Eastern Wind Integration Study And JCSP Phase II-120,000 MW-2010]; A --- C[RGOS Phase II+MTEP09- 50,000 MW? 2010/2011]; A --- D[SPP 765/345 kV Study-12,000 MW 2010];
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Eastern Wind Integration Study  
And JCSP Phase II-120,000 MW-2010

RGOS Phase II+MTEP09- 50,000 MW?  
2010/2011

SPP 765/345 kV Study-12,000 MW  
2010

# Cost Allocation/Sharing Work Groups for Regional Transmission Projects

Midwest ISO Regional Transmission  
Cost Sharing Agreement

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graph TD; A[Midwest ISO Regional Transmission Cost Sharing Agreement] --- B[Upper Midwest Transmission Development Initiative (UMTDI)-6/2009]; A --- C[Organization of MISO States (OMS) Cost Allocation Task Force- Late 2009]; A --- D[Midwest ISO RECB III Work Group 2/2009 Start- early 2010 finish?]
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Upper Midwest Transmission  
Development Initiative (UMTDI)-6/2009

Organization of MISO States (OMS)  
Cost Allocation Task Force- Late 2009

Midwest ISO RECB III Work Group  
2/2009 Start- early 2010 finish?

# MGA Transmission Adequacy Subgroup Deliverables Update

- Deliverable #1-State survey of wind power developers completed for MN/IOWA/WIS/ILL. Other Midwest ISO states with mandates will be done in 3<sup>rd</sup> Quarter, 2009 as part of RGOS Phase II. SPP will provide results for Kansas and Nebraska.
- Deliverable #2-Survey of regulatory commissions was sent out in November, 2008 and completed in February. OMS has provided MGA with their survey results. ***Results and recommendations from survey for subgroup review will be sent to subgroup and OMS in early April.***
- Deliverable #3- Regional transmission plans for MGA platform goals:
  - RGOS Phase I is on schedule to be completed in May/June, 2009
  - JCSP initial study is complete and being used in Congress. EWITS is in progress and should be completed late 2009
  - MISO and MGA will work together on survey and studies needed for RGOS Phase II which will be kicked off in late April.
  - Transmission study results for 20% goal will probably not be done until 2010 when Midwest ISO RGOS Phase II and MTEP09 studies are complete.

# MGA Transmission Adequacy Subgroup Deliverables Update- Cost Allocation Work Groups

- UMTDI has met publicly once and privately March 13<sup>th</sup> to review initial RGOS study results. Feedback to RGOS by end of March. Several new subgroups on cost issues started by Eric Callisto.
- Midwest ISO RECB task force has met twice and d agreed on charter. They will take on OTP/MDU cost issues first and have scheduled 6 meetings over next 3 months.
- OMS has met twice and is moving into discussion on cost sharing options after many presentations on transmission plan scenarios and other RTO transmission cost allocation plans.
- Note: Lauren Azar, Wisconsin PSC commissioner is chairing both OMS and RECB III work groups.

# MGA Commission Survey Results

- We finally have replies from all 13 states and Manitoba
- Nathaniel and Mike are working on a summary and draft recommendations.
- Final results will be posted by MGA, distributed to advisory group members and shared with OMS.
- Next steps will be any recommendations on “model legislation” and/or possible areas of chartered or collaborative state teams on multi-state transmission projects.
- Federal intervention or taking of states rights on need/cost/routing still hangs in the background.

# MGA Commission Survey- Points of Interest

- 7 states are specifically authorized to review and approve regional projects and/or coordinate with other states.
- 5 states have actually done so in specific dockets.
- No states appear to be specifically prohibited from approving out of state project plans and costs.
- A few states could need additional legislative authority to clarify their regulatory authority for approving plans “in the public interest” or to coordinate with other states.
- The idea of interstate compacts to work together on a large project so that a developer wouldn’t have to go through 3 or 4 different state processes is probably worth further investigation.

# Transmission

- MGA working on RGOS Phase II with MISO, starting in April.
  - The 26,000 MW in Phase II includes the 16,000 MW from RGOS I.
  - MISO holding a meeting on scoping RGOS II, April 10<sup>th</sup> (by conference call).
- Michigan completing some study by May/June that will be likely be included in RGOS II.
  - Participants in MGA need to share recommendations from the MGA perspective in this study (to increase the amount).

# Transmission

- Cost allocation decisions will be made at MISO RECB III Work Group.
- UMTDI has sent a letter to FERC to recognize the regional work that has been done (Mike G. has letter).
- Survey Results
  - Reviewed state opinions on the ability to review and approve regional projects.

# Survey results discussion

- What are the next steps?
- Three or four states have similar language in statute to facilitate regional coordination – MN, OH, KS, ?
- MI – Transmission is a top priority and building a multi-state transmission project.
  - MI priorities – Green jobs and transmission.
  - MI does not have a specific provision in its legislation to allow the MPSC to coordinate with other states. In a case 15-20 years ago to build new transmission in SW corner of state linking consumers territory to AEP – strong opposition and stating that this was outside the commission's authority.
    - In a different regulatory environment, this situation could be addressed in an alternate way.

# Survey results discussion

- We could have a focus on energy infrastructure in the MGA process.
  - Brad to follow-up with Tom S.
- MN – the dilemma is:
  - There has been little transmission proposed and built.
  - Nothing of this scale has been proposed or conceptualized.
  - A structure is needed to enable this kind of coordination with careful development.

# Survey results discussion

- MRETS model – identified needs in statutory language and developed model enabling legislation.
- Ohio statute has been cited nationally as a good model approach.
- We will have to avoid interstate commerce barriers.
- Each state would have to opt-in or opt-out.

# Survey results discussion – Next steps

- Nathaniel to do initial draft of model enabling legislation; forward to the group for review.