



Storage Energy Resource – Type II Transmission Charges

Market Subcommittee

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Purpose & Key Takeaways



Purpose: Comparable Transmission Charge Treatment of Stored Energy Resource – Type II and Electric Storage Resource

Key Takeaways:

- MISO does not apply Transmission Charges while an Electric Storage Resource (ESR) is providing certain Ancillary Services in FERC approved Order 841 Compliance
- Stored Energy Resource - Type II (SER Type II) tariff change will provide similar treatment as ESR in the interim as ESR is being implemented

Order 841 requires transmission service charge exemption when dispatched to provide a service

- *Paragraph Citation 297* -transmission charges for single-node resources should be applied to [Electric Storage Resources] ESRs that are located at a single pricing node, **as long as they are not being dispatched to provide an ancillary service**
- *Paragraph Citation 298* - ESRs that are dispatched to consume electricity to provide a service in an RTO/ISO market (e.g., frequency regulation or downward ramping) should not pay the same transmission charges as load during the provision of that service

MISO Proposed ESR Transmission Service Charge Exemption in 2019 Order 841 Compliance Filing

- MISO proposed that the only instance an Electric Storage Resource is dispatched to consume electricity to provide a service is when deploying regulating reserves.
- In its 11/21/19 order, FERC found that energy withdrawals resulting from dispatch for down ramp capability should also be exempt from transmission charges.

MISO Proposes Providing the ESR Transmission Service Charge Exemption to SER-II

- MISO's approved compliance filing clarifies that:
 - Transmission Service is not required for any periods when the ESR is withdrawing Energy while providing Regulating Service or Down Ramp Capability.
 - A Customer's monthly Network Load shall exclude any withdrawals of Energy by ESRs while providing Regulating Service or Down Ramp Capability.
- MISO proposes making tariff changes to apply the same transmission service charge exemptions to SER Type-II
 - The SER Type II participation model is available while MISO builds the Electric Storage Resource participation model
 - SER Type II and Electric Storage Resource are comparable assets and similar rules for transmission service charges should apply

Questions

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