

ITC Comments: There is an important distinction between Electric Storage Resources as considered in the MISO Tariff as defined presently, and the proposal that MISO has set forth for Settlement Only Distributed Energy Aggregated Resources (SODEAR) and Distributed Storage Resources. Existing requirements specifically call out the fact that the ESR must be “capable of complying with the Transmission Provider’s setpoint instructions.” See highlight in the definition below from the current version of MISO’s Tariff. MISO has currently proposed that SODEARs will/could be self-committed and self-dispatched. Thus we point out that it might be useful for the SODEAR definition to change to ensure that they can comply with setpoint instructions.

As a separate but related point, it is important for all involved parties to understand that as various entities are exempted from paying Schedule 26-A charges, other, remaining, entities may see impacts from the need to pay for the charges that would have been borne by the exempted entities, but for the exemption. As SODEARs expand, the proportion of the exempted charges could increase over time.

It seems that more discussion would be useful around the proposed exemption. Aggregations by definition are comprised of multiple elements, how for example would a large set of vehicle chargers be managed if they were part of a SODEAR? Would all of the electricity that might for example serve a bus depot be exempted from Schedule 26-A if the charging units were part of a SODEAR? Is more discussion needed on the potential unanticipated outcomes of the incentives for SODEARs? Taken to the extreme, if most loads had a storage element behind the meter and were part of a SODEAR, who would be left to pay Schedule 26-A charges?

Current Tariff Definition of ESRs

Electric Storage Resource (ESR): A Resource capable of receiving Energy from the Transmission System and storing it for later injection of Energy back to the Transmission System. This definition includes all technologies and/or storage mediums, including but not limited to, batteries, flywheels, compressed air, and pumped-hydro. The location of an ESR may be at any point of grid interconnection, on either the Transmission System or a local distribution system, but must not be outside the Transmission Provider Region. An ESR must: (1) be capable of injecting and withdrawing a minimum of 0.1 MW; (2) be capable of complying with the Transmission Provider's Setpoint Instructions; (3) have the appropriate metering equipment installed; and (4) be physically located within the MISO Balancing Authority Area. The State of Charge shall be managed by the Market Participant operating the ESR. An ESR shall also be deemed a Generator based on, and in contexts relevant to, its capability to inject Energy back into the Transmission System.

The Multi-Value Project Usage Rate ("MUR") is a rate charged to Monthly Net Actual Energy Withdrawals, Export Schedules, and Through Schedules. The MUR is described in Attachment MM Section 5.a.i through Section 5.a.iii of this Tariff, including the formula used to calculate the applicable rate. The charges under this Schedule 26-A shall be in addition to any charges under Schedules 7, 8, 9, 26, 26-C, 26-D, 26-E and 26-F. Grandfathered Agreements

shall not be charged this Schedule 26-A. Monthly Net Actual Energy Withdrawals associated with Electric Storage Resource Transactions [or Distributed Storage Resources within a Settlement Only Distributed Energy Aggregated Resource Transactions](#) will not be charged this Schedule 26-A.

- 1. Rates:** Except as provided above, the applicable Monthly Net Actual Energy Withdrawals as identified in Attachment MM, Section 5.a.i.2 through Section 5.a.iii.2, the applicable Export Schedules as identified in Attachment MM, Section 5.a.i.2 through Section 5.a.iii.2, and applicable Through Schedules as identified in Attachment MM, Section 5.a.i.2 through Section 5.a.iii.3, shall pay the applicable MUR rate as calculated under Section 5.a.i through Section 5.a.iii of Attachment MM of this Tariff.
- 2. Revenue Distribution to Transmission Owners and ITCs:** As and to the extent that the Transmission Provider collects revenues from Market Participants, it shall remit such revenues to the Transmission Owner and/or ITC's in proportion to their annual pro-rata share of the total MVP revenue requirement as determined under Attachment MM.