



John R. Bear
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May 10, 2021

Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Chairman Glick
Commissioner Chatterjee
Commissioner Danly
Commissioner Clements
Commissioner Christie

RE: MISO's Efforts to Address Growing Grid Reliability and Resilience Concerns, Support Our Members' Carbon Reduction Goals, and Implement FERC Policy

Dear Chairman Glick & Commissioners,

The Midcontinent Independent System Operator ("MISO") is at a critical moment in our efforts to address growing grid reliability and resilience concerns while also facilitating our members' strategic plans to decarbonize their generation fleets. We have always been committed to implementing the Federal Energy Regulatory Commission's ("FERC") policy goals. We also remain committed to optimizing the market participation of Electric Storage Resources ("ESRs") as directed in Order No. 841. However, I want to make very clear that without your support of our requested extension to implement the requirements of Order No. 841, MISO's efforts to address growing reliability and resilience concerns and meet our members' carbon reduction goals will be delayed and severely compromised.

As you know, MISO is an independent not-for-profit organization with a responsibility to provide reliability coordination services and to develop transmission plans for a voluntary membership base primarily comprised of vertically integrated utilities. While MISO does not establish policy directions, we must integrate member goals and

Commission directives, like those in Order No. 841, into operational plans designed to add value and maintain reliable grid operations.

Unfortunately, attempting to implement the requirements of ESRs under Order No. 841 while also working to support our members' carbon reduction goals has placed MISO in an unenviable position of choosing a path between conflicting goals that could jeopardize our capability to operate our 15-state wholesale grid reliably, efficiently and securely. For this reason alone, I ask that you give considerable attention to accepting the filing we have made requesting an extension to implement Order No. 841 and issue an order expeditiously.

We project that by 2040, under our planning Future 1, the MISO footprint will have reduced a minimum of 63% of the existing carbon being produced with potential reductions up to 83%. We will see potentially as much as 50 Gigawatts more solar added (a 24% increase) and 31 Gigawatts more wind added (a 14% increase). However, during that same time period, we project that our footprint will only add 600 megawatts (0.6 Gigawatts) of Battery Storage in our Future 1. MISO's vertically integrated member utilities plan the necessary generation resources to meet projected load demands. In addition to the low projections that we show for Battery Storage in the MISO Futures and interconnection queue, our discussions with our members also reflect their views that a relatively small amount of Battery Storage will be brought on-line in near term.

To address the growth of wind, solar, and increased weather volatility, together with our members we are establishing 2024 as the required schedule to implement MISO's new market software platform. This new platform, known as the Market System Enhancement ("MSE") will ensure that MISO is prepared to address growing complexity in meeting reliability and resilience demands. The extension request is required to align plans for building, testing, and implementing the MSE. Battery Storage is currently participating in our markets and our requested extension of Order No. 841 would further optimize the participation of those resources by 2026 in time to meet its projected growth. We note that the MSE system changes required to implement Order No. 841 requirements and those to support wind and solar integration are each considerable and require time and focus from the very same resources to implement changes.

I realize FERC must balance various interests in promoting competitive wholesale markets. MISO has demonstrated over the years its ability to objectively project future needs, assess grid conditions, and to inform the Commission where its support is needed to add value and maintain reliable and resilient grid operations. This is one of those moments where I am asking for your support. I respectfully request that the Commission issue an Order accepting MISO's requested extension to implement the requirements of Order No. 841.

This correspondence has been submitted in Docket No. ER19-465.

Sincerely,

A handwritten signature in black ink, appearing to read "JRB" with a long horizontal stroke extending to the right.

John R. Bear
Chief Executive Officer

cc: Chairman and President, Edison Electric Institute
Chief Executive Officer, National Rural Electric Cooperative Association
President and CEO, North American Electric Reliability Corporation
President and CEO, American Public Power Association
President, Organization of MISO States
MISO Board of Directors