



Technical Conference on Environmental Regulations and Electric Reliability, Wholesale
Electricity Markets, and Energy Infrastructure

Docket No. AD15-4-000

Central region¹ - March 31, 2015, St. Louis, MO

Agenda

8:45am – 9:00am **Welcome and opening remarks**

9:00am – 9:30am **Regional energy infrastructure presentation (FERC staff)**

9:30am – 10:00am **Introduction to the Clean Power Plan**

Janet McCabe, Acting Assistant Administrator for the Office of Air and Radiation, Environmental Protection Agency (EPA), will provide a brief overview of the proposed Clean Power Plan² and highlight specific issues relevant to the Central region.

10:00am – 12:00pm **Electric reliability considerations**

Panelists should be prepared to discuss the following topics and questions:

1. The Central region includes two interconnections, comprises three Regional Transmission Organizations/Independent System Operators (RTOs/ISOs) (including two multi-state RTOs/ISOs and the Electric Reliability Council of Texas (ERCOT)), several large vertically-integrated electric utility systems (including single-state and multi-state systems), and a range of other publically-owned, member-owned, and investor-owned electric industry entities.

¹ For purposes of this conference, the Central Region includes the following Commission-approved Order No. 1000 planning regions: Midcontinent Independent System Operator, Inc. (MISO) and Southwest Power Pool, Inc. (SPP). This region also includes the Electric Reliability Council of Texas (ERCOT).

² Carbon Pollution Emission Guidelines for Existing Stationary Sources: Electric Utility Generating Units, Federal Register, 79 Fed. Reg. 34,830 (2014) (Proposed Rule), available at <http://www.gpo.gov/fdsys/pkg/FR-2014-06-18/pdf/2014-13726.pdf>.

- a. What tools or processes are available to ensure electric system reliability as well as coordination among the states and regions in complying with the proposed Clean Power Plan? Are additional tools or processes needed to ensure the coordination between these entities? What role can NERC, regional entities, including regional reliability entities, RTOs/ISOs, FERC and regional state regulator groups (such as Organization of MISO States (OMS), SPP Regional-State Committee, etc.) play in supporting compliance plans?
 - b. How should entities in the Central region engage with environmental regulators (including state environmental regulators, EPA regional offices, etc.) to ensure reliability as compliance planning moves forward?
2. Each of the Central region states face a different set of circumstances, including the range of electric industry entities, their resource mix, applicable state public policy goals or requirements, and state-specific carbon reduction goals. Considering this diversity, what would be the primary considerations in developing regional compliance plans?
3. What operational issues could arise in the Central region under different compliance approaches, including under the scenario of neighboring states adopting different compliance methods? How should those operational issues be monitored?
 - a. What tools or processes are available to entities in the Central region to address potential reliability issues as compliance moves forward? Are additional tools or processes needed given the geography and characteristics of the Central region?
 - b. What tools or processes are available to address situations where neighboring states within the same RTO/ISO or adjacent vertically-integrated utility system adopt differing compliance methods? Are additional tools or processes needed to address operational or market impacts that may arise in such situations?
4. What are the preliminary indications from studies that have been conducted regarding the impacts of the proposed Clean Power Plan on reliability in the Central region? What other reliability studies are currently underway? Are there limitations to the current studies; and, if so, how can future studies address those limitations?
5. Are adaptations to current Commission policies needed to ensure that reliability is maintained in the Central region?

Panelists

- Chairman Donna Nelson, Public Utility Commission of Texas
- Commissioner Nancy Lange, Minnesota Public Utilities Commission
- Warren Lasher, Director, System Planning, Electric Reliability Council of Texas
- Warner Baxter, Chairman, President and CEO, Ameren

- Michalene Reilly, Manager, Environmental Special Projects, Hoosier Energy REC, Inc.
- Mike Peters, President and CEO, WPPI Energy
- Beth Soholt, Executive Director, Wind on the Wires
- Commissioner Thomas Easterly, Indiana Department of Environmental Management

12:00pm – 1:00pm Lunch

1:00pm – 2:45pm Identifying and addressing infrastructure needs

Panelists should be prepared to discuss the following topics and questions:

1. Given the diversity of entities in the Central region, how can potential infrastructure needs be identified, planned for and constructed in time to comply with the proposed Clean Power Plan? How will Order No. 1000 and other regional and interregional planning processes identify and plan for infrastructure needed to comply with the Clean Power Plan? Are additional mechanisms or processes needed?
2. How will compliance with the proposed Clean Power Plan affect existing transactions between RTOs/ISOs and between states in the Central region? Will changes to trading patterns cause the need for new infrastructure (*e.g.*, electric transmission, natural gas pipelines, gas storage facilities)? If so, how will construction of the needed infrastructure be synchronized with compliance to the rule?
3. Will current approaches to resource adequacy support investment in additional generating resources needed for compliance with the proposed Clean Power Plan? Are changes to existing approaches or the creation of new approaches necessary to facilitate investments needed for compliance?
4. Given the possibility that a large amount of coal-fired generation in the Central region could be retired as a result of both the Mercury and Air Toxics Standards and the Clean Power Plan, what issues may arise if many of these units are required to stay online as Reliability Must Run units or System Support Resources? If transmission upgrades must be built to allow Reliability Must Run units or System Support Resources to retire, how will that affect the timing of compliance with the Clean Power Plan?
5. Please discuss the various electric and gas transmission issues that may arise as a result of potential increases in new renewable and gas-fired generation.
6. Please comment on any studies that have been performed with respect to infrastructure needs in the Central region to comply with the Clean Power Plan.
7. Are adaptations to current Commission policies needed to facilitate the development of necessary infrastructure for the Central region?

Panelists

- Commissioner Stephen M. Stoll, Missouri Public Service Commission
- Commissioner Brian P. Kalk, North Dakota Public Service Commission
- Lanny Nickell, Vice President, Engineering, Southwest Power Pool
- Michael Cashin, Environmental Policy Adviser, ALLETE
- Robert (Steve) Gaw, Attorney/Consultant, The Wind Coalition
- Amy Farrell, Vice President, Market Development, America's Natural Gas Alliance
- Leslie Kalmbach, Vice President, Enable Midstream Partners, L.P., Enable Gas Transmission, LLC
- Lauren Azar, Former Wisconsin Commissioner, Former DOE Official, Azar Law LLC
- Clair Moeller, Executive Vice President of Transmission and Technology, MISO

2:45pm – 3:00pm **Break**

3:00pm – 4:45pm **Potential implications for wholesale markets**

Panelists should be prepared to discuss the following topics and questions:

1. What wholesale market issues could arise in the Central region under various compliance approaches? How might the wholesale market be impacted by a potential increase in Reliability Must Run units or System Support Resources? Similarly, how might the need for out of market commitments change under various compliance approaches? Are there revisions to market rules or regional market practices that could facilitate compliance with the proposed Clean Power Plan while ensuring good price formation in the energy and ancillary services markets?
2. If compliance with the Clean Power Plan creates new seams between the different wholesale markets in the Central region, what issues might arise (such as broader market coordination issues or issues that may face states in more than one RTO/ISO) and how can those issues be addressed? Are additional tools or tariff revisions needed to address potential new seams issues? What tools are available to ensure that regional market practices coordinate across the Central region under various compliance approaches?
3. Are new reserve, ancillary services or other market products needed to support compliance with the proposed Clean Power Plan?
4. What generation dispatch issues could arise, either in RTOs/ISOs or vertically-integrated utility systems, under various compliance approaches? What tools are available to ensure efficient generation dispatch under various compliance approaches?

5. What market features support regional approaches to compliance with the Clean Power Plan? Are new market features needed to support the ability of states to pursue regional compliance approaches?

Panelists

- Chairman John D. Quackenbush, Michigan Public Service Commission
- Richard Doying, Executive Vice President of Operations and Corporate Services, MISO
- Michael Schnitzer, Director, The NorthBridge Group (on behalf of Entergy Services, Inc.)
- Corey Linville, Vice President of Power Supply and Delivery, Sunflower Electric Power Corporation
- Doug Scott, Vice President for Strategic Initiatives, Great Plains Institute (on behalf of Midwest Power Sector Collaborative)
- Jacob Williams, Vice President Global Energy Analytics, Peabody Energy
- Jennifer Vosburg, Senior Vice President, Gulf Coast Region; President, Louisiana Generating LLC, NRG Energy
- Jeffery Gust, Vice President, Compliance and Standards, MidAmerican Energy Company (on behalf of Berkshire Hathaway Energy)

4:45pm – 5:00pm

Wrap up and closing remarks