Planning for the future of the electric grid in an uncertain world

A reminder provided by the Clean Power Plan stay

National Conference of State Legislatures
August 11, 2016
While EPA’s Clean Power Plan (or other carbon rules) may affect the electric industry in the future, many other forces are already having major impacts.

**Environmental / Regulatory**
- Mercury & Air Toxics Standards (MATS)
- Air-quality standards for ozone, SO₂, etc.
- Potential greenhouse gas regulations

**Economics**
- Low-cost natural gas
- Economic recovery
- Demand growth shift
- Infrastructure investment

**State & Federal Policy**
- Renewable portfolio standards
- Energy efficiency/demand-side management programs
- Tax credits
- FERC orders addressing demand response participation in wholesale energy markets

**Evolving Technologies**
- Wind power
- Solar energy
- Energy storage
- Distributed generation
- Load-modifying resources

**Electric Industry**

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**MISO**
MISO’s roles with respect to forces impacting the region

Informing Policymakers and Asset Owners

- Modeling and analysis of regulatory and policy factors impacting the electric industry
- Regional view of potential impacts

Enabling the Reliable, Efficient Implementation of Policy Decisions

- Assessment of MISO system operational impacts
- Evolution of market design
- Transmission planning: second round of Multi-Value Projects?
Key observations of MISO’s analysis of the Clean Power Plan rule

1. REGIONAL
Regional compliance is less costly than state-by-state compliance

2. MASS/RATE COMPARISON
The MISO region sees a mass-based compliance advantage unless a regional heavy penetration of renewables and energy efficiency is achieved

3. NEW INVESTMENT
New capital investment will be needed to achieve reliable, cost-effective compliance
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