PJM/MISO Inter-Regional Planning Stakeholder Advisory Committee (IPSAC) Annual Issues Review Third Party Issues and Feedback January 30, 2024

Comments by PJM and MISO Consumer Advocates on the 2024 IPSAC AIR

The undersigned consumer advocates from PJM and MISO states appreciate the opportunity to submit comments for the 2024 PJM-MISO Inter-Regional Planning Stakeholder Advisory Committee (IPSAC) Annual Issues Review (AIR) process. Transmission planning is more cost-effective and results in better outcomes for consumers when it is done comprehensively, transparently, and using multi-value drivers. The current siloed process forces ratepayers to pay more for less beneficial outcomes. At a time when transmission is the fastest growing portion of a ratepayers' bill, it is imperative that transmission across the region be well-planned. Given the need for and benefits of well-planned, proactive interregional transmission between PJM and MISO, we urge the IPSAC to reform the current process to fully realize the cost and reliability benefits of an interconnected grid.

Interregional transmission between PJM and MISO, when well-designed and utilized, improves reliability and affordability for ratepayers in both RTOs. A recent study has shown that interregional transmission could provide as much as \$15.1 billion in value from deferred capacity investments, in addition to \$1.7 billion in annual savings from reduced congestion costs. The benefits of interregional transmission exist under all weather conditions, but are particularly evident in the face of extreme weather. Such transmission capacity helps avoid blackouts in severe conditions, in addition to providing cost savings. For example, each additional GW of interregional transmission during Winter Storm Elliott in 2022 would have saved consumers \$26 million.²

However, interregional planning is both siloed and underutilized, and there is no process to proactively plan and build large-scale transmission between PJM and MISO. The processes that do exist are reactive, difficult to navigate, and small-scale. Differences in regional planning between the RTOs exacerbate the disconnect. We encourage the IPSAC to establish a forward-looking, multi-year interregional planning process with a standardized list of benefits metrics to comprehensively identify and address interregional needs, rather than waiting for each RTO to surface these needs as part of siloed regional planning process. MISO and SPP's new Seams Liaison Committee is a useful model and could be expanded in PJM and MISO to focus on transmission needs beyond interconnection.³

Similarly, it is imperative that existing interregional transmission is used to its full benefit. Existing interregional ties are not fully optimized to maintain low costs for consumers. Better optimizing interregional ties between MISO, PJM, and SPP could save \$50-60 million/year per 1

¹ Michael Goggin and Zach Zimmermann, "Billions in Benefits: A Path for Expanding Transmission Between PJM and MISO," Grid Strategies, prepared for the American Council on Renewable Energy (ACORE), October 2023, https://acore.org/wp-content/uploads/2023/11/ACORE-Billions-in-Benefits-A-Path-for-Expanding-Transmission-Between-MISO-and-PJM.pdf

² Michael Goggin and Zach Zimmermann, "The Value of Transmission During Winter Storm Elliott," Grid Strategies, prepared for the American Council on Renewable Energy (ACORE), February 2023, https://acore.org/wp-content/uploads/2023/02/The-Value-of-Transmission-During-Winter-Storm-Elliott-ACORE.pdf

³ MISO-SPP Joint Targeted Interconnection Queue Study, https://www.spp.org/engineering/spp-miso-jtiq/

GW of interregional capacity.⁴ As the IPSAC considers potential changes to PJM and MISO's collective interregional planning process, it should also incorporate changes to how existing interregional transfer capacity is utilized, such as enhancing intertie optimization.

We urge the PJM-MISO IPSAC to update its existing interregional planning framework to proactively plan for stronger connectivity that reduces costs and improves reliability. Increasing interregional transmission and improving the efficiency and effectiveness of the connectivity will provide significant benefits to consumers.

Sincerely,

Sarah Moskowitz Executive Director Citizens Utility Board of Illinois

John Liskey General Counsel Citizens Utility Board of Michigan 921 N. Washington Ave Lansing, MI 48906 517-913-5105

Robert F. Williams
Director
Consumer Advocate Division
Public Service Commission of WV
300 Capitol Street, Suite 810
Charleston, WV 25301

Logan Atkinson Burke
Executive Director
Alliance for Affordable Energy
January 22, 2023

Dana Nessel Michigan Attorney General P.O. Box 30212 Lansing, Michigan 48909 /s/ Brandon Crawford
Brandon Crawford
Regulatory Advocate
Citizens Utility Board of Minnesota
332 Minnesota St., Suite W1360
St. Paul, MN 55101

NEW JERSEY DIVISION OF RATE COUNSEL

BRIAN O. LIPMAN, DIRECTOR By: /s/ Brian Lipman Brian O. Lipman, Esq. Robert Glover, Esq. T. David Wand, Esq. 140 East Front Street, 4th Floor P.O. Box 004 Trenton, NJ 08625 (609) 984-1460

Arthur W. Iler,
Deputy Consumer Counselor, Federal Affairs
Scott R. Jones,
Senior Utility Analyst, Federal Affairs
Indiana Office of Utility Consumer Counselor

Susan L. Satter Chief, Public Utilities Bureau Office of the Illinois Attorney General

⁴ "The Need for Intertie Optimization: Reducing Customer Costs, Improving Grid Resilience, and Encouraging Interregional Transmission," Brattle Group and Wilkie Farr & Gallagher LLP, prepared for ACORE, Advanced Power Alliance, Grid United, Invenergy, MAREC Action, and NRDC, October 2023, https://www.brattle.com/wp-content/uploads/2023/10/The-Need-for-Intertie-Optimization-Reducing-Customer-Costs-Improving-Grid-Resilience-and-Encouraging-Interregional-Transmission-Report.pdf