Organization of MISO States Resource Adequacy Working Group (RAWG) Proposed Resolution on Resource Planning Reserve Requirements

Whereas, deliverable resources sufficient to meet the needs of electric consumers in the region are necessary to assure reliable service and a fully operational competitive wholesale market; and

Whereas, sufficient planning reserve margins alleviate supply shortages, diminish price volatility in the energy market, and are essential to assure that resources are available when needed; and

Whereas, to maintain competitive neutrality and prevent cost shifting, each entity providing service to retail load must maintain their share of the obligation for sufficient planning reserves; and

Whereas, emerging contractual arrangements lack provisions to effectively enforce planning reserve requirements among load serving entities; and

Whereas, most state regulatory agencies have existing authority to establish and enforce planning reserve requirements over jurisdictional entities;

Whereas, the sovereign states and province represented in the membership of the Board of the Organization of MISO States (OMS), together with their duly constituted regulatory agencies, have the primary role under state or provincial law governing electric generation and resource adequacy as recognized in Section 1211(i) of the Energy Policy Act of 2005;

Be it resolved, that the OMS Board urges all entities or their designated planned reserve sharing groups serving load within the Midwest ISO to adopt contractually enforceable planning reserve requirements to assure there are sufficient resources to maintain continuous reliability and effective competition; and

Be it further resolved, that the Midwest ISO should recognize the contractually enforceable reserve requirements adopted by each load-serving entity or planned reserve-sharing group in its region-wide planning processes.

Adopted by the Board of the Organization of MISO States February 8, 2007