

OMS RPWG Staff Responses to MISO's Request for Stakeholder Input on OOC Process:

The feedback below is OMS Staff suggestions from members of the OMS Regional Planning Workgroup (RPWG Staff) and does not represent an OMS opinion on this issue. The responses below should serve as discussion points for MISO Staff.

1. Should MISO add inclusion or exclusion criteria to the tariff to limit the type of projects subject to the Out-of-Cycle review process? If so, what should those criteria look like (i.e. project driver, cost allocation treatment, project cost, project lead time or In-service date, etc.)?

The RPWG Staff believes that the current Out of Cycle (OOC) review process needs to be narrowed and limited in its application and MISO should have more decisional control over requests for OOC review, especially under certain circumstances. Staff would like MISO, through the stakeholder process, to decide which OOC proposals warrant OOC consideration and make the appropriate scaling decisions to ensure that the project addresses an *immediate* crucial need and is not scaled to address long-run planning objectives.¹

Establishing exclusion or inclusion criteria on an OOC review process is a challenge and can be potentially restrictive; however the RPWG Staff would like MISO to consider certain circumstances that would warrant more scrutiny of a project's characteristics when it is being proposed by a Transmission Owner (TO) for OOC review. Because under the MISO Tariff, it is the TO that requests an OOC review and not MISO, the RPWG Staff believe that there are certain project characteristics that would be useful to establish as criteria. Below are Staff suggestions:

- The types of projects warranting OOC consideration include interconnection requests to address new and immediate load; projects necessary to mitigate a newly discovered critical system event deemed urgent for system reliability; and projects necessary to immediately comply with legislative mandate deadlines. OOC projects submissions should contain an expected length of time to complete a project. If a project's need date is three years out, but it only is estimated to take one year to complete the project, it would be much less likely that project would survive on OOC review process, and it may be more appropriate for such a project to go through the regular MTEP review process. MISO's Tariff should specifically require a transmission owner seeking an OOC review process to fully document and explain what the need drivers and any associated issues are that support the need for OOC review of a project.

¹ Specifically, with regards to reliability projects, MISO should also require that all event analysis and Reliability Organization reports and correspondence with the TO on critical system occurrences be submitted with the TO report documenting the need for the project to the Regional Technical Studies Task Force (RTSTF). Any OOC recommendation for projects deemed necessary to immediately mitigate critical system events should be based on the event analysis and not for long term planning purposes. Projects that may restrict planning options for known regional needs should not be approved in the OOC process.

- OOC review should also be restricted to projects without cost sharing. For example, MVP and MEP, both of which are cost shared, would not be eligible for OOC review. Neither would BRPs that are cost shared; however, BRPs and other projects that are not cost shared could be eligible for OOC review.
- If however, an OOC option is not limited for projects that are cost shared, then placing a cost criterion (e.g., cost cap) on the project would be of greater importance and worth more stakeholder consideration and vetting. This would be beneficial for making sure that larger, more complex, costlier projects are not rushed through an expedited review process.

2. ***What would an appropriate base expectation be for timing to study, and for stakeholder review, of OOC requests? Is 30 days realistic?***

OMS RPWG Staff also have concerns related to the compressed schedule of the OOC process. RPWG Staff are concerned that there is a lack of distinction between candidate OOC projects that are smaller and more straightforward, likely requiring a shorter window of time for evaluation, and those that are more complex. Larger regional projects may have numerous viable alternatives and require a longer time for sufficient, timely, and meaningful study and evaluation to recommend the best solution. The compressed OOC schedule creates the potential for the MISO Board to approve projects that may not be the best option because the compressed OOC schedule did not allow enough time for a full vetting of all of the possible options. Shortened and overlapping analysis of these OOC projects cause additional strain on MISO resources and subject matter experts who are relied on by stakeholders to perform the detailed analysis of the proposed projects.

RPWG Staff recommends that MISO incorporate timing criteria for all OOC proposals. One suggestion is a minimum requirement of four months from when an OOC project is proposed to when MISO Board of Directors' approval of the project is expected. Staff also suggests that larger, complex projects with higher costs be given a longer minimum evaluation timing criteria, e.g., six months. This would allow MISO staff the necessary time to analyze the proposed projects and properly vet any and all alternatives to ensure that reliability of the system is not impacted and that the best solution is recommended for MISO Board approval. The addition of minimum timing criteria depending on the nature of the project and the number of alternatives also allows stakeholders more time to be involved in the OOC planning analysis of projects. This minimum time requirement enables MISO to follow an open and transparent planning process as directed by FERC Order 890 and reinforced by Order 1000.

Another suggestion, supported by a minority of RPWG Staff, might be to establish a range of timelines based on the OOC project's characteristics. The thought would be that for the small, minor, locally justified projects a minimum of thirty days from when an OOC project is proposed to when MISO Board of Directors' approval of the project is expected may be reasonable.

3. What is the appropriate expectation for Board of Directors approval? What type of benefits or costs would be incurred from a fixed board review schedule for OOC (e.g. quarterly) compared to the current “as ready” approach?

RPWG Staff do not support fixed board review schedule for OOC. OOC consideration should be restricted to projects addressing immediate and urgent needs that cannot be addressed in time by the normal MTEP planning process.