
Disclaimer: This document is a draft and the information contained herein is subject to change and is currently undergoing review by the RSC. If the RSC approve to submit a letter in support of the OMS comments, the final version will be published.

On August XX, 2019, the Organization of MISO States (“OMS”) submitted comments to the Federal Energy Regulatory Commission (FERC) in Docket No. PL19-3-000. The Southwest Power Pool Regional State Committee supports the OMS regarding the granting of incentives based on interregional project characteristics. The granting of such incentives, while worthwhile in some instances, should not be automatic, and there may be better methods of encouraging these projects.

The Commission should not create a specific, automatic incentive for interregional projects as interregional projects fit neatly within the Commission’s current risks and challenges framework and can be analyzed on a case-by-case basis in order to encourage their development. The Commission should ensure that cost allocation methodologies are in place that recognize all of the benefits from interregional transmission projects, including delivered cost of energy and to allocate the costs to all who benefit.¹

Further, the interregional planning process may be a better place than incentives policy to start looking for openings to encourage interregional transmission development. For example, recently the OMS and the SPP RSC have begun to analyze whether further improvements to the planning processes of their respective regions might be needed in order to benefit ratepayers, especially as it relates to overcoming issues with identifying beneficial interregional projects along RTO seams.²

¹ Comments of Joints Commenters at 53.

² Seams Coordination Effort <https://www.misostates.org/index.php/work-products/seams-coordination-effort>.