

MISO-SPP JTIQ Cost Allocation Methodology Development

Joint Stakeholder Meeting

4/15/2022

Introductory Executive Remarks

Additional Details on Projects Included in MISO's LRTP

- Two JTIQ Projects are overlapping with LRTP Tranche 1 Portfolio
 - Big Stone – Alexandria – Riverview – Quarry – Monticello 345 kV (\$425M)
 - Jamestown – Ellendale 345 kV (\$165M)
- These projects demonstrate benefits to load and qualify in the MVP Category
- Contingent on FERC's approval -
 - MISO will proceed with these projects in LRTP study and will be funded by load.
 - JTIQ study has documented the need of these projects; However, these project may not be included in Cost allocation discussion and filing of JTIQ portfolio.

Additional Details on JTIQ Study Models

- MISO/SPP Model Consistencies
 - Transmission topology
 - Load levels
 - Generation siting in base cases
 - Additional generation sited for JTIQ study purposes
- MISO/SPP Model Variations
 - Generation dispatch methodologies (Both base generation and JTIQ generation)
 - Facility loadings due to different dispatch

Additional Details on MW Enablement Analysis

- MISO and SPP individually calculated the interconnection capability created in the combined regions of both RTOs
- MW enablement calculation methodology was consistent between MISO and SPP
- Total 28.6 GW of MW enablement with JTIQ Portfolio
 - In MISO models, 17.5 GW is enabled in MISO footprint
 - In SPP Models, 11.1 GW is enabled in SPP footprint

Model	SPP Generation Enabled	MISO Generation Enabled	Total Generation Enabled
MISO Model	10.5 GW	17.5 GW	28 GW
SPP Model	11.1 GW	41.9 GW	53 GW

Calculating Cost to Individual Generators

- GI requests with a 5% or greater DFAX on the JTIQ portfolio as calculated in the direct connect RTO's cluster study process
 - MISO GI requests serving MISO load
 - SPP GI requests serving SPP load
- The JTIQ charge would not be included in the affected system study process of either RTO
- For GI requests meeting the threshold above, JTIQ charge will be calculated as follows
 - *JTIQ Charge =*
(Physical Impact in MW on JTIQ Portfolio Facilities) ×
(JTIQ Cost Multiplier in \$)
 - EXAMPLE = (27 MW Impact) x (\$35,000 / MW) = \$945,000

Determining the JTIQ Cost Multiplier

- MISO and SPP will determine the appropriate JTIQ cost multiplier with the following goals in mind
 - Collect 100% of GI customer's portion of necessary funding for JTIQ portfolio
 - Minimize the occurrence of the JTIQ charge being applied beyond the amount of capacity created
- Initial Available Capacity Calculation

'Critical Mass' Concept for Initial Project Funding

- Purpose – Ensure a specific amount of overall funding from GI customers is confirmed prior to initiating construction
- 'Critical Mass' = 50% of total JTIQ portfolio funding agree to by GI customers collectively in the form of the JTIQ charge in signed GIAs
- Options for the 'Other 50%'
 - Local TOs
 - Regionally funded initially with GI payback
 - Other Options

Implementing JTIQ – Current and/or Future Clusters

- Additional Analysis – JTIQ applicable GI requests in the current queue
 - Estimate the number of GI requests and total capacity that will be applicable to the JTIQ charge previously described
 - Provides insight into when critical mass could potentially be achieved
- Options for JTIQ Implementation
 - ASAP – Apply to all cluster not reached a defined point in the cluster study process as of approval
 - Beginning with the next open submission window after approval
 - Other options?

Cost Allocation Methodology Timeline and Approach

- Timeline
 - Continued methodology development in Q2 and Q3 of 2022
 - Additional joint stakeholder meetings tentatively scheduled
 - May 20, 10:00-12:00 CT
 - June 27, 10:00-12:00 CT
 - July 29, 10:00-12:00 CT
 - FERC filing(s) targeted for end of year 2022
 - Formal MISO and SPP approvals of JTIQ transmission projects Q1/Q2 2023
- Approach to Methodology Development
 - Continuing to build out the framework components
 - Directly engage key segments of MISO+SPP stakeholders
 - Engage state and federal regulators
 - Engage key Regional Stakeholder Groups when/where appropriate

Closing Executive Remarks

Questions or Feedback

- Please submitted questions or feedback to the following
 - MISO – GI-AFS@misoenergy.org
 - SPP - interregionalrelations@spp.org