

**Statement of Dennis D. Kramer**  
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**Ameren Services Company**  
**on behalf of the MISO Transmission Owners**

*Competitive Transmission Development Technical Conference*

*Docket No. AD16-18-000*

*Panel 4: Interregional Transmission Coordination Issues*

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I am Dennis D. Kramer, Senior Director of Transmission Policy, Planning and Stakeholder Relations for Ameren Services Company, and appear today on behalf of the MISO Transmission Owners.<sup>1</sup> I appreciate this opportunity to address the Commissioners and Commission Staff on the important issues identified in the agenda, and particularly issues related to interregional transmission coordination.

The MISO Transmission Owners welcome the Commission addressing issues related to interregional transmission coordination through the scheduling of this technical conference. While Order No. 1000 is now almost five years old, it is important to note at the outset that the implementation of Order No. 1000's transmission planning enhancements was appropriately initially focused upon the regional processes. With this fact in mind, the Commission afforded regions additional time to develop their interregional processes and interregional compliance filings. Therefore, the Commission should recognize that interregional transmission coordination processes are in various stages of implementation across the country, and it is thus probably premature to draw any significant conclusions regarding whether interregional coordination procedures adopted by pairs of transmission planning regions will ultimately be effective at achieving the goals of Order No. 1000.

Even though specific Order No. 1000 interregional efforts are only now starting to be implemented in full, regions like the Midcontinent Independent System Operator, Inc. ("MISO") have long been actively engaged in interregional coordination processes with their neighbors, particularly where existing joint operating agreements ("JOA") or other pre-Order No. 1000 seams agreements exist. MISO's comprehensive JOAs with its regional transmission organization ("RTO") neighbors provide for interregional data exchange and coordination, congestion management, and interregional planning, among other things. These JOAs have provided a solid foundation for MISO's compliance with Order No. 1000 interregional mandates. The Commission should recognize the importance of such agreements where they exist and the significant role that they play in implementing the Order No. 1000 interregional reforms. In other regions where pre-existing JOAs did not exist, regions have had to create and implement entirely new processes, which have resulted in considerable differences across the country in the progress regions have achieved in implementing the Order No. 1000 interregional requirements.

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<sup>1</sup> Not all MISO Transmission Owners agree with all of the comments in this statement.

Given the effectiveness of JOAs and other similar agreements in serving as a basis for interregional coordination, pairs of neighboring regions continue to be the most appropriate geographic scope for addressing challenges associated with interregional transmission development. Because of the large geographic size of the transmission planning regions adopted under Order No. 1000 and various other differences in circumstances among the regions, issues that arise on one side of a transmission planning region may be significantly different from seams issues that arise along other parts of the region's boundaries. Thus, solutions adopted for one pair of neighboring regions may not be appropriate for either of those regions to adopt with their other neighbors. For these reasons, the Commission should continue to require interregional transmission coordination among pairs of regions rather than requiring multi-region coordination. While there may be some benefit to multi-regional coordination, the Commission should continue to allow such efforts on a voluntary basis rather than mandating multi-regional coordination. It is difficult enough for each Order No. 1000 planning region and its stakeholders to coordinate with each neighboring region—adding more parties to that mix will make the process untenable and ultimately delay the identification and implementation of beneficial transmission expansions. The Commission was wise in Order No. 1000 in limiting its interregional mandates to pairs of neighboring regions.

While historically MISO has engaged in extensive interregional coordination with its RTO neighbors under the existing JOAs, the MISO Transmission Owners believe that improvements could be made. For example, better scheduling and coordination of the timelines, system studies, stakeholder input, and reporting could increase the effectiveness and efficiency of the interregional process. Eliminating duplicative or redundant tests and studies also could provide efficiencies that would benefit all parties in the interregional process. When assessing the need for and benefits of interregional transmission facilities, regions should use the most up-to-date models to ensure consistency as each region evaluates a given interregional facility. Improved coordination between regions highlights the need to recognize important regional differences in terms of (among other things) resource mix, market structure, and stakeholder composition. Thus, it is important for the Commission to continue to recognize and allow for regional differences both across the country and between neighboring regions.

The MISO Transmission Owners support the requirement to adopt efficient and effective processes to identify, evaluate, select, and implement interregional transmission solutions that are more efficient or cost-effective than separate regional solutions. To facilitate the success of these processes, it is extremely important that both regions agree that project costs are allocated to each region commensurate with the benefits each region receives and that the facility is indeed the most efficient and cost-effective solution to the identified transmission issue(s). As the Commission recognized in Order No. 1000, agreement over costs and benefits is necessary to ensure the effectiveness of any cost allocation method, and imposing costs on regions without commensurate benefit will undermine the effectiveness of the interregional transmission process.

The MISO Transmission Owners believe that the interregional transmission coordination requirements issued in Order No. 1000 have positively affected how neighboring transmission planning regions coordinate and communicate. Regions have

increased communications on assumptions and potential solutions to transmission issues. However, while continued improvement is needed to ensure that the potential benefits of interregional coordination are achieved, the MISO Transmission Owners do not believe that significant new regulatory action by the Commission is needed at this time to facilitate that improvement. As regions gain more experience in implementing their Order No. 1000 interregional processes, they and their stakeholders should examine the processes for possible improvements and the Commission should be open to filings by regions to implement the improvements.

I look forward to your questions and the robust discussion with my colleagues on this panel.