

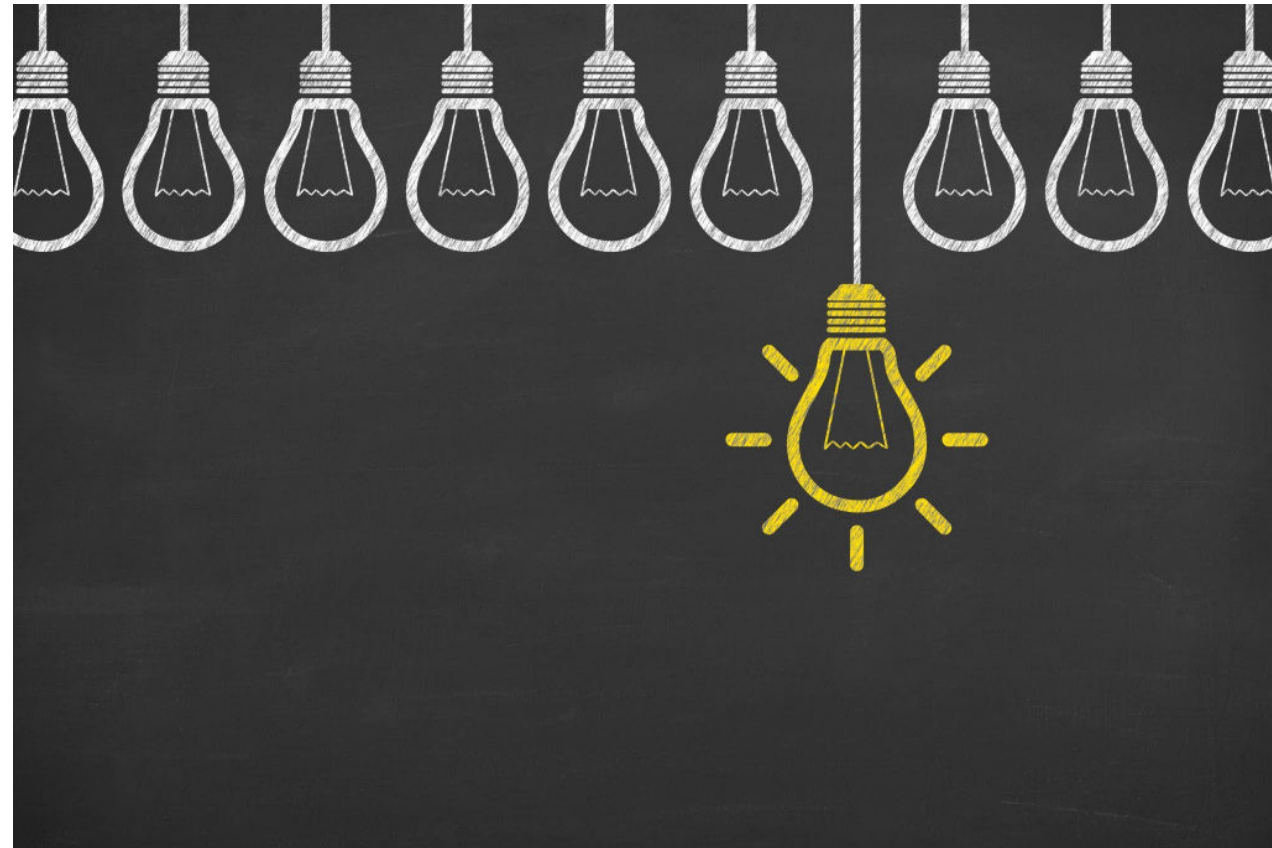
25 Years with Open Access and Order 888: The Consumer Perspective



Karen Onaran, *Vice President*, ELCON
* @KarenOnaran #energytwitter #EBA2022AM

2022 EBA
ANNUAL MEETING
& CONFERENCE

MAY 10-11
MARRIOTT MARQUIS
WASHINGTON, DC



Are electricity consumers in RTO/ISO regions inherently different than they are in non-RTO/ISO regions?

Why the disparity?

2022 EBA
ANNUAL MEETING
& CONFERENCE

Benefits of RTOs

Transparency

Information/Data

Voting Rights

Non-discriminatory market entry/access

Wholesale Savings*

Reliability and Resource Adequacy

Access to larger footprint

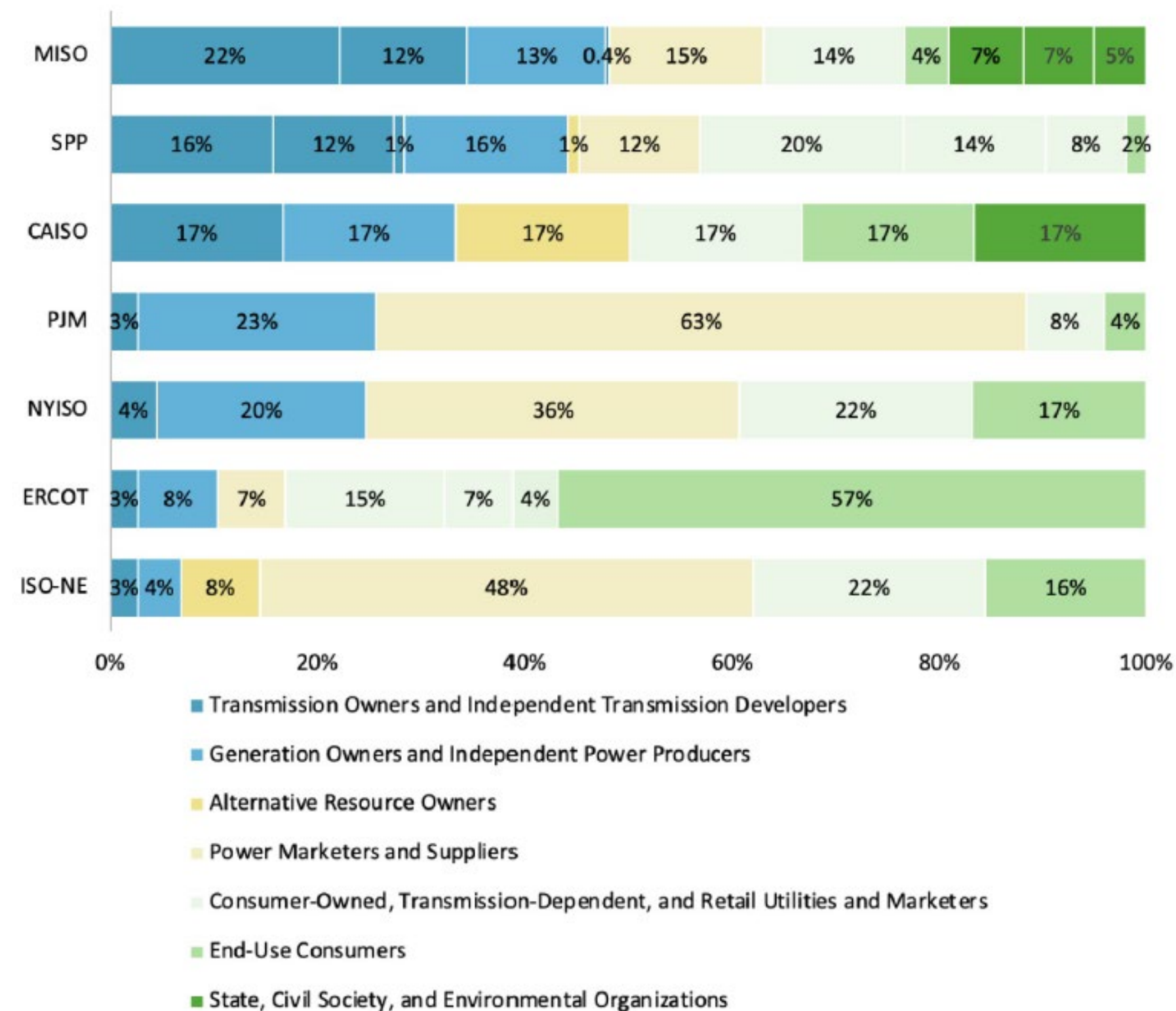
FERC Orders Applicable to RTOs/ISOs

“Death by a thousand cuts”

- **Order 681** – Long-Term Firm Transmission Rights
- **Order 719** – Wholesale Competition
- **Order 741** – Credit Reforms
- **Order 745** – Demand Response
- **Order 755** – Frequency Regulation Compensation
- **Order 760** – Market Surveillance
- **Order 825** – Shortage Pricing
- **Order 831** – Offer Caps
- **Order 841** – Storage
- **Order 844** – Uplift Reports
- **Order 861** – Market Power
- **Order 2222** – DER Aggregation

ROE Adder for participation in an RTO – on the chopping block?

RTO Governance



Source: Stephanie Lenhart, Dalten Fox, "Participatory democracy in dynamic contexts: A review of regional transmission organization governance in the United States" Energy Research & Social Science, Vol. 83 (Jan. 2022)

	Stronger State and More Informal Stakeholder Power		Moderate State and Moderate Stakeholder Power		Weaker State and More Formal Stakeholder Power		
	CAISO	ERCOT	MISO	SPP	ISO-NE	NYISO	PJM
Restructuring: resource adequacy/ retail choice	State-regulated/ Partial choice	State-regulated/ Choice	Voluntary mkt./No choice	Multi-state/No choice	Mandatory mkt./ Choice	Mandatory mkt./Choice	Mandatory mkt./ Choice
Number of sectors	NA	7	10 ^a	10	6	5	5
Voting weight/ participant share: transmission & gen. ^b	Open self-selection	27%/10% 2.6	28%/43% 0.9	50%/48% 1.2	33%/7% 4.9	42%/25% 1.7	40%/26% 1.6
Access ^c	Open	Open	Open	Open	Closed board/ Members-only committee	Closed to non-members	Closed board/Open members committee
Agenda setting	Any stakeholder	Any stakeholder	Any stakeholder	Staff, members, states, or market participants	Staff, members, or states	Members	Committees
Information rules ^d	Publicly available	Publicly available	Publicly available	Publicly available	Board info. Unavailable	Publicly available	Board info. Unavailable
Committee structure/ voting threshold ^e	None	Representative/ Supermajority	Representative/ Simple Majority	Representative/ Supermajority	Plenary/ Supermajority	Plenary/ Supermajority	Plenary/ Supermajority
Stakeholder authority	Emergent	Advisory	Advisory	Advisory	Competing	Consensus	Divided
State authority	Statutory	Statutory	Delegated	Delegated	Advisory	Advisory	Advisory

^a MISO is reconsidering its stakeholder structure and has an affiliate sector in place during this process.

^b Shares and ratio of transmission and generation owners and developers voting weight and number of participants as a share of the total number of participants.

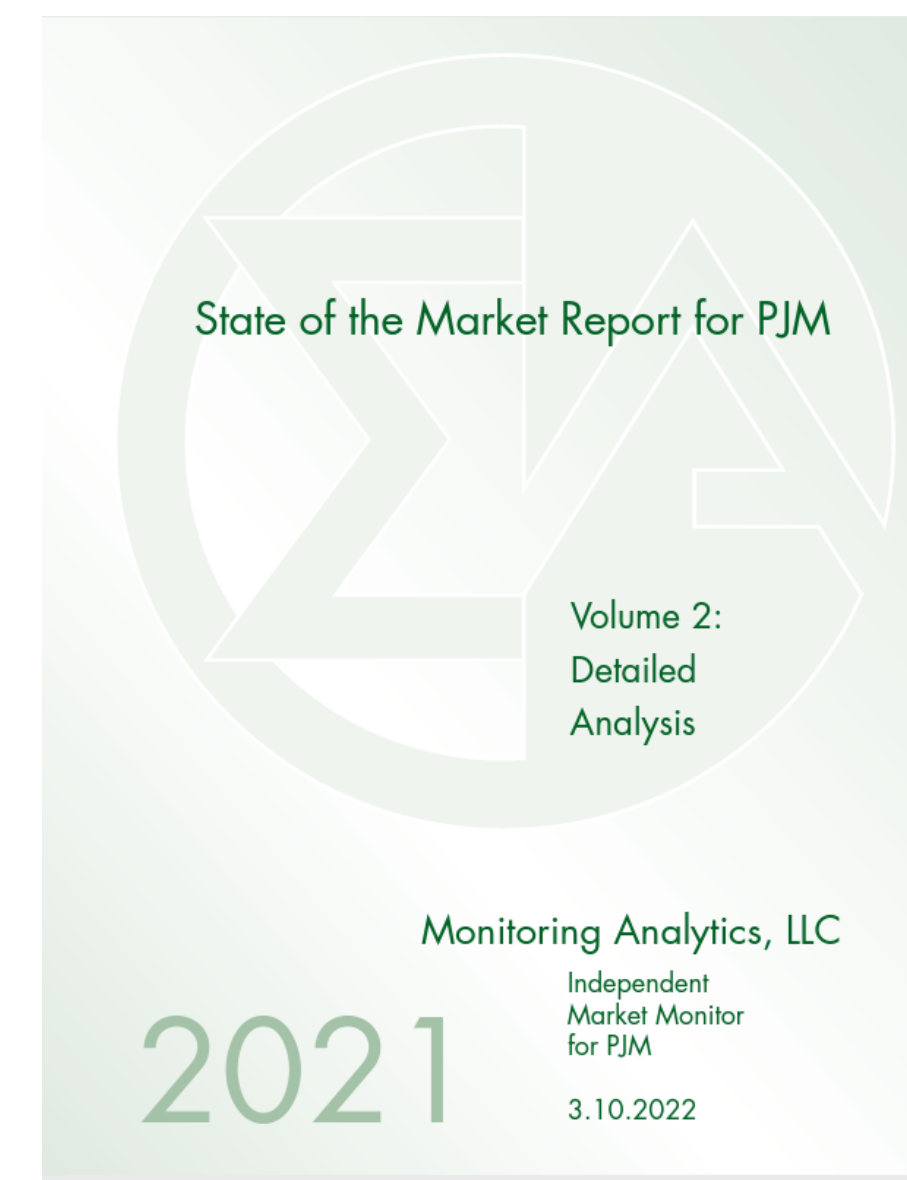
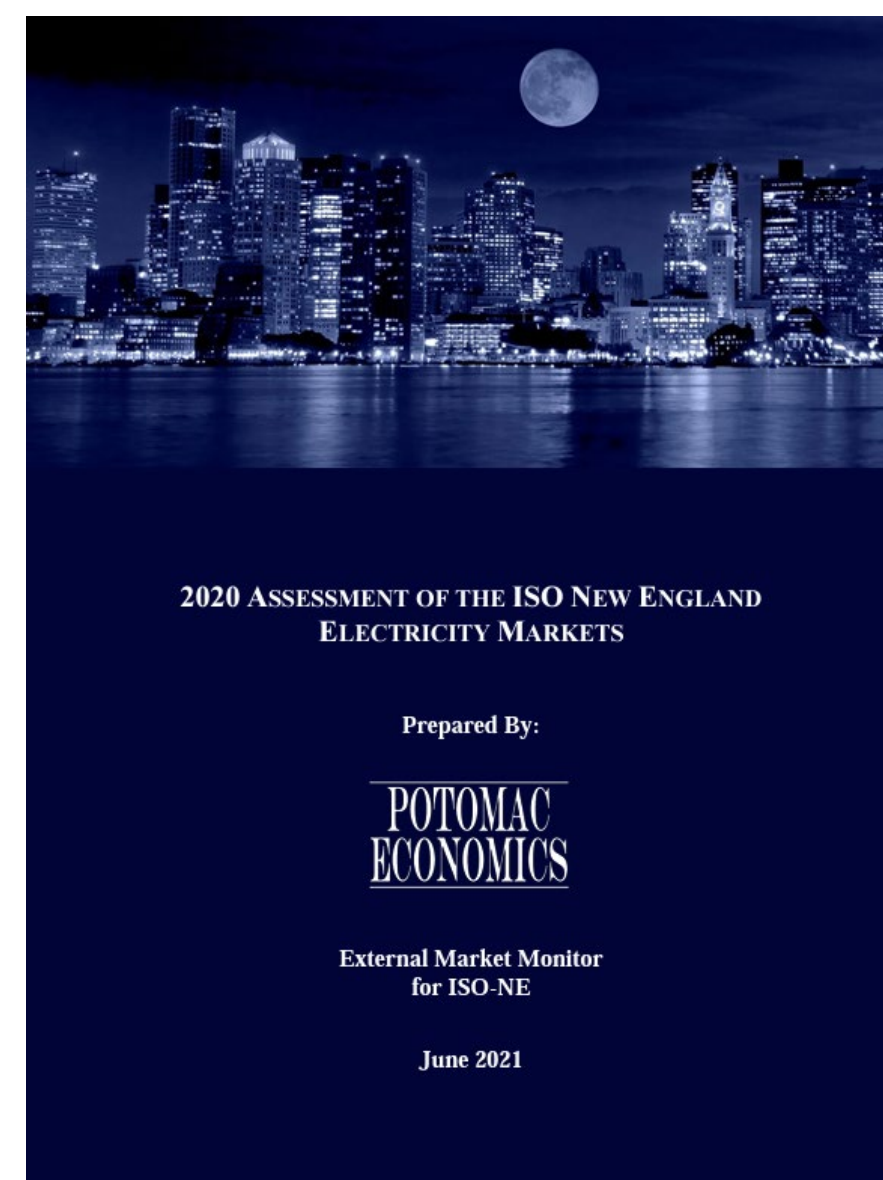
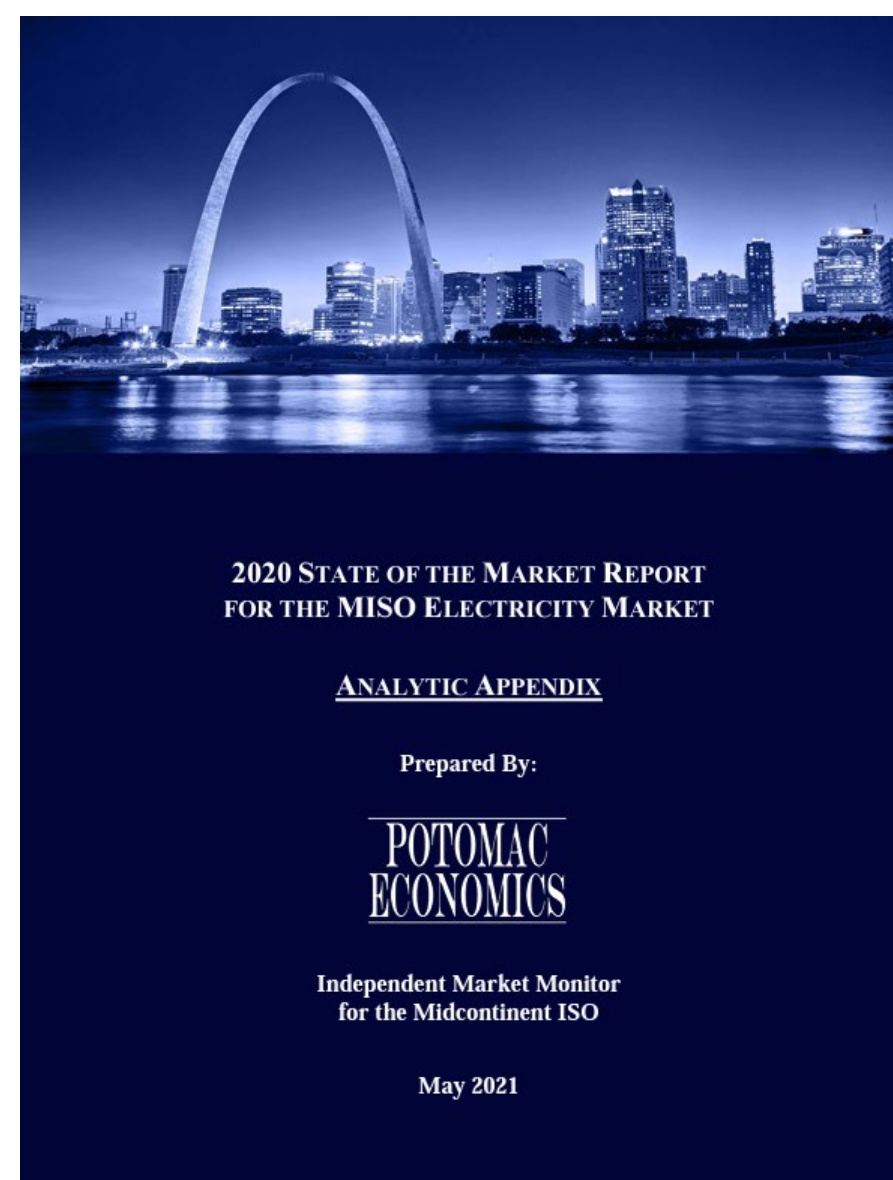
^c Boards and committees retain authority to meet in executive session. ISO-NE, NYISO, and PJM meet with members in non-decisional liaison committee meetings.

^d Board and members committee minutes, materials, written comments, and individual or pass/fail votes posted publicly. ISO-NE and PJM make summaries of board meeting minutes available, and PJM makes written comments to the board available.

^e NYISO decisions require a supermajority of 58%. All other supermajority thresholds are 66%.

Source: Stephanie Lenhart, Dalten Fox, “Participatory democracy in dynamic contexts: A review of regional transmission organization governance in the United States” Energy Research & Social Science, Vol. 83 (Jan. 2022)

Transparency/Accountability



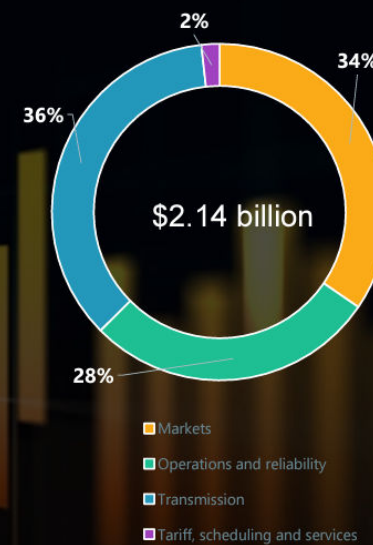
What About Transmission?

“[W]e seek comment on whether additional transparency measures are appropriate or should be in place for transmission providers, *including those outside of RTO/ISO regions*. If so, we seek comment on whether the Commission should apply transparency measures, some of which are currently utilized within RTO/ISO regions (e.g., dedicated transmission planning web pages, requirements to publish and detail full transmission plan at end of each transmission planning cycle, scorecards), or consider different or new transparency measures for transmission providers outside of RTO/ISO regions. We seek comment on whether new or different transparency measures are needed within the RTO/ISO regions.”

Building for the Future Through Electric Regional Transmission Planning and Cost Allocation and Generator Interconnection, Advanced Notice of Proposed Rulemaking, 176 FERC ¶ 61,024 at P 172 (2021).

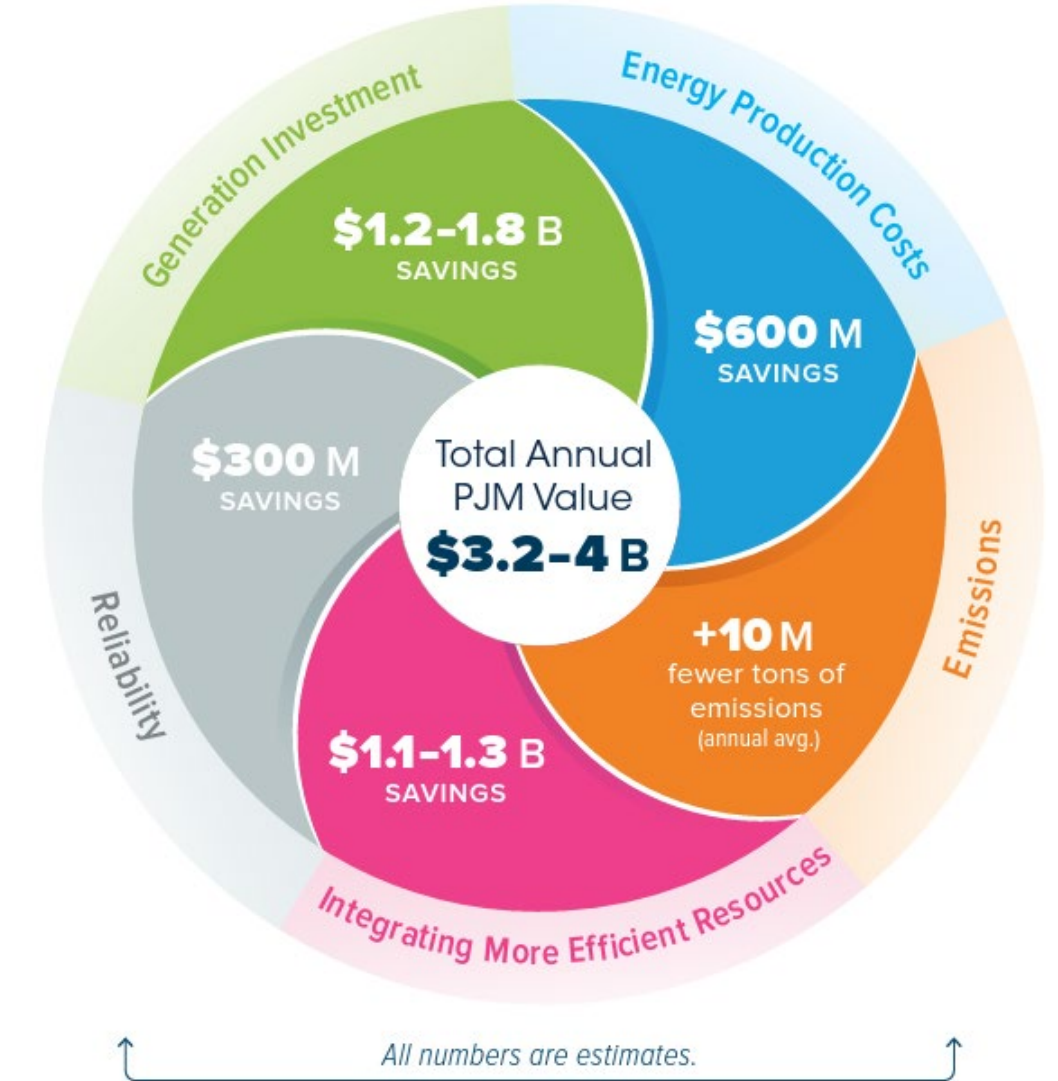
THE VALUE OF SPP

- Transmission planning, market administration, reliability coordination, and other services provide net benefits to SPP's members in excess of more than \$2.14 billion annually at a benefit-to-cost ratio of 14-to-1.
- A typical residential customer using 1,000 kWh saves \$7.39/month because of the services SPP provides.



QUANTITATIVE BENEFITS

MISO provides approximately
\$3.4 billion in annual benefits to members

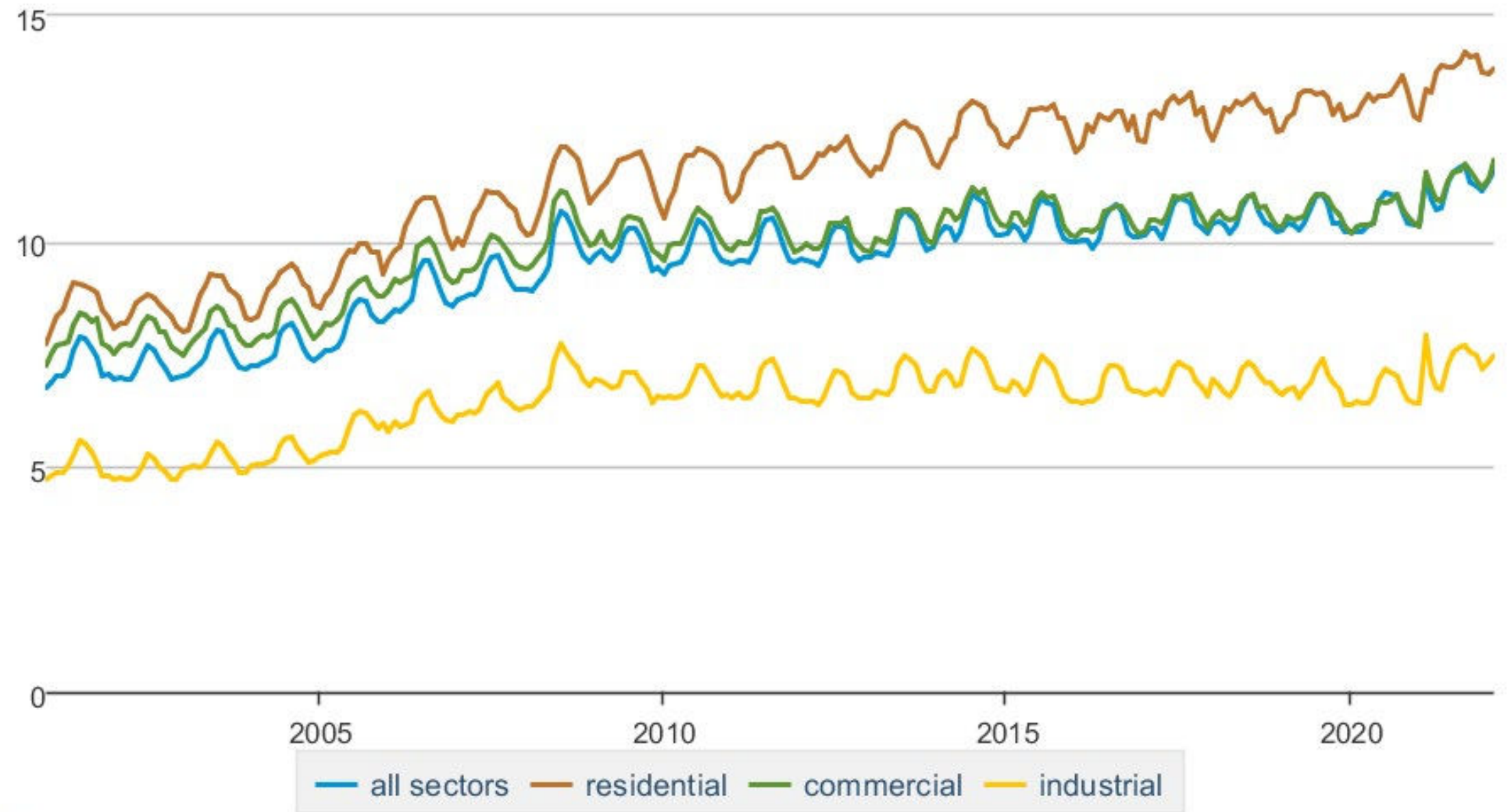


Questions Remain

How does
this value
translate to
retail rates?

Average retail price of electricity, United States, monthly

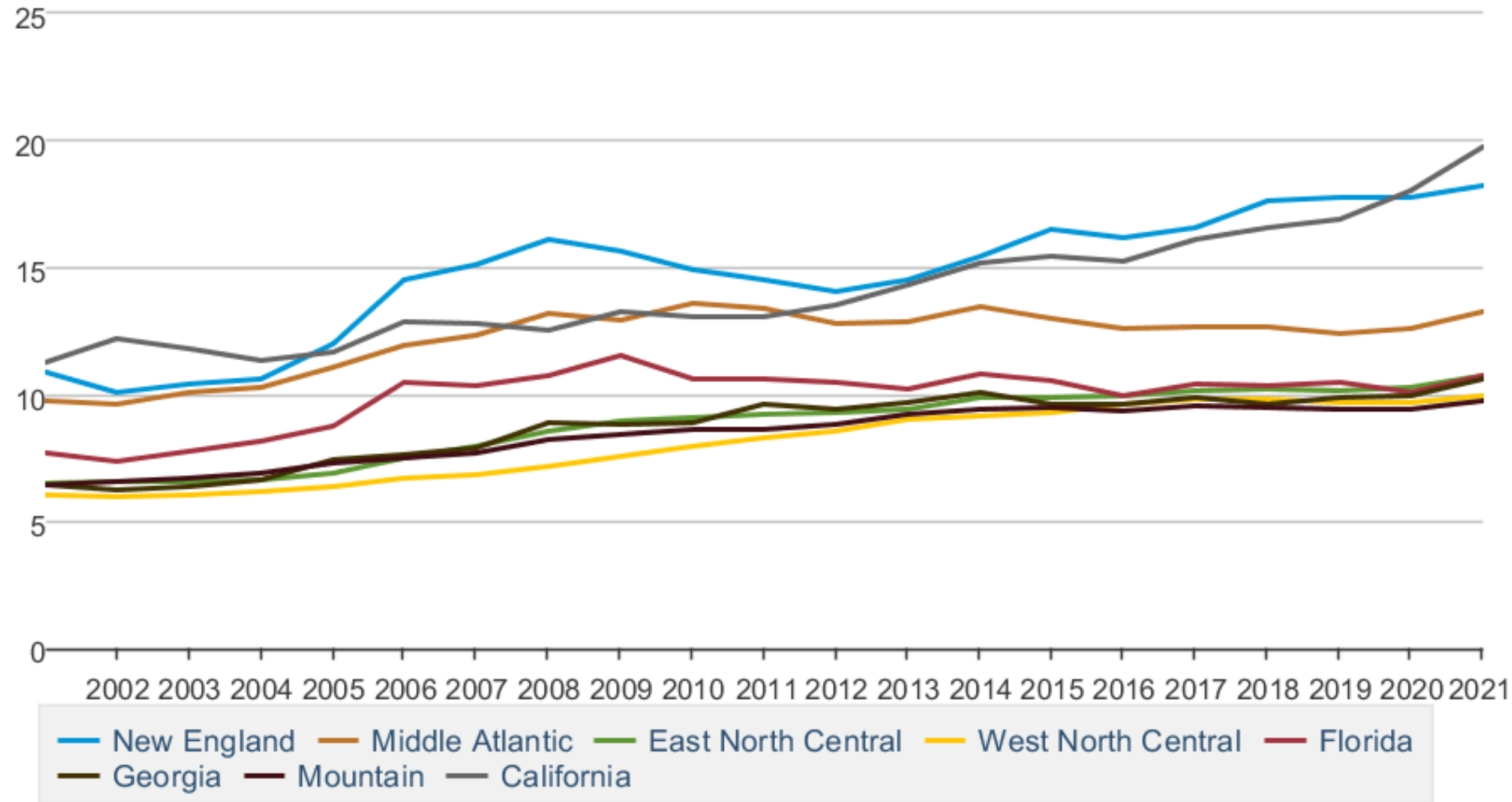
cents per kilowatthour



RTO v. Non-RTO

Average retail price of electricity, all sectors, annual

cents per kilowatthour



Data source: U.S. Energy Information Administration

Rough Estimates

RTO

New England

California

PJM/NYISO

MISO North-East

MISO North-West/SPP

Non-RTO

AZ, CO, ID, MT, NV, NM,

UT, WY

Florida

Georgia