

MISO has been advised by certain Market Participants (MPs) that transmission and generation outages caused by Hurricane Laura in and around the area West of the Atchafalaya Basin (WOTAB) have changed the economic viability of using their Generation Resources to support MISO's efforts to reliably serve load in this area.

We have informed and/or are informing such parties of Tariff sections and Independent Market Monitor (IMM) outreach that bear on changing offer parameters and reference levels to adapt to the changes imposed by Hurricane Laura and its aftereffects. MISO is distributing this notice to advise all MPs that we have provided this information to the inquiring entities in the affected areas.

There are two options within the MISO tariff to make sure any revisions consistent with these circumstances are appropriately considered by MISO and its Independent Market Monitor (IMM). First, pursuant to Section 64.3, "If a Market Participant anticipates submitting Offers in Markets and Services administered by the Transmission Provider that will exceed the thresholds specified in Section 64.1 above for identifying conduct inconsistent with competition, the Market Participant may contact the IMM to provide an explanation of any legitimate basis for any such changes in the Market Participant's Offers." This provision of the Tariff enables the Market Participant to provide an explanation of the conduct, so even if the conduct test thresholds are exceeded, the conduct can be found to be consistent with competitive behavior so intervention from the IMM isn't needed. This provision does not guarantee the IMM will find such changes competitive, but it starts a process whereby the IMM will not presume such behavior is uneconomic and can consider any unusual offer behavior in light of the extraordinary circumstances in which it's offered. In addition, should such circumstances warrant a change in reference levels, the MP can have the IMM revisit the economic reference levels under Section 64.1.4.

Second, Section 64.1.4 of Module D of the MISO Tariff allows resources to submit a request for consultation to the IMM to seek and support appropriate changes to the applicable Reference Levels so that they "reflect ... marginal cost, including Legitimate Risks and opportunity costs or justifiable technical characteristics for physical Offer parameters." Pursuant to section 64.1.4.h, the IMM shall verify whether there is adequate support for the requested changes to Reference Levels, which are used as limits for Offer parameters conduct tests. This provision of the Tariff also provides Market Participants the opportunity to test in advance whether changes to their offers measured against revised reference levels used to adapt to changed circumstances would fail a Tariff conduct test.

Please note: a Market Participant that does not provide prior notice to the IMM of its intent to change either the reference levels or offer parameters, such as including opportunity costs in its Offer, may not be eligible to receive full cost recovery. Also, under either option described above, all costs for which the Market Participant requests recovery must be included in its Offer, and only MISO registered Market Participants are eligible to submit Offers in MISO's markets.

If you are considering revising your reference levels and/or opportunity costs under this provision, MISO advises you contact the IMM first, either by email at ocsconsultations@potomaceconomics.com, or by phone at 317-249-5721. The IMM expects to be able to turnaround requests in fairly short order, prioritized based on the resource's likelihood of assisting in addressing the outages and emergency conditions in and around the WOTAB area affected by Hurricane Laura.