

STATE OF MINNESOTA PUBLIC UTILITIES COMMISSION

Date: March 11, 2014

To: MISO Quarterly Update list

From: Burl Haar

Subject: MISO Quarterly Update meeting

The Minnesota Public Utilities Commission has scheduled the MISO Utilities 2014 First Quarterly Update Meeting for <u>Friday, March 28 2014 from 10:00 AM to Noon in the MISO Eagan Office, 2985 Ames Crossing Road, Eagan, MN 55121</u>. The Commission invites participation from Minnesota electric transmission utilities and other interested persons on the following topics:

MISO-OMS Survey Result

- Are Minnesota utilities ready to serve peak load reliably for 2016 based on MISO report?
- Do Minnesota utilities agree with MISO report?
- Do Minnesota utilities have any concern with the MISO-OMS survey process or result?

Winter 2013-2014 Operations

- Did Minnesota utilities serve peak load reliably for winter 2013-2014? Please provide percent deviation of the actual peak from forecasted normal winter peak.
- Did January extreme cold event cause any Minnesota utilities to be concerned with current planning process including non-firm natural gas contract for its generation units, MISO Module-E yearly requirement and financial hedging?

MISO RECB (Regional Expansion Criteria and Benefits) proposal: Consideration to change Market Efficiency Projects criteria to lower the threshold voltage to 230 kV from current 345 kV and to expand the MEP benefits metrics.

 This proposal arises from the need to provide additional transmission expansion in the MISO South region, under the Market Efficiency criteria. MISO South is predominantly a 230kV system, while MISO Midwest is a 345kV system.
 What is Minnesota utilities position on this proposal, considering the potential cost sharing of these projects in the South region across the entire MISO footprint? Another related proposal is to expand the benefits metric for Market Efficiency Projects
(MEP) by accounting for the avoided resource addition through a reduced Planning
Reserve Margin in constrained Local Resource Zones and avoided costs in reliability
projects that otherwise might be needed.
 What is Minnesota utilities position on this expansion of benefits metric for MEP
projects?

We look forward to an opportunity to discuss these important issues. The meeting will begin at 10:00 AM and will be held in the **MISO Eagan Office on Friday, March 28, 2014**.