



Organization of MISO States

# Managing Committees in a Regional Organization

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# Increasing Cooperation Among State Regulators

- Growing and changing use of transmission grid
- New regional institutions:
  - Regional Transmission Organizations
  - Regional energy markets
  - Larger planning regions
- Increased workload on state commissions and staffs
  - Additional workload
  - Extent of coverage
  - Duplication of effort

# The Midwest States' Response: Multi-state cooperation

- Combined positions on federal issues when possible
- Facilitate participation in regional activities
  - Improve information
  - Coordinate participation
  - Fund travel
- Share information and analysis
- Emphasis on points of agreement
  - No 'forced' decisions
  - No authority transferred from states

# Issues Addressed by OMS

- State issues
  - New facilities, need, siting, and approval
  - Resource adequacy
- Federal issues
  - RTO structure
  - Regional market operations
  - Pricing of transmission service
- Shared issues
  - Reliability
  - Planning
  - Investment

# Differences within the Midwest

- Urban / rural
- Coal, nuclear, gas and wind generation
- Retail competition and conventional rate-of-return regulation
- Some states separated generation; some separated transmission assets
- Stand-alone transmission companies
- Public ownership: cooperatives and municipals

# OMS Organization

- Board of Directors has 14 members
  - One commissioner from each member agency
- Executive Committee is composed of 5 members

# Communications and Positions

- Process modeled on NARUC:
  - The OMS Board assigns issues to working groups
  - Working groups formulate positions
  - OMS Board adopts positions only with eight affirmative votes
- Board discusses RTO meeting agenda – representatives are guided by membership views
- Board meetings are open conference calls
- Executive Director is clearinghouse

# OMS Work Groups

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- Regional Planning
- Transmission Cost Allocation
- Markets and Tariffs
- Demand Response and Technology
- Resources
- Governance and Budget
- Modeling

# Work Group Activity

- Volunteers from state commissions
- OMS work is in addition to other responsibilities
- Members gain from discussion with other colleagues
- Members learn from contact with industry members

# Position Statements

- Include minority positions
  - Judicial model rather than legislative
- List participating states in conclusion
  - Also identifies non-participating states
  - Non-participation for “procedural reasons”

# OMS Lessons to Date

- The OMS model builds technical analysis in state commission staff
  - Staff members gain knowledge of RTO operations and personnel
  - Participation enriches state staff expertise on issues
  - Travel reimbursement is key to participation
- Policy decisions need commissioner input
  - Respect for policy differences

# The Value Proposition

- States improve their expertise on issues and provide better analysis of issues
- Collectively, states can present better positions and get more attention
- Other groups can deal with the state regulators more efficiently
  - FERC
  - RTO
  - RTO members

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