

A large, light gray sunburst graphic is positioned on the left side of the slide, extending from the top left towards the center. It consists of numerous triangular rays of varying lengths radiating from a central point.

Planning for the future of the electric grid in an uncertain world

A reminder provided by the Clean Power Plan stay

**National Conference of State Legislatures
August 11, 2016**

While EPA's Clean Power Plan (or other carbon rules) may affect the electric industry in the future, many other forces are already having major impacts

Environmental / Regulatory

- Mercury & Air Toxics Standards (MATS)
- Air-quality standards for ozone, SO₂, etc.
- **Potential greenhouse gas regulations**

Evolving Technologies

- Wind power
- Energy storage
- Load-modifying resources
- Solar energy
- Distributed generation

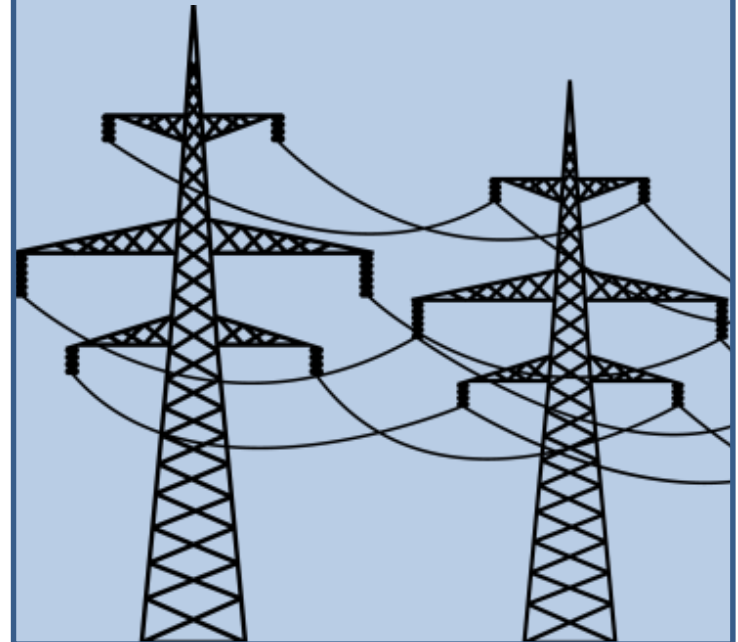
Economics

- Low-cost natural gas
- Economic recovery
- Demand growth shift
- Infrastructure investment

State & Federal Policy

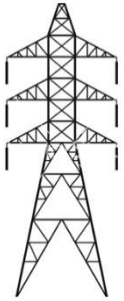
- Renewable portfolio standards
- Energy efficiency/demand-side management programs
- Tax credits
- FERC orders addressing demand response participation in wholesale energy markets

Electric Industry



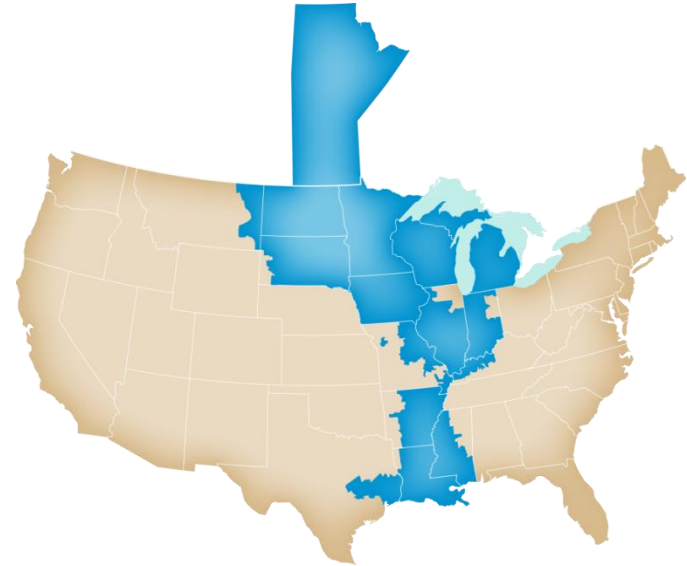
MISO's roles with respect to forces impacting the region

Informing Policymakers and Asset Owners



- Modeling and analysis of regulatory and policy factors impacting the electric industry
- Regional view of potential impacts

Enabling the Reliable, Efficient Implementation of Policy Decisions



- Assessment of MISO system operational impacts
- Evolution of market design
- Transmission planning: second round of Multi-Value Projects?

Key observations of MISO's analysis of the Clean Power Plan rule

1. REGIONAL

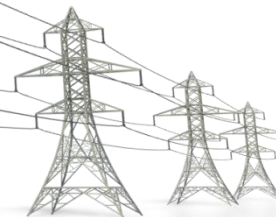
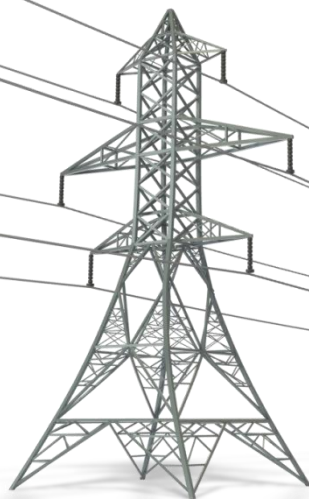
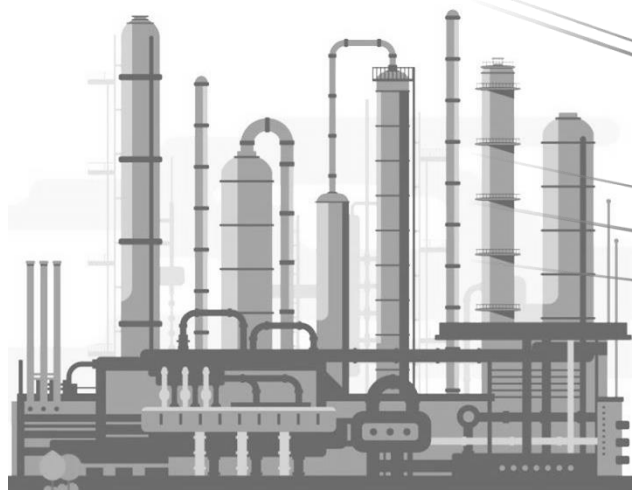
Regional compliance is less costly than state-by-state compliance

2. MASS/RATE COMPARISON

The MISO region sees a mass-based compliance advantage unless a regional heavy penetration of renewables and energy efficiency is achieved

3. NEW INVESTMENT

New capital investment will be needed to achieve reliable, cost-effective compliance



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