



2018  
MID-YEAR  
ENERGY FORUM

Monday, Oct. 29 – Tuesday, Oct. 30

Renaissance Downtown Hotel  
999 Ninth Street, NW Washington, DC

## State / Federal Jurisdiction

*October 30, 2018, 2:00 -3:30 pm*

**SESSION OVERVIEW:** The line between state and federal jurisdiction has been the recent subject of active litigation in multiple venues. At the Commission, parties have explored the question in the context of capacity market redesign, state programs, and the integration of demand response, energy efficiency, and distributed energy resources in the wholesale markets. In federal court, constitutional challenges are pending involving state programs on transmission and generation. Within the states, policymakers are reexamining their authority in light of the changing nature of the electric grid. This panel will explore these issues and the direction of state/federal jurisdiction going forward.

*Moderator:* Matthew Price, Partner, Jenner & Block

*Speakers:*

James Danly, General Counsel, Federal Energy Regulatory Commission

Colette Honorable, Partner, ReedSmith

Amanda Rome, Managing Attorney, Federal and State Regulatory, Xcel Energy

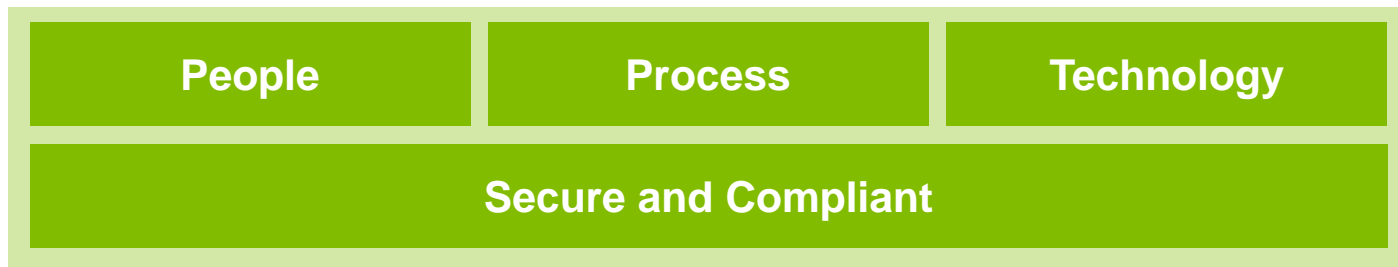
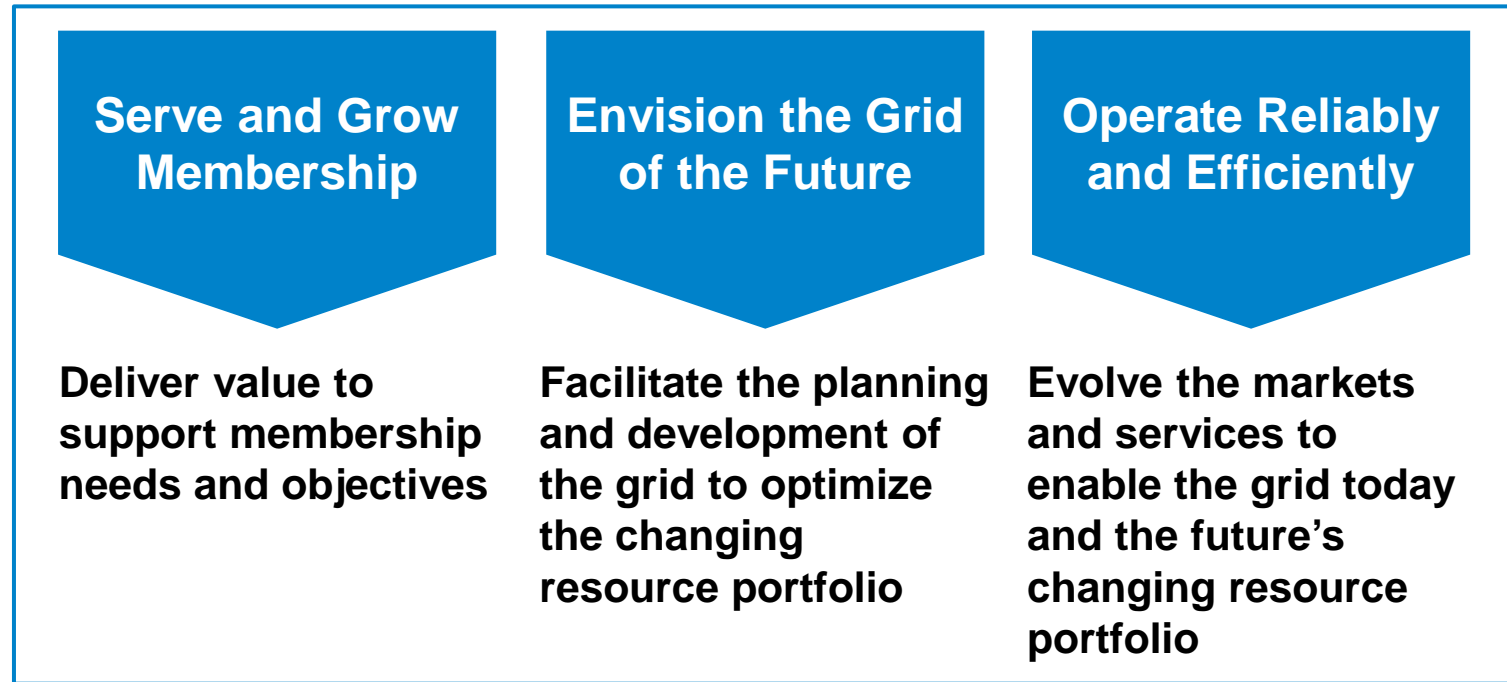
Andre Porter, General Counsel, MISO



# State/Federal Jurisdiction

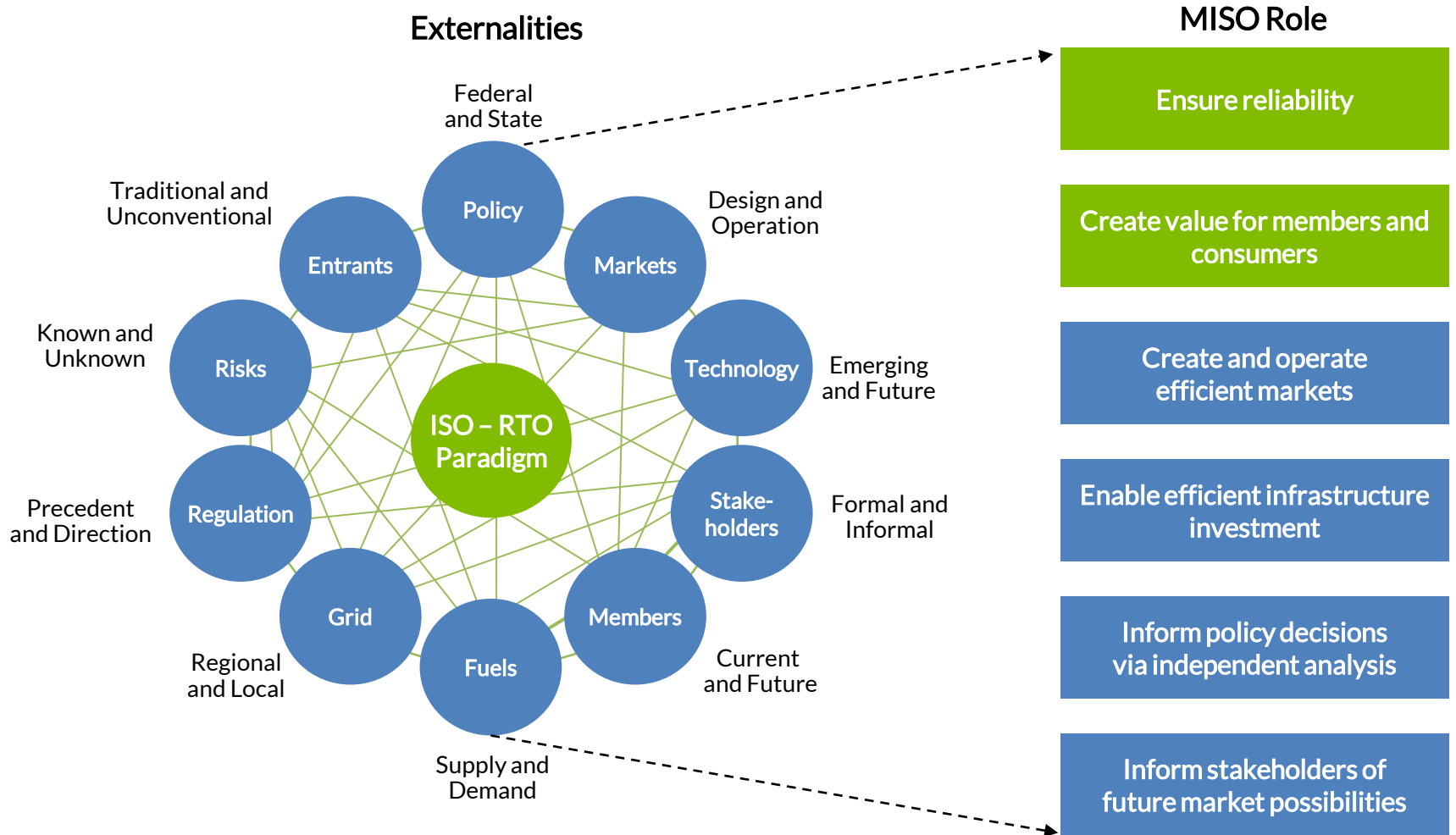
**Andre Porter**  
**Vice President and General Counsel**

# MISO Vision – The most reliable, value-creating RTO



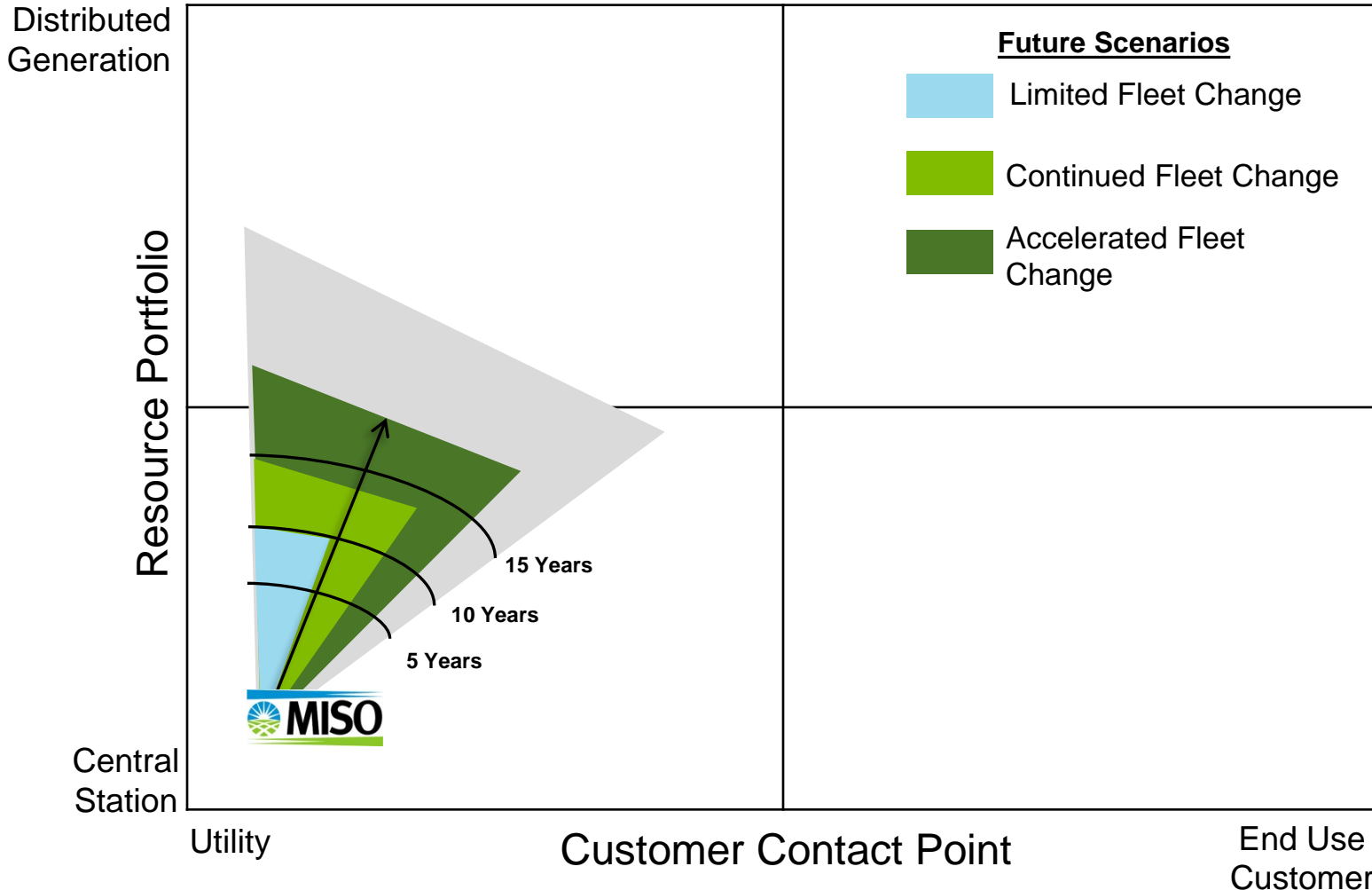
**MISO Mission** - Work collaboratively and transparently with our stakeholders to enable reliable delivery of low-cost energy through efficient, innovative operations and planning

# MISO continues to fulfill our many roles as the industry evolves

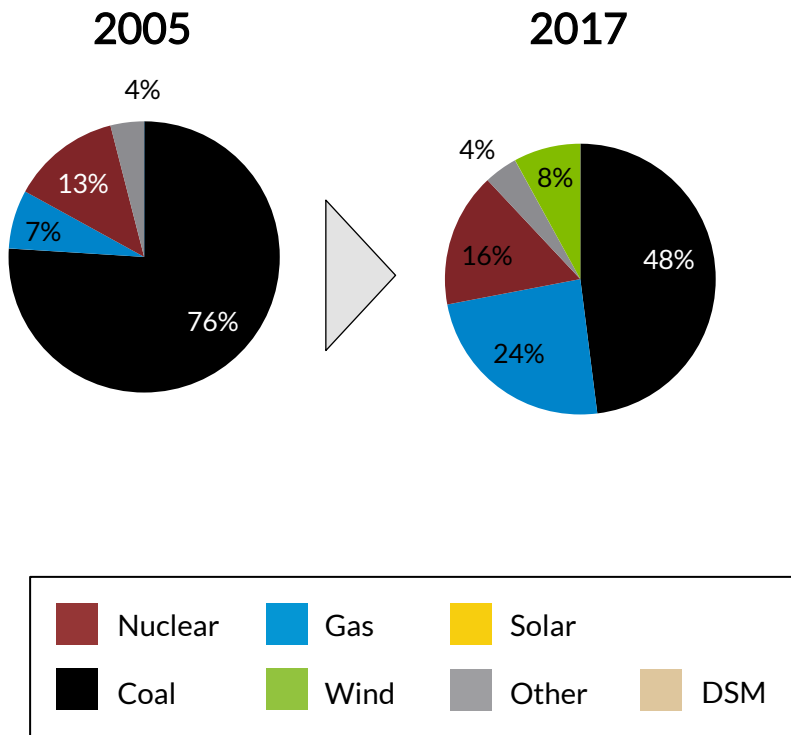


# The resource fleet composition and customer requirements are changing...

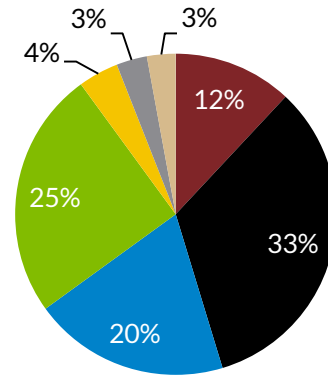
Illustrative



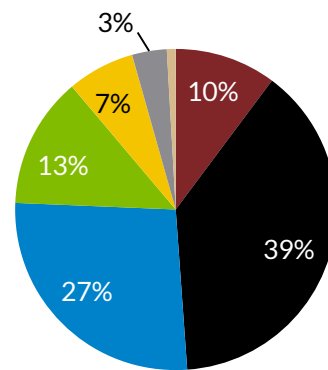
# ...which is driving the region's generation mix to transition at an accelerating pace



## Potential 2032 Future Scenarios



Accelerated Fleet Change



Distributed & Emerging Tech

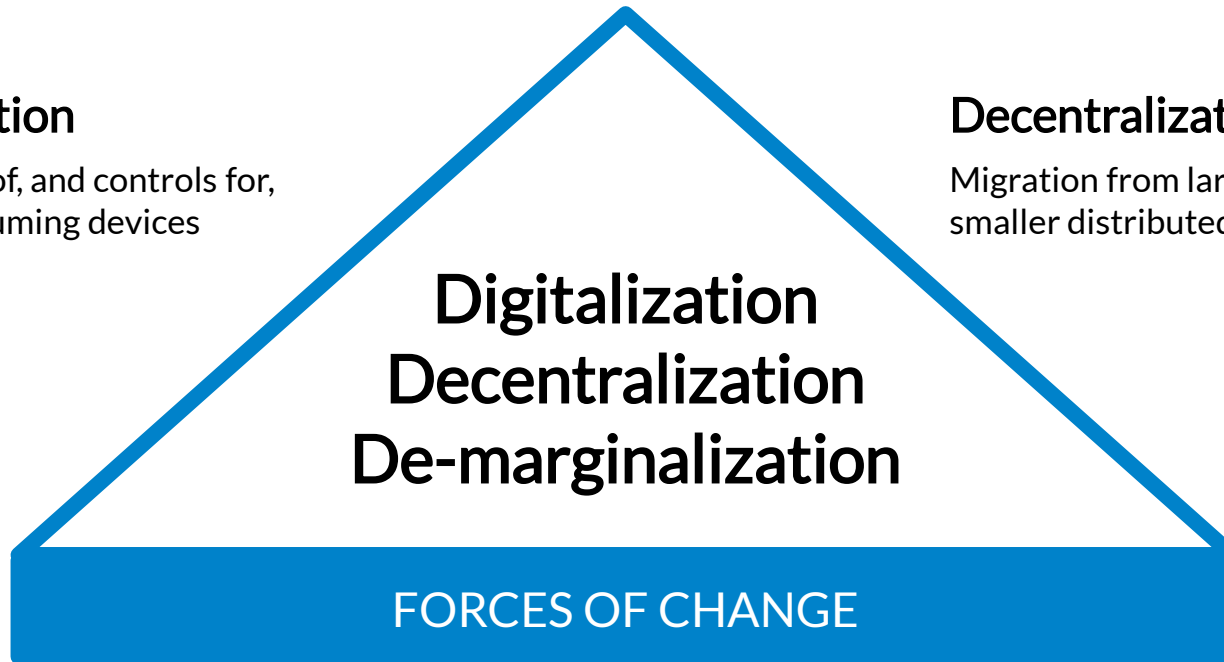
# The themes underlying this shift will bring about the need for collaboration and regulatory flexibility

## Digitalization

New classes of, and controls for, electric consuming devices

## Decentralization

Migration from large stations to smaller distributed resources



## De-marginalization (low / no marginal costs)

Substantial growth of renewables, non-price sensitive DERs, and continued availability of nuclear and hydro

# Current jurisdictional landscape

State Jurisdiction	State opt-out authority	Federal Jurisdiction
<ul style="list-style-type: none"><li>• Retail sale of electricity to end-use consumer</li><li>• Purchase of wholesale electricity</li><li>• Interconnection of purely distribution facilities</li><li>• Integrated Resource Planning</li></ul>	<ul style="list-style-type: none"><li>• Permissible for demand response</li><li>• Possible for energy efficiency (state must seek FERC permission)</li></ul>	<ul style="list-style-type: none"><li>• Wholesale sales of electricity</li><li>• Rules and terms for participation in wholesale electricity markets</li><li>• Interconnection to the Transmission System</li><li>• Use of Transmission Facilities</li><li>• Wholesale distribution service (non-local distribution)</li><li>• Resources eligible to participate in wholesale markets</li></ul>

## Distributed Energy Resources: Shared jurisdictional opportunities