

November 20, 2017

To:
Torsten Clausen
Torsten.Clausen@illinois.gov

RE: Comments on the issue of resource adequacy in MISO Zone 4

Dear Mr. Clausen:

Illinois community groups, including Central Illinois Healthy Community Alliance, Eco-Justice Collaborative, Global Warming Solution, Illinois Environmental Council, Illinois People's Action, Metro East Green Alliance, Prairie Rivers Network, Peoria Families Against Toxic Waste and SOAR, appreciate the opportunity to comment on resource adequacy issues in MISO Zone 4. However, we are deeply concerned that the Illinois Commerce Commission (ICC) stakeholder process is advancing too quickly given the complexity of the issue and leaving the public behind.

We urge the Commission to consider waiting to address any resource adequacy issues in MISO Zone 4 that may significantly increase consumers' electric bills and cause additional harms, because there is no evidence of resource adequacy issues and there are many unknowns, including the impacts of potential renewable energy and energy efficiency growth in Illinois and Dynegy's sale to Vistra Energy. If the ICC proceeds with a stakeholder workshop, we request the opportunity for the public to voice concerns.

We also request an extended timeline which accommodates further workshops and comments to address the complex and technical issues summarized in the ICC Whitepaper. Finally, we request that the impacts of greenhouse gas emissions from any decision be considered.

No Resource Adequacy Issue

The evidence demonstrates that there is no resource adequacy problem in MISO Zone 4. MISO's own survey found that Region 4 can expect a surplus of energy in every year examined (2018-2022). Their energy estimates include possible "capacity retirements" (e.g. coal plant closures), as well as "potential new capacity" (e.g. new wind and solar). Given the lack of a problem to solve, at the very least in the next four years, the proposed timeline is inconvenient, rushed, will not allow adequate consideration of all issues, and will not allow all stakeholders to participate fully.

Complex and Unresolved External Factors

There are a number of outside factors whose impacts have not been resolved that are critical to determining what, if any, actions are needed. The ICC should wait and see how these outside factors will impact the market. For example, one significant factor is the scale of new generation that will be built in Illinois due to

the Future Energy Jobs Act. Another factor is the federal effort to alter energy markets to support coal and nuclear. These impacts and others may drastically change MISO Zone 4. The ICC should wait to see what impact they may have before evaluating any resource adequacy issues.

Vistra Merger

The sale of Dynegy to Vistra Energy will potentially impact this process in significant and unknown ways. Dynegy was just sold in a \$1.7 billion dollar deal to Vistra Energy. The new company will have a value of \$20 billion with \$5.5 billion in excess capital. The sale is not final and is not expected to be until the second quarter of 2018. The ICC should wait until the deal is finalized and more details are known to assess any concerns as they should impact any decision made.

Impacts of Climate Change

The ICC should consider the impacts of energy sources on climate change in any resource adequacy study. Dynegy's coal plants released an estimated 35 million metric tons of CO₂ in 2016, equivalent to one and a half times the emissions from all passenger vehicles in the state. Additionally, the impacts of climate change should be weighed into the resource adequacy studies. For example, as climate warms, water-cooled power plants will likely struggle to meet cooling water temperature regulation and may become less reliable and available.

Problematic Schedule Limits Participation

This stakeholder process should be administered in a way that allows enough time and opportunity to fully and adequately consider this issue and gives members of the public the opportunity to genuinely participate. The proposed schedule is rushed, starting right before the holidays, and has only two stakeholder workshops. The number of workshops should be expanded to cover the numerous complex issues that these comments and others have raised.

A better process would also include multiple opportunities for the public, concerned organizations, and others to speak, timely notification of workshops and hearings, a clear agenda with start and end times, holding those events at times and in locations that are accessible, and giving designated time for people to speak without submitting comments early. There is currently no clear way for the public to participate, and it will be challenging for the public to participate in the workshop next week, given the lack of details a week in advance of the meeting.

This rushed process, which begins during the holiday season, creates a significant barrier for the public and the many organizations who would otherwise participate. For example, it can be difficult for members of the public to take time off of work, especially during the holiday season when many are trying to save

time off for the holidays. When members of the public do take time off of work to participate in public hearings or workshops, a clear agenda with start times, end times, a proposed list of speakers, and a way to reserve speaking times is necessary.

Without an agenda for the upcoming workshop, it is unclear if the public will be given a window of time to speak, or who else is speaking at the workshop. We request that 30 minutes be set aside for public participation in the first workshop.

The information gained from this workshop stands to shape the future of energy procurement in central and downstate Illinois. Attempting to work through complex issues riddled with uncertainties in a two month period will not provide the best information nor result in the best decisions for the citizens of central and downstate Illinois. Thank you for your consideration of these comments.

Sincerely,

Central Illinois Healthy Community Alliance
Eco-Justice Collaborative
Global Warming Solution
Illinois Environmental Council
Illinois People's Action
Metro East Green Alliance
Prairie Rivers Network
Peoria Families Against Toxic Waste
S.O.A.R Steelworkers Org. of Active Retirees, SOAR Chapter 7-34-2