

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Midcontinent Independent System Operator, Inc.) Docket No. ER25-1729-000

**INTERVENTION AND COMMENTS IN SUPPORT OF THE MISO TARIFF
REVISIONS FOR DEMAND RESPONSE PARTICIPATION REQUIREMENTS BY THE
COALITION OF MIDWEST POWER PRODUCERS**

Pursuant to Rule 212 of the Federal Energy Regulatory Commission’s (“FERC” or the “Commission”) Rules of Practice and Procedure,¹ the Coalition of Midwest Power Producers, Inc. (“COMPP”)² respectfully requests intervention in the abovementioned docket. On March 21, 2025, the Midcontinent Independent System Operator, Inc. (“MISO”), pursuant to Section 205³ of the Federal Power Act (“FPA”), proposed revisions to its Open Access Transmission, Energy, and Operating Reserve Markets Tariff (“Tariff”) to enhance market protections against manipulation and fraud involving demand response resources, as highlighted in four recent Commission Enforcement Orders, and updates testing requirements and make-whole payment provisions to

¹ 18 C.F.R. § 385.212 (2018).

² The Coalition of Midwest Power Producers or COMPP is a non-profit trade association where member companies work together on a cooperative basis to maintain and develop independent, transparent, non-discriminatory, robust, and fully competitive wholesale energy, capacity and ancillary service markets within the Midcontinent Independent System Operator, Inc. (MISO) region. COMPP members strive to create a “level playing field” in the further development and evolution of MISO’s market design working within the open stakeholder process where MISO operates as the nation’s first FERC approved Regional Transmission Organization managing the reliable supply and transmission of power within a 15-state region ranging from the Gulf of Mexico to the Canadian province of Manitoba. For more information visit the COMPP website at www.compp.org

³ 16 U.S.C. § 824d.

prevent manipulation and ensure fair market outcomes. COMPP submits comments in support of MISO's Tariff filing.

I. COMPP SUPPORTS MISO'S PROPOSAL TO ENHANCE MARKET PROTECTIONS AGAINST MANIPULATION AND FRAUD INVOLVING DEMAND RESPONSE RESOURCES.

As MISO continues to see dispatchable generation retire and be replaced by intermittent resources that are weather dependent, demand response resource policy reforms are a necessary element of market design to help ensure reliability during capacity emergencies. For example, MISO's 2024/2025 Planning Resource Auction ("PRA") cleared with more than 12,000 Zonal Resource Credits (ZRCs) or 12 GW from Demand Resources to meet MISO's summer reserve margin, however, only half of which were available for support during capacity emergencies.⁴ COMPP views enforcement of market protections and addressing payment for non-existent or overstated curtailments as one piece of the equation to ensure reliability. It validates the significance of demand response resources that are fast acting and flexible in mitigating reliability risks. It also ensures that Market Participants are not manipulating the MISO market and are available in real-time to respond when called to perform. As discussed in MISO's March 21, 2025 Tariff filing, the most fundamental expectation of demand response resources is to ensure there is an actual "response."⁵ The Coalition agrees with MISO that failure to respond to MISO's instructions to drop Load or increase Behind-the-Meter Generation when Setpoint or Scheduling Instructions are issued is a violation of the Tariff. At its core, a demand response resource only exists as a product

⁴ Midwest Independent System Operator, Inc., Demand Response and Energy Resource Reforms, Presentation to Reliability Subcommittee (RASC), p.6, Feb. 26, 2025, available at, [https://cdn.misoenergy.org/20250226%20RASC%20Item%2009c%20DR%20and%20ER%20Reforms%20\(RASC-2019-9\)%20Presentation680966.pdf](https://cdn.misoenergy.org/20250226%20RASC%20Item%2009c%20DR%20and%20ER%20Reforms%20(RASC-2019-9)%20Presentation680966.pdf).

⁵ Midwest Independent System Operator, Inc., Tariff Revisions for Demand Response Participation Requirements, Docket No. ER25-1729-000, p.8 (filed Mar. 21, 2025).

in the market to ensure flexibility and mitigate reliability risk. Disregarding manipulative behavior from demand response resources sends inadequate market signals for the need for flexible resources and reiterates their value only as an economic instrument. Therefore, COMPP supports and commends MISO's efforts to reiterate market protections against manipulation and fraud from demand response resources.

Given the inherent nature of demand response resources that add value from modifying consumption relative to what would have occurred absent an Event, it can be challenging to assess their performance. By definition, demand response resources must deviate from their normal behavior in response to dispatch signals or market conditions to perform. This complexity creates the need to differentiate their true response (i.e. their performance obligation) from their normal variability. As a result, COMPP supports MISO's Tariff revisions to implement hourly meter data requirements for demand response resources to verify and accurately measure performance. These data requirements are justified and necessary to support a fair and transparent settlement process, ensure equitable treatment across market participants, and upholds the reliability and efficiency of the broader market.

COMPP also supports MISO's proposed Tariff revisions to introduce a baseline calculation to accurately analyze what a particular demand response resource would have done but for MISO calling on it to reduce load, to establish an offer floor, prohibit demand response resources from Self-scheduling, and require evidence and legal title to the resource to demonstrate performance. COMPP believes MISO's proposed changes will limit the opportunities for fraud, market manipulation, and affiliate abuse and ensure demand response resources are available when

needed. Lastly, these requirements are consistent with and further the objectives of Order No. 745⁶ and Order No. 719.⁷

II. CONCLUSION

MISO's proposed Tariff revisions seeking to enhance market protections against manipulation and fraud involving demand response resources, and updating testing requirements and make-whole payment provisions to prevent manipulation are just, reasonable, and nondiscriminatory and will ensure fair market outcomes and reliability of the MISO system.

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Respectfully submitted,

On behalf of the Coalition of Midwest
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⁶ Federal Energy Regulatory Commission, Demand Response Compensation in Organized Wholesale Energy Markets, 134 FERC ¶ 61,187 (2011) (Order No. 745).

⁷ Federal Energy Regulatory Commission, Wholesale Competition in Regions with Organized Electric Markets, 125 FERC ¶ 61,071 (2008) (Order No. 719).

CERTIFICATE OF SERVICE

I hereby certify that I have this day electronically served the foregoing document upon each person designated on the official service list compiled by the Secretary of the Commission in this proceeding.

Dated this 12th day of April 2025.

/s/ Scott R. Storms _____

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