

MGA MID-GRID 2.0: Setting the Stage

June 29, 2023

What is MID-GRID 2035?

- MID-GRID 2035 is a regional transmission education and planning initiative
- Position the Midwest as a modern energy producer and low-cost energy provider
- The goal is to establish a long-term transmission grid vision for the region

MID GRID 1.0 Accomplishments

- MGA Vision Statement
- Regional Letter to MISO CEO John Bear
- An MGA letter sent to the CEOs of PJM, MISO, and SPP
- Transmission Planning and Development Primer for Midwestern Policy Makers
- The MGA hosted over a dozen public virtual workshops

Goals for Stage 2

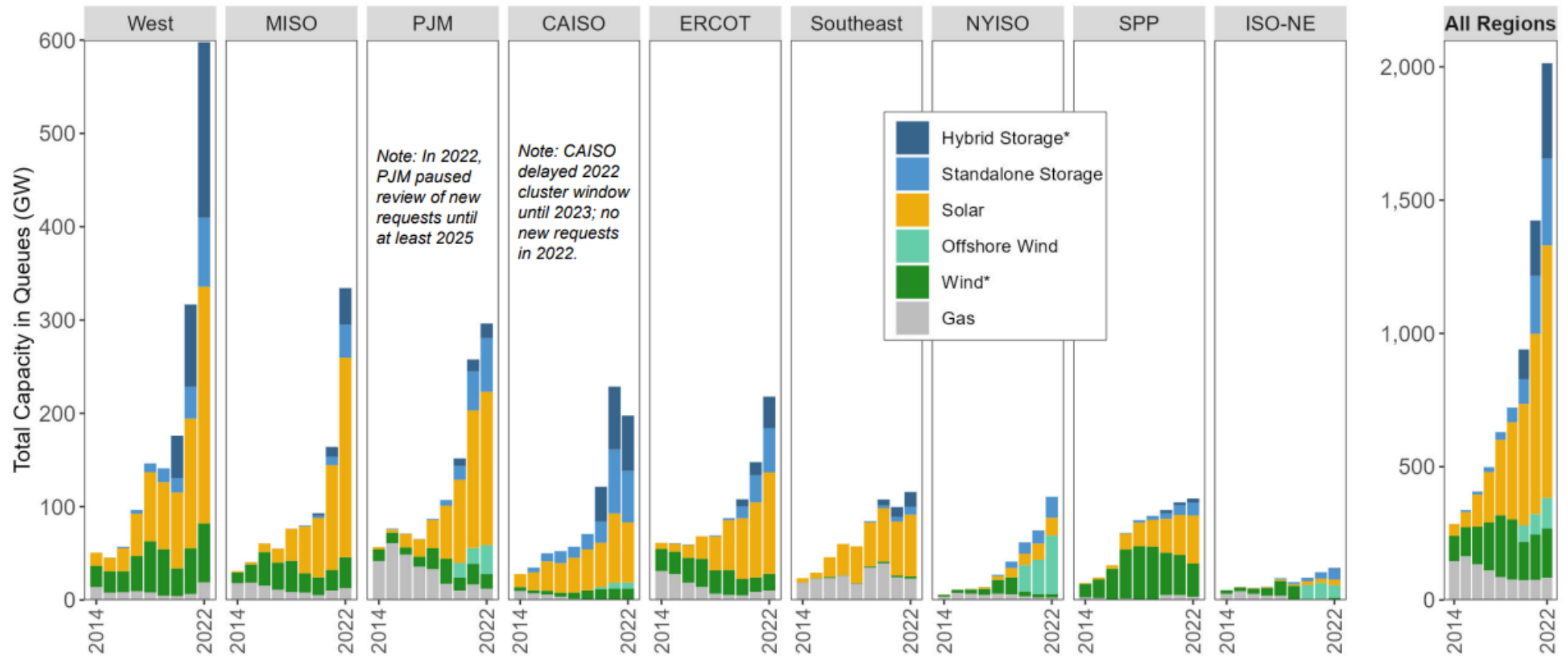
- Develop a common long-term vision in the mid-continent on the future needs of the bulk power system to meet state goals
- Identify the types of energy infrastructure projects and possibly specific projects that can best meet or otherwise implement the long-term vision
- Meet and work with stakeholders at state, regional, and RTO levels to explain and get support for the collaborative vision
- Continue to make interregional transmission planning an important issue
- Provide comprehensive education to state policy and regulatory leaders on the issues important to the region

Large-scale transmission planning has begun



Acceleration of renewable additions and thermal retirements

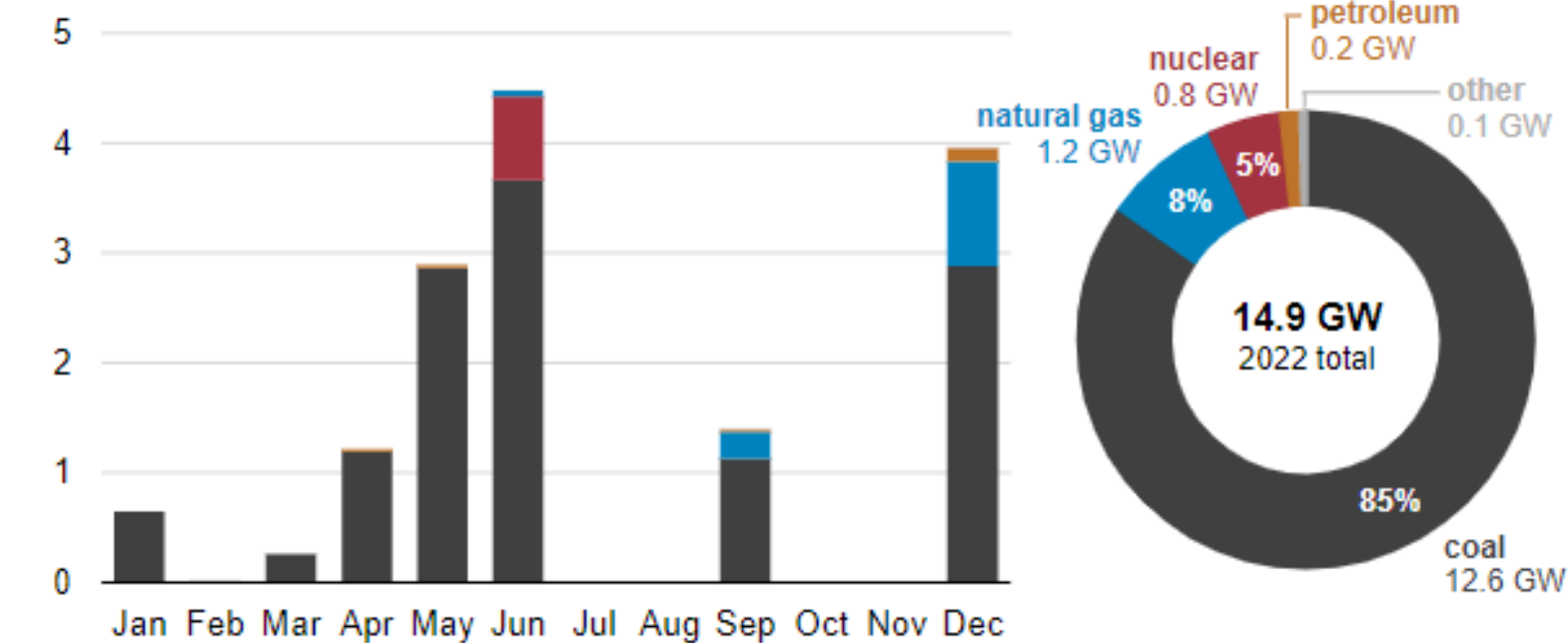
Active queue capacity highest in the non-ISO West (598 GW), followed by MISO (339 GW) and PJM (298 GW). Solar and storage requests are booming in most regions.



JANUARY 11, 2022

Coal will account for 85% of U.S. electric generating capacity retirements in 2022

Planned U.S. utility-scale electric generating capacity retirements (2022)
gigawatts (GW)



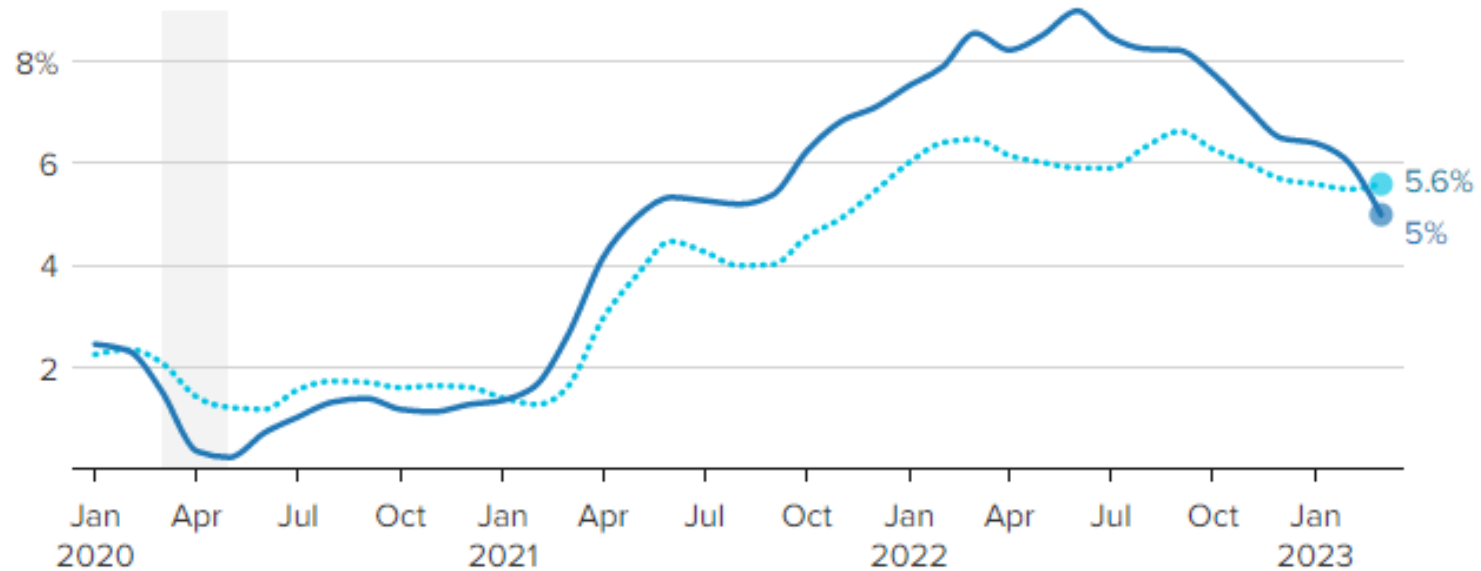
Source: U.S. Energy Information Administration, *Preliminary Monthly Electric Generator Inventory*, October 2021

New trends: inflation

U.S. consumer price index

Year-over-year percent change through March 2023

— All items ··· Less food and energy



Note: Shaded area indicates recession.

Chart: Gabriel Cortes / CNBC

Source: U.S. Bureau of Labor Statistics

Data last updated April 12, 2023



What is needed today?

What is Needed

A broader, comprehensive long-range transmission plan is needed to help define and shape the shared future we want. A long-range plan will be used to evaluate assumptions and identify the most important sensitivities to differentiate plans or solutions that are likely to succeed from those more likely to fail. In this effort, proactive leadership and dynamic, data-driven transmission studies focused on long-term goals are needed to reshape the Midwestern states' energy generation and delivery systems to meet the needs of the future while fostering economic growth, development and prosperity.

Vision Statement

Accordingly, the MGA MID-GRID 2035 process supports the development of a regional, coordinated long-range transmission plan that is consistent with Organization of MISO States' Long-Range Planning Principles.¹ The development of the long-range plan should be conducted by the Regional Transmission Operators serving the participating states with the collaborative input from states and interested stakeholders that meet the following objectives:

- ensure reliability requirements continue to be met while delivering the lowest-cost electricity;
- identify and enable efficient ways to achieve each state's individual and shared economic development and policy goals;
- utilize, to the maximum extent reasonable, current transmission infrastructure and right-of-way corridors within the context of each state's long-term planning needs to support meaningful public engagement and minimize siting challenges;
- explore a variety of options including transmission expansion and other emerging grid technology solutions to maximize grid flexibility and meet other system needs;
- identify the benefits and costs of the identified needs and opportunities and
- develop recommendations through a transparent stakeholder process.

A Broader Discussion for MID-GRID 2.0

- How do we maintain a reliable and affordable grid amidst so much change?
- Do Midwest states' policies align for efficient, equitable infrastructure deployment?
- State and national security needs and their grid implications
- Defining and attaining grid resilience

MID GRID 2.0 Progress to date

- Convened a state-led “Kitchen Cabinet” to advise and support the initiative
- Solicited state and stakeholder input on priority topics and needs for MGA, the states, and the industry more broadly
- Identified four priority topics which MGA will explore throughout 2023 and beyond
- Developed a multi-pronged framework to explore priority topics: affordability, reliability, and technological innovation

Priority Topics for MID-GRID 2.0

- Interregional Transmission
- Resource Planning and State Coordination
- Siting, Landowners, and Community Impacts
- State Energy and Emergency Planning Coordination

What are MID-GRID 2035 Outcomes?

- Continued coordination and dialogue on important state and regional issues
- Regular in-person and virtual meetings
- Continued deliverables

Questions & Comments

Get engaged by reaching out to Jeff Ewart (jewart@midwesterngovernors.org) or Matt Prorok (mprorok@gpisd.net)