



Building a resilient, zero-carbon energy system where every organization has a viable, expedient, and cost-effective pathway to renewable energy.

April 22, 2020

Midwest Governors Association
2025 M Street NW, Suite 800
Washington, D.C. 20036

Dear MGA Chair Governor Reynolds, MGA Governors, and Mr. Jesse Heier,

As governors, we know you deal with many economic challenges, none more so than those caused by the devastating pandemic sweeping the globe. We know you will have to make hard decisions about your states' economic future, and we believe that investments in clean energy can help drive the economic recovery needed while protecting our health and safety for generations to come. For your states, and the nation, to move toward a clean and carbon-free energy future, we need the Midcontinent Independent System Operator (MISO) to be a partner in charting this path forward. Businesses, such as those in the Renewable Energy Buyers Alliance (REBA), are making decisions on where to build or expand operations and many of those decisions are directly contingent on timely access to sufficient renewable resources to meet their demand.

MISO is currently undertaking a transmission planning process that can help unlock renewable energy needed to meet unmet demand. MISO must work to appropriately model corporate renewable energy or carbon reduction commitments in its futures scenarios, as these commitments and the resulting demand for renewable energy are largely above and beyond the commitments of states and utilities and have the potential to bring new and needed economic stimulus into your states.

REBA is a business trade association working on behalf of large energy buyers across multiple sectors to build a resilient, zero-carbon energy system where every organization has viable, expedient and cost-effective pathways to renewable energy. REBA represents over 100 non-residential renewable energy buyers nationwide, many of which have operations and ambitious renewable and clean energy goals across all the states served by MISO. Our leadership circle alone represents over \$1.5 trillion in annual revenues.

We are entering a new era in which governors and state legislators are increasingly setting bold clean energy goals and challenging the public and private sector to partner in advancing both economic development and renewable energy solutions. Corporations and other large energy buyers are stepping up to the challenge and represent significant and growing demand for renewable energy. REBA's members have transacted for nearly 2,000 megawatts (MW) of new, utility-scale renewable energy through power purchase agreements in MISO to date. Furthermore, Wood MacKenzie forecasted that sustainability targets of Fortune 1000 companies would drive approximately 15,500 MW of new renewables within the MISO footprint by 2030.¹ Planning and building sufficient transmission is critical to integrating this new renewable generation.

MISO is responsible for operating the regional transmission grid and electricity market. One of its key responsibilities is to complete annual transmission expansion plans which address the reliability, economic, and policy transmission needs of the region. This planning process, call MTEP (MISO Transmission Expansion Plan) gathers information from each transmission owner in the region related to planned transmission upgrades to address local reliability and load needs, and also evaluates regional needs and potential transmission solutions to those needs which are also incorporated into the annual plan. Since high-voltage transmission takes 8-10 years to plan and build, the forward looking MTEP planning process is critical to the

¹ Wood Mackenzie, "Corporate Purchaser Renewable Energy Demand Forecast" Presentation (August 2019).

next decade's development of renewables and ensuring that transmission capacity is planned for now and available when needed to serve the regions various needs, considering transmission is already significantly constrained in the region.

Given that only state and utility plans are currently counted in MISO's transmission scenarios and that corporate commitments largely fall outside of those plans², there is likely to be a significant mis-match between the amount of renewable energy our members are seeking and what can be accessed via the existing transmission grid. Already, our members are reporting an inability to source the renewable energy we need in some MISO states because of transmission congestion.

Further, projects are being canceled or delayed because of limitations identified in transmission studies. It is important that MISO model this corporate demand in its transmission planning process so that transmission capacity will be available when needed to support the addition of these new resources driven by corporate demand. If insufficient transmission to access the renewable energy needed to meet corporate demand persists, we will both have to look to other regions to source the renewable energy needed and potentially locate business expansions elsewhere, resulting in lost economic development opportunities for your states and constituents.

Therefore, we recommend MGA and its Governors engage in the MISO Futures planning process such that:

- The **Industry Announced Plans** Future should use announced plans, state mandates, goals and preferences, and add a scenario that includes corporate sustainability targets.
- The amount of **renewable expansion attributed to corporate sustainability targets** in the MISO footprint is forecasted to be approximately 12,400 - 15,500 MW by 2030, as estimated by Wood Mackenzie. That amount would be appropriate to model as a scenario.³ These corporate sustainability targets are happening outside of utility IRPs, regardless of the future selected. To ensure there is no double counting of this generation expansion, MISO should assume all of the corporate sustainability targets are additional to the utility forecasted need, unless a load-serving entity (LSE) has a corporate-focused green tariff or has specifically forecasted corporate renewable goals.

REBA and its members look forward to discussing the challenges and opportunities to meeting corporate demand for renewable electricity in MISO. And we stand ready to discuss the opportunity to leverage renewable energy in the economic recovery needed in the months and years ahead.

Sincerely,



Miranda Ballentine
Chief Executive Officer
Renewable Energy Buyers Alliance

CC: John Bear, Claire Moller, Brian Tulloh*, Jeff Webb* and Tony Hunziker*

*Several REBA members met with these individuals at the end of February to discuss corporate renewable energy procurement challenges and opportunities in MISO.

² Large-scale demand for new renewable resources are primarily satisfied either through virtual power purchase agreements, which are essentially contracts matched to a corporate load in any organized competitive wholesale market, or through direct purchases from the local utility, which may or may not be available or attractive to customers.

³ For example, just four of REBA's members have immediate demand for 750 MW of new renewable energy in MISO.

REBA's public buyer members include:

- Accenture
- Adobe
- AEG Worldwide
- Akamai Technologies
- Alexandria Real Estate Equities
- Aligned Energy
- Amazon
- American Honda Motor Co.
- Amgen
- Amy's Kitchen
- Anheuser-Busch InBev
- AT&T
- Atlassian
- Autodesk
- Ball Corporation
- Bank of America
- Best Buy
- Bloomberg
- Brunswick Corporation
- Cargill
- Chanel
- Cimpress
- Cisco
- City of Philadelphia
- Colgate-Palmolive
- Comcast
- Comerica Bank
- Corning
- Cox Enterprises
- Dell
- Digital Realty
- Eaton Merck & Company Inc
- eBay
- EdgeCore Internet Real Estate
- Equinix
- Estee Lauder
- EVgo
- Facebook
- FedEx Corporation
- Fifth Third Bank
- Freeport-McMoRan
- General Motors
- Goldman Sachs
- Google
- H&M
- Happy Family Brands
- Harley-Davidson
- Harvard
- Hemlock Semiconductor
- Hewlett Packard Enterprise
- HNI Corporation
- HP Inc.
- IBM
- Indorama Ventures
- Ingersoll Rand
- Intel Corporation
- Intertape Polymer Group Inc. (IPG)
- Iron Mountain
- Johnson & Johnson
- Kaiser Permanente
- Keurig Dr Pepper
- L3Harris
- LG Electronics USA
- Lockheed Martin
- L'Oréal
- Lowe's Companies, Inc.
- Marriott
- Mars
- McDonald's USA, LLC
- Merck
- Micron Technology
- Microsoft
- Nestle
- Nike
- Northrop Grumman Corporation
- Novozymes
- Oracle
- Owens Corning
- PayPal
- PepsiCo
- Procter & Gamble
- PVH
- QTS
- REI
- Saint-Gobain
- Salesforce
- Samsung Electronics
- Schlumberger
- Shell Procurements
- Sony Pictures
- Starbucks Corp
- Steelcase
- Stonyfield Farm
- Target
- Tetra Pak
- The Boeing Company
- The Carlyle Group
- The Walt Disney Company
- Tiffany & Co.
- United Technologies Corporation
- VF Corporation
- Visa, Inc.
- W.L. Gore & Associates, Inc.
- VMware
- Walmart
- Wells Fargo
- Western Washington University
- WeWork
- WinnCompanies
- Workday