

REMARKS BY MICHELLE BLOODWORTH TO THE MISO BOARD

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Thank you for the opportunity to speak today. I am Michelle Bloodworth, the president and CEO of America's Power, and I am appearing today on behalf of the **Affiliates Sector**. The Affiliates Sector is comprised of chambers of commerce, coal operators, electricity generators, railroads, barge operators, and suppliers to the coal industry. These organizations value reliability, resilience, affordability, fuel diversity, and fuel assurance.

I am sure that you are aware of the problems in CAISO last year and more recently in ERCOT, SPP, and, of course, MISO. The same high impact, low frequency disruption—extreme weather—forced all four of them to declare emergencies and to shed load.

MISO was forced to shed almost 3,000 MW of load during the winter storm. Fortunately, MISO had 57,000 MW of coal-fired generating capacity that provided almost half of its electricity supply during the winter storm. Otherwise, load shedding would likely have been worse.

Typically, grid operations are discussed in terms of their reliability, which means keeping the lights on during **normal** challenges. NERC has standards for reliability, and markets explicitly value attributes that are necessary for maintaining reliability.

On the other hand, there are no standards or criteria for **resilience**, even though, in many ways, resilience is a more serious matter because it means keeping the lights on when challenges are **extraordinary** and the consequences can be

catastrophic. For example, we know that 4 million people in Texas went without power and at least 80 people died.

Three years ago, FERC asked grid operators whether their grids were resilient. Notably, ERCOT indicated that its grid was resilient. I will let that assertion sink in for a moment. MISO also said that its “*grid is resilient*” and that “*MISO does not have any imminent or immediate resilience concerns ...*”

Also three years ago, FERC proposed a definition for resilience: “[t]he ability to withstand and reduce the magnitude and/or duration of **disruptive events**, which includes the capability to anticipate, absorb, adapt to, and/or rapidly recover from such an event.” Clearly, extreme weather is a disruptive event, but there can be other events that a resilient grid should be designed and operated to withstand.

In light of what we have learned over the past several months, we believe that MISO should assess the resilience of its grid both now and in the future. There are three simple questions that should frame such an assessment:

- How does MISO **define** resilience?
- What **criteria** should MISO use in assessing the resilience of its grid? And,
- Is the MISO grid resilient **now**, and will it be resilient in the **future**?

Thank you on behalf of the Affiliates Sector and its chairman Jonathan Fortner of the Lignite Energy Council. I would welcome feedback from members of the Board.

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