

Enel X Insights

MISO Renewables and Storage MWs on the Rise

According to Platt's, the Midcontinent Independent System Operator (MISO) has 4,250 MW of wind generation and 2,511 MWs of potential storage in its queue. The wind generation is expected to be active by this summer.

The American Wind Energy Association shows Iowa having the second most installed wind capacity with 10,190 MWs and 1,175 MWs under construction.¹ Neighboring states of Illinois to the east and Minnesota to the north rank 6th (5,350 MWs) and 7th (3,843 MWs) respectively. Texas is number 1 with more than double Iowa's capacity (28,843 MWs installed).

Many utilities across MISO and PJM are reacting to state renewable goals and increasing the development of renewable power sources in their territories. These investments are often passed through to the rate base, particularly in regulated utility territories, via riders or base rate increases. At the same time infrastructure improvements are also being factored into the rate creation process.

S&P Global reported on two recent rate cases, one in Indiana Michigan Power's Indiana territory, and the other in Consumer's Energy Michigan that included certain infrastructure improvements as part of the rationale for rate increases.

Key Takeaway: Lower energy costs may hide increasing distribution tariff rates within deregulated areas. Within regulated areas, lower energy costs may not be realized at all by customers, because the tariff rates are too slow to react to market movements.

The rise of renewables within utility portfolios will likely increase tariff rates, but may offer opportunities to procure renewables directly to avoid utility pricing. Each tariff is different and, as new riders and rates are developed, customers should consult with an Enel X advisor to review utility tariffs for opportunities to avoid additional costs and meet their own internal renewable goals.

¹ ["State Facts Sheets,"](#) American Wind Energy Association. Accessed March 15, 2020