



Department Source: City Utilities - Water and Light

To: City Council

From: City Manager & Staff

Council Meeting Date: August 19, 2024

Re: Authorizing the City Manager to authorize commercial or industrial electric customers to participate in demand response programs administered by the Midcontinent Independent System Operator.

Executive Summary

Staff has prepared for Council consideration a resolution authorizing the City Manager, or the Manager's designee, to authorize commercial and/or industrial electrical customers of the City to participate in demand response and load modifying resource programs that are implemented by the Midcontinent Independent System Operator (MISO).

Discussion

The State of Missouri removed restrictions to allow electric commercial and industrial customers of investor owned utilities (Ameren, Evergy, etc.) to participate in demand response and load reduction programs implemented and administered by Independent System Operators, including MISO, effective January 1, 2024 (PSC File No. EW-2021-0267). MISO has contractors working with commercial and industrial customers across Missouri to participate in MISO's demand response programs. This includes customers of investor owned utilities and customers of municipal utilities. MISO pays participating commercial or industrial customers for using less energy when electric demand on the grid exceeds the grid operator's ability to supply it or when electricity prices are high.

As part of the tariff for the MISO demand response program, if a utility serving a participating commercial or industrial customer distributed four million megawatt hours or less in the prior fiscal year, the utility must authorize the retail customer's participation in the MISO demand response program by certifying the customer qualifies for the program under existing regulations of the utility. Columbia's electric utility distributed less than four million megawatt hours in the previous fiscal year. Therefore, certification must be provided for customers that desire to participate in the MISO demand response program.

Currently, one electrical customer is seeking to participate in these demand response and load modifying resource programs and the utility anticipates additional customers electing to participate in the future. This resolution would allow the City Manager, or designee, to certify customers to participate in MISO's demand response program.

City Council previously approved a resolution on March 18, 2024 for the City Manager or designee to authorize commercial and/or industrial customers to participate in emergency demand response programs through MISO. This authorization would allow for the authorization to participate in non-emergency demand response and load modifying resource programs.



City of Columbia

701 East Broadway, Columbia, Missouri 65201

Fiscal Impact

Short-Term Impact: No fiscal impact anticipated

Long-Term Impact: No fiscal impact anticipated

Strategic & Comprehensive Plan Impact

[Strategic Plan Impacts:](#)

Primary Impact: Reliable and Sustainable Infrastructure, Secondary Impact: Not Applicable,

Tertiary Impact: Not Applicable

[Comprehensive Plan Impacts:](#)

Primary Impact: Infrastructure, Secondary Impact: Livable & Sustainable Communities,

Tertiary Impact: Not Applicable

Legislative History

Date	Action
3/18/2024	R58-24: Authorizing the City Manager, or designee, to grant permission to commercial and industrial electric customers to participate in emergency demand response resource programs implemented and administered by the Midcontinent Independent System Operator (MISO) and approving the form of such authorization.

Suggested Council Action

Approval of the resolution.