Breakfast Panel on Self-Committed Coal in Power Markets

Hosted by the Union of Concerned Scientists
Moderated by Utility Dive Associate Editor Catherine Morehouse

Featuring:

Richard Glick  FERC Commissioner
Ted Thomas  Arkansas PSC Chairman
Sarah Freeman  Indiana URC Commissioner
Annie Levenson-Falk  Minnesota CUB Executive Director
Joe Daniel  Union of Concerned Scientists Sr. Energy Analyst
Out-of-merit Generation - Visualized

Currently being deprived of revenues
These lower cost resources aren’t being called
Wholesale Market Prices - Illustrative

- Market Price
- Coal Production Costs

Price range from $15 to $35 per MWh, with fluctuations across the months of the year.
History of Research

• Backdoor Subsidies for Coal in SPP – Daniel, J. 2017. Sierra Club
• Dalman Economic Assessment – 2017. Chamber of Commerce
• Half of Coal is on Shaky Ground – Nielson, R. et. al. 2018. BNEF
• Playing With Other People’s Money – Fisher, J. et. al. 2019 Sierra Club
• Used But How Useful – Daniel, J and S. Sattler. Forthcoming. UCS
Commissioners Taking Notice

- IA: IUB Docket No. RPU-2018-0003
- KS: KCC Docket No. 18-WSEE-328-RTS
- LA: PSC Docket U-34794
- MI: PSC Case No. U-20069
- MI: PSC Case No.: U-20471
- MO: PSC Docket No. EW-2019-0370
- MN: PSC Docket No. 19-704
- TX: SOAH Docket No. 473-17-1764 / PUC Docket No. 46449
- WI: PSC Docket No. 5-UR-109
- WI: PSC Docket No. 6690-UR-126

This list is not exhaustive
Analysis and Findings

Preliminary Results for forthcoming report: “Used but how Useful?”
Analytical Approach

MISO

Plexos

2018

2 Runs
If market resources were dispatched economically, then market prices would increase slightly over status quo.

MISO Avg LMP ↑ 3%

*Preliminary Results*
Dispatching resources economically produces a more healthy and efficient market:

- Customer costs ↓
- Market profits ↑

**Preliminary Results**

- LMP ↑ 3%
- Production Costs ↓ 11%
- Market Surplus ↑ 64%
- Coal Generation ↓ 19%
Gross Benefit to Utility Coal Fleet When Dispatched Economically

Preliminary Results
Conversation moderated by Catherine Morehouse Utility Dive

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