



April 30, 2024

Ms. Mary Wiencke
Executive Director, Public Generating Pool
Chair, Markets+ Greenhouse Gas Task Force (MGHGTF)
Southwest Power Pool
201 Worthen Drive
Little Rock, AR 72223-4936

RE: CRS Comments on the proposed draft SPP Markets+ GHG Reporting Protocol

Dear Ms. Wiencke:

Center for Resource Solutions (CRS) appreciates the opportunity to comment on the draft protocol for tracking and reporting GHG emissions and reductions. CRS is broadly supportive of accurate emissions reporting and has long advanced market-based accounting methods as appropriate methods to support the credible use claims of Market Participants.

Initially, we note several terms used frequently throughout the text that are ambiguous and should be clearly defined in Section 1.1:

- “Null power”
- “Excess”
- “Unallocated”

While the definition of these terms may be inferred in context, explicitly defining them up-front would avoid confusion. Additionally, there are some terms whose definitions become obscured when the text employs them without clear antecedents. For example, the meaning of the term “Markets+ footprint production

GHG emissions” might be ascertainable based on defining each of its components, but the sum of its parts may not accurately define the whole.

Second, for some of the metrics in Sec. 1.8.3(iv), it is impossible to calculate even theoretical values because they depend on terms that have yet to be defined. This is the case throughout the text in multiple places referencing a “regional” component. Section 1.8.3(iii) specifies that “*regions will be determined and used in the calculations below through communications with Market Participants and the Market Operator.*” Until “regions” are so determined, however, it is impossible to make a robust evaluation of any regional component of the proposed Protocol. CRS favors stakeholder dialogue and suggests that SPP incorporate into the document the outcome of these communications between Market Participants and Market Operators before finalizing the Protocol.

Third, the draft Protocol relies on Market Participants self-reporting their null power, which can produce inaccuracies and lacks the objectivity of independently verified data. Instead, we recommend collaborating with WREGIS to create a report of WREGIS generators indicating which RECs were retired in each period by LSEs within the WREGIS footprint. This report should cover RECs associated with generation within the residual mix and RECs associated with owned and contracted generation within the footprint. CRS believes that calculations of null power derived from verified reports of REC retirements will yield more accurate and respected accounting.

Fourth, CRS agrees in general that it is preferable to remove null power generation rather than to assign emissions to that generation when calculating null power adjusted residual mixes (which would likely overcount emissions). Ideally, CRS supports all-generation tracking like that employed by NEPOOL GIS and PJM-GATS as the best approach to calculating emissions from residual mixes. This system produces a much more accurate region-wide residual mix based on the distribution of certificates. In an all-generation tracking system, unsold certificates may be assigned to unfulfilled LSE load (load not met with specified attributes) at the end of

defined trading periods to calculate a residual mix that is preferable either to assigning default emissions to residual generation or adjusting the residual mix by removing null power altogether.

Fifth, in the text as currently drafted, the difference between total regional market mix and regional average mix is unclear. Would regional average mix include all generation that is not in the market? It would be helpful to define each calculation, note their limitations, and explain how a reporting entity might employ them.

Finally, the use and limitations of entity average mixes and null power-adjusted entity average mixes is unclear. Further explanation, particularly regarding what is included and excluded in each calculation, would avoid confusing or unintentionally misleading consumers.

Thank you for considering our comments as you finalize the proposed Protocol. Please let me know if we can provide any further information or answer any other questions.

Sincerely,

_____/s/____

Christopher Cooper
Director, Policy