

149 FERC ¶ 61,095
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Cheryl A. LaFleur, Chairman;
Philip D. Moeller, Tony Clark,
and Norman C. Bay.

Midcontinent Independent System Operator, Inc.

Docket No. ER14-2156-000

ORDER CONDITIONALLY ACCEPTING TARIFF REVISIONS

(Issued October 31, 2014)

1. In this order, we conditionally accept, subject to a compliance filing and a further tariff filing, Midcontinent Independent System Operator, Inc.'s (MISO) proposed modifications to its Open Access Transmission, Energy and Operating Reserve Markets Tariff (Tariff) to introduce a new ramp capability product, subject to the outcome of the proceedings in Docket No. ER12-668-000 *et al.* and the proceedings in Docket Nos. ER12-678, ER12-2302, ER12-1265, ER13-2124, ER14-1713, ER14-1736, ER14-1817, and ER14-1940.

I. Background

2. In 2009, MISO implemented a market for Operating Reserves (i.e., Regulating Reserve, Spinning Reserve, and Supplemental Reserve) to enhance its existing Day-Ahead and Real-Time Energy markets.¹ MISO's Energy and Operating Reserve Markets use simultaneous co-optimization to produce the most efficient and reliable solution while meeting forecast energy demand and carrying sufficient Operating Reserves.

3. MISO states that, since its 2009 implementation of the Operating Reserve market, the amount of variable generation in its market has increased. It asserts that one consequence of this development is an increase in intra-hour Net Load variability.²

¹ See *Midwest Indep. Transmission Sys. Operator, Inc.*, 122 FERC ¶ 61,172 (2008).

² MISO defines "Net Load" as "[l]oad net of Net Scheduled Interchange and net of generation from Generation Resources that convert energy from intermittent and/or uncontrolled power sources." MISO June 10, 2014 Filing (Filing), Joseph Gardner Test. at 5 (Gardner Test.). MISO states that interchange schedule changes, variations in

(continued ...)

Additionally, MISO states that the Commission's issuance of Order No. 764 amended the Commission's *pro forma* Open Access Transmission Tariff to afford transmission customers the option of scheduling transmission for every 15-minute interval, when the prior most granular scheduling interval was one hour.³ According to MISO, the Commission hoped that the additional liquidity created by intra-hourly scheduling would allow buyers and sellers to develop intra-hour energy products, including "ramping products to manage variability in generation output more effectively."⁴ MISO states that the purpose of the ramping capability product proposed in the instant proceeding is to address Net Load variability, consistent with the Commission's expectations.

4. According to MISO, under its current market structure, short-term Net Load variations could create a situation where dispatchable resources have sufficient capacity but there is a short-term scarcity event because MISO has inadequate ramp capability to respond to unexpected variations in Net Load.⁵ It further argues that such ramp capability shortages could result in a single, five-minute dispatch interval or multiple consecutive dispatch intervals during which the price of energy can increase significantly due to scarcity pricing, even if the event does not present a significant reliability risk.⁶ During such events, MISO states that it often has sufficient capacity to meet Energy and

renewable resource output, errors in load forecast and variable generation forecast, and other changes in the power system and its operation, such as generation resources not following dispatch instructions, can cause near-term Net Load changes. *Id.* at 12.

³ The reforms adopted in Order No. 764 were designed to remove barriers to the integration of variable energy resources and to ensure that the rates, terms, and conditions for Commission-jurisdictional services provided by public utility transmission providers are just and reasonable and not unduly discriminatory or preferential. *Integration of Variable Energy Resources*, Order No. 764, FERC Stats. & Regs. ¶ 31,331, *order on reh'g and clarification*, Order No. 764-A, 141 FERC ¶ 61,232 (2012), *order on clarification and reh'g*, Order No. 764-B, 144 FERC ¶ 61,222 (2013).

⁴ Filing at 3. The Commission has defined ramping as "the ability to change the output of real power from a generating [resource] per some unit of time, usually measured as megawatts per minute." *Frequency Regulation Compensation in the Organized Wholesale Power Markets*, Order No. 755, FERC Stats. & Regs. ¶ 31,324, at n.3, *reh'g denied*, Order No. 755-A, 138 FERC ¶ 61,123 (2012). A generator ramps up to produce more energy and ramps down to produce less.

⁵ Gardner Test. at 6.

⁶ *Id.*

Operating Reserve requirements; however, in many instances it cannot fully dispatch this capacity to meet the change in Net Load due to ramp limitations within the current dispatch interval or subsequent dispatch intervals.⁷ MISO explains that its co-optimization algorithm allows shortages in the clearing of reserves, which results in scarcity pricing that is reflected in Locational Marginal Prices (LMPs) and Market Clearing Prices (MCPs). According to MISO, because these events have such a short duration, market participants cannot respond before the event ends. MISO further explains that, during these events, the hourly price of energy can sometimes increase significantly, even if the scarcity condition ends within a few dispatch intervals, because the hourly settlement LMP will include the five-minute LMPs and MCPs impacted by demand curve pricing associated with the short-term scarcity event.⁸

5. MISO's current approach to managing variations in Net Load relies on a variety of methods including Headroom and Floorroom targets to ensure that enough capacity is online and rampable,⁹ utilizing the current unit dispatch system to anticipate potential ramping needs by adjusting the anticipated load value, and commitment of quick start combustion turbines in real time.¹⁰ Although these measures provide some ability to deal with uncertainties in Net Load, MISO states that these current approaches do not explicitly calculate whether this available capacity will be sufficient to deal with predicted intra-hour variations.¹¹ Accordingly, MISO developed the ramp capability product to complement existing approaches by specifically procuring rampable capacity in the Day-Ahead and Real-Time markets to account for intra-hour Net Load variations.¹²

⁷ *Id.* at 6-7.

⁸ *Id.* at 7.

⁹ Headroom is the difference between economic maximum and the sum of dispatch targets for all energy and ancillary services. MISO, FERC Electric Tariff, Mod. A, II.1H (31.0.0). Floorroom is the sum of dispatch targets for all energy and ancillary services minus economic minimum. MISO, FERC Electric Tariff, Mod. A, § II.1F (31.0.0). Headroom and Floorroom constraints look at the aggregate Headroom and Floorroom for all resources in the market.

¹⁰ Gardner Test. at 8.

¹¹ *Id.* at 10-12.

¹² *Id.* at 23.

II. Filing

6. On June 10, 2014, MISO filed modifications to create two proposed new ramp capability products, Up Ramp Capability and Down Ramp Capability (jointly, Ramp Capability Product), to address expected and unexpected short-term variations in Net Load by maintaining rampable capacity in reserve when it is needed.¹³ MISO explains that the Ramp Capability Product adds a constraint to the Day-Ahead and Real-Time markets, and, when it is necessary, the market model will hold back resources from providing energy in the current five-minute dispatch interval to retain sufficient capacity to achieve required ramp levels in subsequent intervals.¹⁴ MISO further explains that it will set Ramp Capability Product requirements for the Day-Ahead and Real-Time markets based upon load forecasts and historical analysis of Net Load variability.¹⁵ MISO's proposal includes Tariff modifications that set forth the substance of the Ramp Capability Product, its requirements, and its relationships with other MISO products and services.¹⁶

7. MISO states that Ramp Capability Product pricing will provide opportunity costs to resources that are dispatched out of merit order in the current Dispatch Interval through the clearing of Up Ramp Capability or Down Ramp Capability.¹⁷ MISO explains that generators will not offer the Ramp Capability Product, and instead will simply indicate their willingness to provide rampable capacity.¹⁸ MISO states that pricing the Ramp

¹³ Filing at 4.

¹⁴ The Ramp Capability constraint looks at a defined period of time past the current dispatch interval (e.g., 10 minutes) and includes the forecasted changes in Net Load plus an additional quantity to address uncertainty. Gardner Test. at 14, Att. A at 23.

¹⁵ Gardner Test. at 13.

¹⁶ MISO's Filing contains proposed changes to Module A (Common Tariff Provisions), Module B (Transmission Service), Module C (Energy and Operating Reserve Markets), Module D (Market Monitoring and Mitigation Measures), Schedule 27 (Real-Time Offer Revenue Sufficiency Guarantee Payment (RTORSGP) and Day-Ahead Margin Assurance Payment (DAMAP)), Schedule 28 (Demand Curves for Operating Reserve, Regulating and Spinning), Schedule 29 (Energy and Operating Reserve Market Simultaneous Co-optimized Formulations), and Schedule 29A (ELMP for Energy and Operating Reserve Markets Ex-Post Pricing Formulations). Filing at 6-8.

¹⁷ Gardner Test. at 13.

¹⁸ *Id.* at 27.

Capability Product using opportunity cost will compensate those resources held back in the current dispatch interval to provide energy or Operating Reserves in future intervals. MISO has set this value at a maximum of \$5 per megawatt hour (MWh) for the Ramp Capability Product.¹⁹ MISO notes, however, that eliminating all short-term scarcity events would be cost prohibitive and acknowledges that the Ramp Capability Product is inadequate to address large changes in power balances, such as sudden generator loss, large changes in net scheduled interchange, or sudden load changes. MISO states that make-whole payments, including opportunity costs associated with cleared ramp capability, will be available if a resource's energy, Operating Reserve, and ramp capability payments do not cover its as-bid costs.

8. MISO's proposal limits supply of the Ramp Capability Product to Generation Resources, Demand Response Resources Type II, and External Asynchronous Resources because these resources are able to respond to five-minute energy dispatch instructions.²⁰ Resources that are unable to respond to such signals, such as short-term storage participating as Stored Energy Resources,²¹ are not able to provide the Ramp Capability Product.²² Additionally, MISO states that dispatchable intermittent resources "will be able to provide [Down Ramp Capability] to the extent that they are able to reduce output within the time frame of the load following needs."²³

9. As a part of its Filing, MISO proposes to revise the Day-Ahead and Real-Time Regulating Total Cost Price Floors from negative \$500 to \$0, and Contingency Reserve Total Cost Floors from negative \$100 to \$0.²⁴ MISO explains that the proposed Ramp Capability Product has the lowest priority among energy and the other ancillary services and that allowing Operating Reserves to clear at negative prices could upset this

¹⁹ MISO, FERC Electric Tariff, Schedule 28, §§ IX.ii, X.ii (31.0.0).

²⁰ MISO, FERC Electric Tariff, Mod. C, §§ 39.2.1B & 40.2.4 (31.0.0).

²¹ Stored Energy Resources are only eligible to offer Regulating Reserve in the MISO Day-Ahead and Real-Time markets. Storage resources that can provide energy over a longer time period and respond to five-minute energy dispatch instructions are able to provide Ramp Capability Product. *See* Gardner Test., Att. A at 41.

²² *Id.*

²³ *Id.*

²⁴ *See* MISO, FERC Electric Tariff, Mod. C, §§ 39.2.5 & 40.2.5 (31.0.0).

hierarchy.²⁵ MISO also notes that it has not observed any negative offer submittals for Operating Reserves since the inception of the Operating Reserves market in 2009.²⁶

10. MISO requests that the Commission accept the proposed Ramp Capability Product Tariff modifications by November 1, 2014 “and allow MISO to inform the Commission of the planned implementation date of the Ramp Capability Product in 2015.”²⁷ It requests that the Commission grant waiver of section 35.3(a)(1) of its regulations,²⁸ which prohibits the filing of rate revisions earlier than 120 days before they are to go into effect. MISO argues that the Commission has good cause to grant this waiver because of the complexity of the Ramp Capability Product and the long lead time needed to test and finalize software and system changes. Finally, MISO commits to making a filing under section 205 of the Federal Power Act²⁹ with the Commission to update the Ramp Capability Product Tariff sheets to reflect the most up-to-date versions of the then-current Tariff provisions. It states that this filing will be submitted at least 60 days prior to the proposed effective date of the Ramp Capability Product.³⁰

III. Notice of Filing and Responsive Pleadings

11. Notice of MISO’s Filing was published in the *Federal Register*, 79 Fed. Reg. 35,157 (2014), with interventions and protests due on or before July 1, 2014. Consumers Energy Company, DTE Electric Company, E.ON Climate & Renewables North America, LLC (E.ON), Exelon Corporation, NextEra Energy Resources, LLC, Duke Energy Corporation, the NRG Companies, Michigan South Central Power Agency, Michigan Public Power Agency, American Municipal Power, Inc., and Wisconsin Electric Power Company filed timely motions to intervene. Ameren Services Company (Ameren) and Hoosier Energy Rural Electric Cooperative, Inc. (Hoosier Cooperative) filed timely motions to intervene and protests in this proceeding. Powerex Corp (Powerex) and MidAmerican Energy Company (MidAmerican) filed timely motions to intervene and comments. The Illinois Commerce Commission and Wabash Valley Power Association,

²⁵ Gardner Test. at 28-29.

²⁶ *Id.*

²⁷ Filing at 10.

²⁸ 18 C.F.R. § 35.3(a)(1) (2014).

²⁹ 16 U.S.C. § 824d (2012).

³⁰ Filing at 11.

Inc. filed out-of-time motions to intervene. On July 16, 2014, MISO filed an answer in response to the filed protests and comments. On July 17, 2014, E.ON filed an answer to Hoosier Energy's and Powerex's pleadings. On July 31, 2014, Ameren submitted an answer to MISO's answer.

IV. Discussion

A. Procedural Matters

12. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2014), the timely, unopposed motions to intervene serve to make the entities that filed them parties to this proceeding.

13. Pursuant to Rule 214(d) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214(d) (2014), we will grant the late-filed motions to intervene, given the filers' interests in the proceeding, the early stage of the proceeding, and the absence of undue prejudice or delay.

14. Rule 213(a)(2) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.213(a)(2) (2014), prohibits an answer to a protest or answer unless otherwise ordered by the decisional authority. We will accept the answers filed in this proceeding because they have provided information that assisted us in our decision-making process.

B. Substantive Matters

1. The Need for Ramp Capability Product

a. Filing

15. MISO states that its current approaches to ramp management are narrowly focused and do not provide comprehensive ramp management capability.³¹ For example, MISO states that its Headroom and Floorroom capacity constraints in the Day-Ahead Market are set to sustain ramp for 30 minutes, whereas operational requirements should be focused on avoiding short-term scarcity events (i.e., 5 to 15 minutes) throughout all market processes. MISO explains that the Ramp Capability Product will provide enhanced transparency and economic efficiency associated with the procurement and deployment of ramp capability that will complement existing methods.³²

³¹ Gardner Test. at 23.

³² *Id.*

16. MISO states that implementation of the Ramp Capability Product will provide both economic and reliability benefits. More specifically, MISO states that procuring the Ramp Capability Product in the Day-Ahead and Real-Time markets will reduce the incidence and associated costs of reserve shortages and the need for operators to use the unit dispatch system to manage ramp needs, and avoid committing Fast Start Resources and associated costs. MISO also states that the Ramp Capability Product will provide a reliability benefit by providing an explicit mechanism to respond to real-time changes in system requirements to avoid or reduce the occurrence of reserve shortages.³³ MISO estimates that the implementation of the Ramp Capability Product will result in annual savings in production costs, reduction in reserve shortages, and transmission violations; after accounting for Ramp Capability Product payments, MISO predicts that the Ramp Capability Product will result in overall annual operating cost savings between \$3.8 and \$5.4 million.³⁴

b. Protests and Comments

17. Hoosier Cooperative states that, while MISO has purported to quantify the monetary impacts of the Ramp Capability Product, it has only looked at the impacts to as-offered production costs, product payments, and Revenue Sufficiency Guarantee payments. Hoosier Cooperative further states that MISO has assumed implementation costs of zero. Accordingly, Hoosier Cooperative contends that, based upon MISO's Filing and the lack of information on implementation costs, it is "impossible to know whether the benefits [of the Ramp Capability Product] will . . . outweigh the costs" and asks the Commission to reject MISO's proposal without prejudice.³⁵ In the alternative, Hoosier Cooperative states that the Commission can issue a deficiency letter and direct MISO to provide an estimate of its implementation costs and the costs that all market participants will incur from implementation of the Ramp Capability Product.

18. Similarly, Ameren argues that MISO's Filing should be rejected without prejudice to re-filing the proposal if MISO is able to resolve the proposal's critical operational flaws. Ameren argues that critical flaws in MISO's proposal – namely, MISO's failure to provide flexible scheduling parameters and to support its proposed Price Volatility Make-Whole Payments (PVMWP) "penalty scheme" – will seriously undermine what MISO concedes will be modest short-term benefits to the market if MISO implements the

³³ *Id.* at 15-16.

³⁴ Filing at 5. *See* Gardner Test., Att. B at 24.

³⁵ Hoosier Cooperative July 1, 2014 Protest at 4 (Hoosier Cooperative Protest).

product as presented to the Commission.³⁶ Ameren states that rejection without prejudice is appropriate here because MISO's description of the factors driving its proposal demonstrate that there is no immediate need for this product.³⁷ As support, Ameren notes that other regional transmission organizations (RTOs) have been able to manage increased intra-hour load variability by simply increasing Operating Reserve procurement.³⁸

c. Commission Determination

19. We find that MISO has demonstrated that its proposal will provide valuable economic and reliability benefits. Therefore, we will accept MISO's proposal and decline requests from Hoosier Cooperative and Ameren to reject MISO's proposal without prejudice. Although MISO has not quantified the exact costs of implementing the Ramp Capability Product, MISO's arguments have persuaded us that the Ramp Capability Product will provide both economic and reliability benefits through a reduction in artificial scarcity events, transmission violations, and uneconomic resource commitments. With regard to Ameren's claims, even if other RTOs have simply increased Operating Reserve procurement to address increased Net Load variability, we find that the Ramp Capability Product is a reasonable approach for managing Net Load variability. Furthermore, as discussed below, we disagree with Ameren's claims that the Ramp Capability Product proposal contains critical flaws that MISO must address before implementation.

2. Cost Allocation

a. Filing

20. MISO proposes to allocate the costs of the Ramp Capability Product to those transactions that primarily benefit from the product — load and exports.³⁹ MISO explains that this allocation approach is consistent with the way it allocates costs for

³⁶ Ameren July 1, 2014 Protest at 6, 8-14 (Ameren Protest).

³⁷ *Id.* at 7.

³⁸ *Id.* at 8.

³⁹ Gardner Test. at 21.

Operating Reserve products. MISO explains that the need for the Ramp Capability Product is similar to the need for Operating Reserves for reliable system operations.⁴⁰

21. MISO further states that approximately 90 percent of the need for the Ramp Capability Product is due to load and changes in net scheduled interchange.⁴¹ It asserts that the relatively low total yearly costs of the Ramp Capability Product and the small potential cost shifts do not justify development and implementation of a more cost causative rate design and also that “it is unclear if a cost causative rate design for Ramp Capability Product costs would provide the proper incentives to reduce those transactions that cause the need for the product, thus reducing the amount of product needed.”⁴²

b. Protests and Comments

22. Hoosier Cooperative and Powerex raise concerns with MISO’s chosen cost allocation approach. Hoosier Cooperative asserts that while MISO acknowledges that the growing proportion of intermittent generation in MISO’s resource mix is “at least partially responsible” for MISO’s increased load variability, MISO has not allocated Ramp Capability Product costs to generation, even to intermittent generators.⁴³ Hoosier questions MISO’s decision not to allocate costs to intermittent generators if MISO concedes that they create some of the need for the Ramp Capability Product. Furthermore, it contends that the Commission can only accept MISO’s proposed modifications if it conditions its acceptance on MISO revising its proposed cost allocation to ensure that “the rates imposed reflect to some degree the costs actually caused by the customer who must pay them.”⁴⁴

23. Powerex generally supports MISO’s Ramp Capability Product cost allocation approach, given MISO’s prediction that its implementation costs will be “*de minimis*” relative to its size.⁴⁵ However, Powerex argues that the Commission should condition its acceptance of MISO’s proposal on a requirement “that MISO revisit its cost allocation

⁴⁰ *Id.* at 20.

⁴¹ *Id.* at 21.

⁴² *Id.*, Att. A at 39.

⁴³ Hoosier Cooperative Protest at 4.

⁴⁴ *Id.* at 5.

⁴⁵ Powerex July 1, 2014 Comments at 3.

methodology at such time that its total annual costs of procuring ramp capability exceed the current *de minimis* level.”⁴⁶ Powerex states that Ramp Capability Product annual costs of \$10 million or more would meet this threshold.

c. Answers

24. In its answer, MISO explains that load and exports are the transactions that will primarily benefit from the Ramp Capability Product. MISO further explains that 90 percent of the need for the Ramp Capability Product is due to load and net scheduled interchange.⁴⁷ MISO asserts that applying an overly complex cost causation rate design to less than ten percent of the cause of the cost would not necessarily provide proper incentives to reduce the targeted transactions and could reduce the benefits to Ramp Capability Product beneficiaries.⁴⁸

25. In its answer, E.ON asserts that MISO’s proposed cost allocation methodology is just and reasonable, but it supports Powerex’s proposed \$10 million annual cost threshold as a “reasonable checkpoint” to revisit the methodology.⁴⁹

d. Commission Determination

26. We find MISO’s proposal to allocate the costs of the Ramp Capability Product to load and exports to be just and reasonable and will therefore accept it. Given that load and net scheduled interchange contributes approximately 90 percent of Net Load variability in this instance, we agree with MISO that load and exports are the primary beneficiaries of the Ramp Capability Product. Accordingly, we will accept MISO’s proposed allocation of costs. Additionally, we agree with MISO that the relatively low cost of the Ramp Capability Product and limited opportunity for cost shifting to other market participants further supports the allocation of costs to load and exports.

27. We will not accept Powerex’s suggestion of a \$10 million threshold for reevaluating the existing cost allocation methodology because commenters have provided no evidence to support the need for a threshold of any value to reevaluate MISO’s cost allocation methodology. Moreover, even if we sought to establish a threshold to

⁴⁶ *Id.* at 6.

⁴⁷ MISO July 16, 2014 Answer at 4 (MISO Answer).

⁴⁸ *Id.*

⁴⁹ E.ON July 18, 2014 Answer at 3 (E.ON Answer).

reevaluate MISO's cost allocation methodology, commenters have provided no evidence to support \$10 million as an appropriate threshold.

3. Self-Scheduling

a. Filing

28. In MISO, resource offer components include, among other things, a dispatch status for each of the products for which MISO may clear the resource, such as energy, regulating reserve, and spinning reserve. For Operating Reserve products, resources may choose one of four options for dispatch status: Economic, Self-Schedule, Not Participating and Not Qualified. For the Ramp Capability Product, MISO proposes to permit resources that offer energy economically into the Day-Ahead or Real-Time markets to either participate or not participate in the ramp capability procurement for the hour by identifying their ramp capability dispatch status as either "Economic" or "Not Participating."⁵⁰

29. MISO explains that it did not include a self-schedule option for the Ramp Capability Product because doing so could defeat the objective of having rampable capacity available for dispatch. MISO states that, if a resource was able to self-schedule ramp capability in real time, the future interval dispatch would have to clear the ramp capability rather than using the capacity for energy, if necessary.⁵¹ In these circumstances, a resource could receive payments for Up Ramp Capability or Down Ramp Capability, but MISO would be unable to ramp the resource upward in future intervals.⁵² MISO explains that the possibility of such a scenario would defeat the objective of having the rampable capacity available for dispatch. MISO states that, accordingly, it has not included the self-schedule option.

b. Protests

30. Ameren argues that the omission of Not Qualified and Self-Schedule dispatch statuses for the Ramp Capability Product is discriminatory because it disproportionately

⁵⁰ MISO, FERC Electric Tariff, Mod. C., § 39.2.5B(b)(xvi) (31.0.0) ("An Offer shall include specification of an Up and Down Ramp Capability Status which applies to both Up Ramp Capability and Down Ramp Capability for each Hour. Valid Up and Down Ramp Capability Status specifications include: Economic and Not Participating").

⁵¹ Gardner Test., Att. A at 31.

⁵² *Id.*

affects Use-Limited Resources, such as hydroelectric plants, which depend upon self-scheduling ancillary services to “manage the factors limiting their available output.”⁵³ Ameren argues that resources use self-scheduling to increase their chance of clearing without regard to the market clearing price’s relationship to the cost of providing the product in question.

31. Ameren offers an example involving a hydroelectric resource that receives a Day-Ahead award for energy for a certain portion of its capacity and ancillary services for the remainder. Ameren argues that, in such a scenario, the resource may use a self-schedule dispatch status in Real-Time to ensure that its Real-Time dispatch mirrors its Day-Ahead award. Ameren argues that, without the option for self-scheduling of ramp services, MISO’s Real-Time dispatch algorithm may dispatch the resource for higher levels of energy than its Day-Ahead award, and the resource may use all of its available water in the early hours of a day and have insufficient remaining water to meet its Day-Ahead award later. Ameren therefore finds the lack of Self-Schedule and Not Qualified dispatch statuses unacceptable because without the Self-Schedule dispatch status, a Use-Limited Resource will “be at risk of clearing significant Day-Ahead amounts of Up-Ramp or Down-Ramp, only to be dispatched for higher levels of Energy in Real-Time than [its] Day-Ahead Energy award, rendering it without sufficient fuel to meet the remainder of its Day-Ahead award.”⁵⁴ Ameren also argues that the PVMWPs would not cover a resource’s costs to buy back its Day-Ahead award in these circumstances.⁵⁵ Ameren further argues that, if a resource could self-schedule the Ramp Capability Product in Real-Time, the ramping capacity would remain available when needed, and a resource would be more likely to adhere to its day-ahead award.⁵⁶ If the Commission decides to accept the Filing, Ameren asks the Commission to conditionally accept the Filing and direct MISO to provide Self-schedule and a Not Qualified offer dispatch statuses.⁵⁷

⁵³ Ameren Protest at 8.

⁵⁴ *Id.* at 10.

⁵⁵ *Id.*, Jaime Haro Test. at 9-10. PVMWPs are a type of make-whole payment that makes resources whole if the cost of following Real-Time dispatch instructions as compared to the Day-Ahead dispatch exceeds the additional payment for following that dispatch. PVMWP includes the Real-Time Offer Revenue Sufficiency Guarantee Payment and the Day-Ahead Margin Assurance Payments. *Id.* at 13. These payments are addressed in more detail below.

⁵⁶ Ameren Protest at 10.

⁵⁷ *Id.* at 14.

c. Answers

32. MISO responds that the Ramp Capability Product revisions are non-discriminatory and that the Ramp Capability Product is not an ancillary service. In support, it states that the Ramp Capability Product is necessarily tied to resource dispatchability because it assists the dispatch function to ensure sufficient, system-wide ramp capability. MISO also contends that Ramp Capability Product providers will not encounter additional operating costs but rather that MISO will compensate them at the marginal lost opportunity cost.⁵⁸ MISO further argues that it created the Not Participating dispatch status to accommodate resources with limited dispatch ability.⁵⁹

33. Ameren argues that Not Participating is not an adequate substitute for the missing Self-Schedule and Not Qualified dispatch statuses. In this regard, it argues that selecting this option suggests that a resource can offer a product but chooses not to, whereas it might not be capable of offering the ramp product.⁶⁰

d. Commission Determination

34. We disagree with Ameren's protest with regard to the need for Ramp Capability Product self-scheduling or the need for a Not Qualified dispatch status.

35. As an initial matter, we agree with MISO that allowing resources to self-schedule ramp capability may prevent MISO from deploying the Ramp Capability Product during future intervals even though the resource receives payments for the ramp capability. As MISO describes, the Ramp Capability Product reserves rampable capacity for use in a future dispatch interval when needed, allowing MISO to better position resources' dispatch levels to meet load in future intervals.⁶¹ Self-scheduling ramp capability would deprive MISO of the flexibility to "convert" the ramp capability into energy in future intervals and could result in payments for the Ramp Capability Product even if MISO cannot ramp the paid resources for energy.⁶²

⁵⁸ MISO Answer at 6.

⁵⁹ *Id.*

⁶⁰ Ameren July 31, 2014 Answer at 5-6 (Ameren Answer).

⁶¹ Filing at 4.

⁶² For example, assume a resource has a maximum of 100 MW and is offering all of its capacity economically into the Real-Time energy market at a price that is certain to clear in each interval. For time period t_1 , the resource self-schedules 20 MW of Up Ramp

36. Moreover, it is not clear from Ameren's example why a Use-Limited Resource would need to pursue the proffered self-scheduling strategy given that it can incorporate opportunity cost into its energy offers to limit its dispatch for energy during the early and lower priced hours of the Real-Time Market. We note that Ameren and other market participants with Use-Limited Resources are able to incorporate opportunity costs into the reference levels for their offers after a consultation with the Market Monitor.⁶³

37. Additionally, Ameren has not persuaded us to direct development of a Not Qualified dispatch status for up and down ramp capability. While MISO acknowledges that there are resources with limited dispatchability that may opt out of providing ramp, it is unclear how dispatchable resources would not be "qualified" to provide ramp if a market participant could provide such ramp by following five-minute energy dispatch targets. Accordingly, we will accept MISO's proposal without requiring a self-schedule or Not Qualified option.

4. Changes to Make-Whole Payments

a. Filing

38. MISO's proposed Tariff revisions would require resources to have a Ramp Capability Dispatch status of "Economic" (for both Up Ramp Capability and for Down Ramp Capability) to qualify for PVMWPs and Real-Time Revenue Sufficiency Guarantee (RTRSG) payments. If a resource fails to meet this criterion for four or more consecutive intervals in an hour, it is ineligible to receive the Day-Ahead Margin Assurance Payment (DAMAP) in that hour,⁶⁴ and Real-Time Offer Revenue Sufficiency Guarantee Payment (RTORSGP) for all remaining Security Constrained Unit Commitment Instructed Hours of Operation.⁶⁵ Similarly, if a resource fails to meet this

Capability and is also cleared for 80 MW of Energy. Clearing 20 MW of Up Ramp Capability in t_1 means that this resource should be available to move upward a total of 20 MW from its current dispatch of 80 MW over t_2 and t_3 , if necessary. However, self-scheduling 20 MW of Up Ramp Capability again in t_2 and t_3 results in the resource consistently producing 80 MW during those intervals. Such a strategy allows a resource to receive payments for the Ramp Capability Product that MISO can never dispatch for energy.

⁶³ See MISO, FERC Electric Tariff, Mod. D, § 64.1.4(a)(ii) (30.0.0).

⁶⁴ MISO, FERC Electric Tariff, Mod. C., § 40.3.6.4(f)(31.0.0).

⁶⁵ *Id.* §§ 40.3.5.4(e) & 40.3.5.4(e) (32.0.0).

criterion for four or more consecutive intervals in an hour, MISO's proposed changes will subject the resource to a Real-Time Revenue Sufficiency Credit Guarantee reduction pursuant to Section 40.3.3.(b)(vi)(2)(b).⁶⁶

b. Protests

39. Ameren contends that MISO has failed to justify its proposal to disqualify from PVMWPs resources that do not offer the Ramp Capability Product. On this point, it asserts that a resource that elects not to offer the Ramp Capability Product may still be dispatchable but may have what Ameren says are legitimate reasons not to offer the Ramp Capability Product such as a limitation on self-scheduling, discussed above. It further states that such a resource could still follow Real-Time dispatch instructions. Ameren therefore contends that a resource that does not offer the Ramp Capability Product but follows Real-Time energy dispatch could suffer revenue deficiencies and should be eligible to receive PVMWPs to mitigate such losses.

40. Further, Ameren states that the proposed modifications that restrict PVMWP eligibility constitute a "penalty scheme" and will degrade the Ramp Capability Product's effectiveness. To support this point, it suggests that, to avoid PVMWP ineligibility, some resources may choose to offer the Ramp Capability Product even though they "may not be well suited" to offer it.⁶⁷ Ameren further contends that MISO does not restrict resources that do not offer ancillary services from receiving PVMWPs. According to Ameren, this fact further supports its contention that MISO cannot justify the disqualification from PVMWPs for non-Ramp Capability Product resources. Finally, Ameren argues that, if MISO has appropriately priced the Ramp Capability Product, resources should be indifferent between clearing the Ramp Capability Product and energy and ancillary services, and consequently, restricting PVMWP eligibility should not be necessary.⁶⁸ If the Commission decides to accept the Filing, Ameren contends that the Commission should condition its acceptance on the removal of the PVMWP "penalty."⁶⁹

⁶⁶ *Id.* § 40.3.3(b)(vi)(2)(b)(31.0.0).

⁶⁷ Ameren Protest at 13.

⁶⁸ *Id.* at 14.

⁶⁹ *Id.*

c. Answers

41. MISO responds that the Ramp Capability Product is not an ancillary service, as it will supplement MISO's Operating Reserve products, is tied to a resource's dispatchability, and resources that provide the Ramp Capability Product will not encounter additional operating costs.⁷⁰ Further, MISO states that the PVMWP eligibility requirement changes are consistent with the PVMWP anti-gaming Tariff provisions, which prohibit oscillating Day-Ahead schedules to increase PVMWPs.⁷¹ It also argues that a resource that can oscillate its dispatch status or that can choose in which hours it will offer the Ramp Capability Product could game PVMWPs and limit MISO's ability to manage scarcity pricing events.⁷² Additionally, MISO responds that a resource that elects to be "Not Participating" for the Ramp Capability Product limits the flexibility it offers by withholding its dispatch range, and consequently, is not dispatchable. Therefore, according to MISO, such a resource should be ineligible for PVMWPs, as the purpose of these payments is to discourage resources from limiting their dispatchability.⁷³

42. In response, Ameren argues that the Ramp Capability Product is "clearly not Energy and squarely fits within" MISO's definition of ancillary services.⁷⁴ Secondly, Ameren argues that if gaming is a legitimate concern, then MISO should propose Tariff changes to address gaming instead of disallowing PVMWPs for non-Ramp Capability Product resources.⁷⁵ Finally, Ameren argues that disqualifying resources from PVMWPs for not offering the Ramp Capability Product modifies the current dispatchability standards of the Tariff. It contends that until MISO gains experience with this new product, it cannot justify such modifications.⁷⁶

⁷⁰ MISO Answer at 5-6.

⁷¹ *Id.* at 6-7.

⁷² *Id.* at 7.

⁷³ *Id.* at 7-8.

⁷⁴ Ameren Answer at 4.

⁷⁵ *Id.* at 7-8.

⁷⁶ *Id.* at 10.

d. Commission Determination

43. We will accept MISO's proposal to incorporate the Ramp Capability Product participation into make-whole payment eligibility criteria. In particular, we agree with MISO that resources that do not provide Ramp Capability Product are limiting their dispatch flexibility, which would significantly undermine the PVMWP's objective; thus, it is appropriate to disqualify such resources from PVMWP.

44. The Commission previously accepted Tariff modifications to create the PVMWP to encourage greater dispatch flexibility by providing market participants that submit flexible offers with protection from potential losses in Real-Time.⁷⁷ As stated by MISO in its filing in Docket No. ER06-1552-000, inflexible offer behavior by market participants could cause it to "commit additional [resources] which result in unnecessary production costs and corresponding RSG payments."⁷⁸ Much like the inflexible offers that prompted the PVMWP filing, we find that resources that choose not to participate in providing the Ramp Capability Product may also result in higher production costs and higher costs to consumers through increased scarcity pricing. Accordingly, like resources that offer their energy inflexibly, we find that resources that do not provide the Ramp Capability Product are contributing to a net increase in production costs and should be ineligible for PVMWP.

45. Furthermore, we disagree with the two assertions underlying Ameren's protest regarding changes to the PVMWP eligibility criteria. First, we find no support for Ameren's claims that MISO's proposal is unjust and unreasonable because resources are not similarly disqualified from receiving PVMWP when selecting "Not Participating" for Regulating Reserve, Spinning Reserve, Supplemental Reserve, or Off-Line Supplemental Reserve. Ameren attempts to equate the Ramp Capability Product with these four reserve products by referring to them collectively as ancillary services. However, the four ancillary services cited by Ameren are Operating Reserve products that provide a different function from the Ramp Capability Product; therefore, we see no reason that providing Operating Reserve products and the Ramp Capability Product should have an identical impact on PVMWP eligibility.

⁷⁷ See *Midwest Indep. Transmission Sys. Operator, Inc.*, 117 FERC ¶ 61,325 (2006).

⁷⁸ MISO Sept. 29, 2006 Filing, Gardner Test. at 4 (Docket No. ER06-1552-000) Examples of offers with "little or no dispatchable flexibility" include setting Economic Minimum equal to Economic Maximum, or by submitting very low or zero ramp rates. *Id.* at 4.

46. Second, Ameren has not supported its claim that “there may be generation assets that are not good candidates for the Ramp Capability Product, but are still dispatchable, and thus still require PVMWP protection.”⁷⁹ We find that Ameren’s example regarding its hydroelectric resources lacks sufficient explanation, and Ameren has provided no other evidence to support its claim. Specifically, Ameren’s protest does not adequately explain why self-scheduling its ancillary services in Real-Time at the amount of ancillary service contained in its Day-Ahead award leads to an *energy* dispatch in Real-Time that is equal or similar to its Day-Ahead *energy* award.⁸⁰ Additionally, Ameren provides no explanation of how withdrawing PVMWP eligibility would harm the example resource in light of the proposed bidding strategy.

47. However, we will require MISO to explain the specific periods of ineligibility for DAMAP and RTORSGP payments, as they relate to Dispatch status for the Ramp Capability Product. MISO has proposed different eligibility restrictions for DAMAP and RTORSGP when a resource fails to maintain a Ramp Capability Dispatch status of “Economic” for four or more consecutive intervals in an hour. If a resource fails to meet this criterion, it is only ineligible for DAMAP in that hour, but is ineligible for RTORSGP for all remaining SCUC Instructed Hours of Operation.⁸¹ The reason for having different ineligibility intervals for DAMAP and RTORSGP is not clear. Therefore, we direct MISO to explain the reason for this difference or to correct this discrepancy in a compliance filing within 60 days of the date of this order.

5. Omitted Definitions

a. Comments

48. While MidAmerican states that it generally supports MISO’s Filing, it notes that MISO has inadvertently omitted the definitions of “Market-Wide Up Ramp Capability,” “Market-Wide Up Ramp Capability Demand Curve,” and “Market-Wide Up Ramp Capability Requirements” from Module A of its Tariff.⁸²

⁷⁹ Ameren Protest at 13.

⁸⁰ *Id.* at 9.

⁸¹ Compare MISO, FERC Electric Tariff, Mod. C., § 40.3.6.4(f)(31.0.0), with *id.* §§ 40.3.5.4(e) & 40.3.5.4(e) (32.0.0).

⁸² MidAmerican June 30, 2014 Protest at 3.

b. Answer

49. MISO confirms MidAmerican's statement that it inadvertently omitted the aforementioned definitions and commits to add them in its compliance filing if so directed by the Commission.⁸³

c. Commission Determination

50. We agree that MISO omitted relevant definitions from its Filing. Accordingly, we will direct MISO to add the omitted definitions of "Market-Wide Up Ramp Capability," "Market-Wide Up Ramp Capability Demand Curve," and "Market-Wide Up Ramp Capability Requirements" to Module A of its Tariff in a compliance filing within 60 days of the date of this order. Additionally, MISO has omitted another defined term from Module A of its Tariff. MISO has not included the definition of "Resource Offer Up and Down Ramp Capability Dispatch Status," and therefore, we direct MISO to define this term in Module A of its Tariff as part of its compliance filing.

6. Changes to the Ramp Capability Demand Curve Price

a. Filing

51. In sections IX and X of Schedule 28 (Demand Curves for Operating Reserve, Regulating and Spinning Reserve, and Regulating Reserve, Up Ramp Capability and Down Ramp Capability), MISO proposes a new demand curve for the Ramp Capability Product. MISO states that it considered a range of possible prices from \$0 to \$20/MWh, but that its analysis has shown that a \$5/MWh demand curve will provide the highest production cost savings.⁸⁴ Accordingly, MISO's proposed changes to Schedule 28 establish that the demand curves for Up Ramp Capability and Down Ramp Capability will be set at \$5/MWh "but may be updated by the Transmission Provider from time to time when a different price is identified that will provide additional operational savings."⁸⁵

b. Commission Determination

52. We will direct MISO to remove the language "but may be updated by the Transmission Provider from time to time when a different price is identified that will

⁸³ MISO Answer at 3.

⁸⁴ Gardner Test. at 15.

⁸⁵ MISO, FERC Electric Tariff, Schedule 28, §§ IX.ii & X.ii (31.0.0).

provide additional operational savings” from sections IX and X of Schedule 28 in its compliance filing. This language would give MISO discretion to change the price at any time and to any level without providing notice to the Commission and market participants. We are concerned that allowing MISO to change the demand curve for the Ramp Capability Product without adequate notice could inhibit market efficiency by not allowing market participants adequate time to assess the impact of proposed price changes and make necessary adjustments. Further, we are concerned that allowing changes without any required process for review by market participants or the Commission could allow substantial changes to the prices in the demand curve for the Ramp Capability Product that are not appropriate.

7. **Eligibility of Variable Energy Resources to Provide the Ramp Capability Product**

a. **Filing**

53. Dispatchable Intermittent Resources are a type of “Generation Resource whose Economic Maximum Dispatch is dependent on forecast-driven fuel availability.”⁸⁶ MISO’s Filing indicates that Dispatchable Intermittent Resources “will be able to provide [down ramp capability] to the extent that they are able to reduce output within the time frame of the load following needs.”⁸⁷ MISO’s Filing also notes that Dispatchable Intermittent Resources that are already dispatched down are not eligible to then participate in up ramp capability.⁸⁸

b. **Answer**

54. E.ON states that, as far as it is aware, Variable Energy Resources are eligible to provide both Down Ramp Capability and Up Ramp Capability.⁸⁹ It states that the fast-

⁸⁶ MISO, FERC Electric Tariff, Mod. A, § 1.D (31.0.0) Dispatchable Intermittent Resources are a type of Variable Energy Resource. Variable Energy Resource is defined as a device for the production of electricity that is characterized by an energy source that: (1) is renewable; (2) cannot be stored by the facility owner or operator; and (3) has variability that is beyond the control of the facility owner or operator. Order No. 764, FERC Stats. & Regs. ¶ 31,331 at P 210.

⁸⁷ Gardner Test., Att. A at 41.

⁸⁸ *Id.*

⁸⁹ E.ON Answer at 4.

acting ramp capability of wind resources makes them ideal resources to provide the Down Ramp Capability product (quite often) and Up Ramp Capability product (particularly when there is wind but the Variable Energy Resource is not at full output). It states that wind Variable Energy Resources that are Dispatchable Intermittent Resources already respond to MISO's dispatch instructions on a short-term basis. E.ON further states that if "the ability to supply the Down Ramp and Up Ramp products is limited, the Commission should look . . . to whether that facet of MISO's proposal is just and reasonable and not unduly discriminatory."⁹⁰

c. Commission Determination

55. While MISO's testimony indicates that Dispatchable Intermittent Resources will be able to provide Down Ramp Capability, MISO has not proposed any corresponding Tariff changes to implement a proposed limitation on Up Ramp Capability for those Dispatchable Intermittent resources that are already dispatched down. This ambiguity makes it unclear as to whether there are any limitations on the participation of Variable Energy Resources in providing the Ramp Capability Product, and if so, whether these limitations are just and reasonable. Accordingly, we will direct MISO to clarify in its compliance filing: (1) the extent to which Dispatchable Intermittent Resources are able to provide the Ramp Capability Product and (2) the justification for any MISO-imposed limitations on Dispatchable Intermittent Resource participation. Additionally, we will direct MISO to address whether conditioning PVMWP eligibility for Dispatchable Intermittent Resources on participation in the Ramp Capability Product, including offering an "Economic" status for Up Ramp Capability and Down Ramp Capability, is still appropriate if Dispatchable Intermittent Resources are prohibited from, or limited in, their ability to provide the Ramp Capability Product.

8. Other Issues

56. In determining specific DAMAP payments, MISO calculates the margin lost from the Day-Ahead dispatch. However, it is not clear that MISO's proposed changes to Step 2 in the calculation of the DAMAP in Schedule 27 RTORSGP and DAMAP are accurate.⁹¹ These calculations purport to calculate the Up Ramp or Down Ramp Capability contributions to the DAMAP where the Real-Time cleared quantity of the product for the market participant is greater than that generated in the Day-Ahead schedules. Unless Ramp Capability Product prices are negative, the equations proposed by MISO appear to produce a contribution to DAMAP of zero under the circumstances

⁹⁰ *Id.*

⁹¹ MISO, FERC Electric Tariff, Schedule 27 §§ B.2.d.ii & B.2.e.ii.

cited, as the first term is negative, and thus, zero is greater. It is not clear whether this was MISO's intention. Therefore, we also will direct MISO to explain this formula as part of its compliance filing.

57. Also, MISO's proposed Tariff modifications include seemingly inadvertent errors. We will require that MISO fix these errors or explain why no change is needed as part of its filing to be submitted no less than 60 days before the effective date of these Tariff changes.

58. First, in Section II.1.M, MISO should have included a period between "the Reserve Zone" and "For Up Ramp Capability."⁹² In section 39.2.1(b) of Module C of its Tariff, MISO should have included the word "to" before "supply Operating Reserve." Section 40.1.A.3(d) of Module C of MISO's Tariff should read:

Resources committed by the Transmission Provider in the LAC process must adhere to instructions on when to start and operate in their normal dispatch range, to the extent feasible, and must submit an Energy Offer, applicable Operating Reserve Offers, and a Resource Offer Up and Down Ramp Capability dispatch status for the Resource's full Capacity in the Real-Time Energy and Operating Reserve Market regardless of whether all or a portion of the Resource's Capacity is or is not designated as a Capacity Resource.⁹³

59. Additionally, in section II of Schedule 29 of the Tariff, MISO failed to include a minus sign before the term "Total Hourly Market-Wide Up Ramp Capability Value."⁹⁴ Furthermore, the last sentence in the penultimate paragraph in section II of Schedule 29 should read:

In addition, beginning November 1, 2011, the Transmission Constraints shall also ensure that Operating Reserves can be deployed and Up Ramp Capability and Down Ramp Capability can be supplied beginning in 2015 in such a way as to prevent flows on transmission flowgates and branches from exceeding normal operating limits under basecase conditions or

⁹² *Id.* at Module A, § II.1.M (33.0.0).

⁹³ *Id.* at Mod. C, § 40.1.A.3 (31.0.0).

⁹⁴ *Id.* at Schedule 29, § II (34.0.0).

Emergency operating limits under a first contingency loss of a Resource or transmission facility.⁹⁵

MISO should not delete the word “and” from the first sentence of section II in Schedule 29A.⁹⁶ MISO also misspelled “Capability” in this sentence. Additionally, under “Constraints” in this Schedule and section, MISO inadvertently included a period after “Applicable Reliability Standards.”⁹⁷

60. Additionally, on December 22, 2011, MISO proposed Tariff modifications in Docket No. ER12-668-000 to implement Extended Locational Marginal Pricing (Extended LMP), which the Commission conditionally accepted, to become effective on December 31, 9998, as the implementation date was not yet known (Extended LMP Proposal).⁹⁸ On November 19, 2012, MISO submitted a filing to comply with the July 2012 Order, which proposed to make the Extended LMP Proposal effective on October 1, 2014, and which was accepted on July 30, 2013.⁹⁹ On September 12, 2014, MISO sought authorization to delay the October 1, 2014 effective date until December 31, 9998, in anticipation of filing further modifications to the Tariff revisions accepted in the Extended LMP Proposal.¹⁰⁰ The revised effective date was accepted by delegated letter order.¹⁰¹ We note that the proposed Tariff revisions filed in the instant proceeding reflect an effective date of December 31, 9998¹⁰² and include the Tariff language accepted in the Extended LMP Proposal effective December 31, 9998.

⁹⁵ *Id.*

⁹⁶ *Id.* at Schedule 29A, § II (31.0.0).

⁹⁷ *Id.* § II.A (31.0.0).

⁹⁸ *Midwest Indep. Trans. Sys. Operator, Inc.*, 140 FERC ¶ 61,067, and P 63 (2012) (July 2012 Order).

⁹⁹ *Midwest Indep. Trans. Sys. Operator, Inc.*, Docket Nos. ER12-668-000 & ER12-668-001 (July 30, 2013) (delegated letter order).

¹⁰⁰ MISO Sept. 12, 2014 Filing, Docket No. ER14-2863-000.

¹⁰¹ *Midcontinent Indep. Sys. Operator, Inc.*, Docket No. ER14-2863-000 (Sept. 30, 2014) (delegated letter order).

¹⁰² MISO states that it will inform the Commission of the planned implementation date of the Ramp Capability Product in 2015.

61. MISO also indicates that the proposed Tariff revisions reflect revisions pending before the Commission in several other, unrelated proceedings, and requests that the Commission treat this language as subject to the outcome of those pending proceedings.¹⁰³ Our acceptance in the instant proceeding is, therefore, subject to the outcome of the Extended LMP proceedings in Docket No. ER12-668-000 *et al.*, as well as the proceedings in Docket Nos. ER12-678, ER12-2302, ER12-1265, ER13-2124, ER14-1713, ER14-1736, ER14-1817, and ER14-1940.

62. We note that MISO has committed to making a filing pursuant to section 205 to update the Ramp Capability Product Tariff sheets to reflect the most up-to-date versions of the then-current Tariff provisions.¹⁰⁴ It states that this filing will be submitted at least 60 days prior to the proposed effective date of the ramp capability Tariff provisions. We will require MISO to make such a filing at least 60 days prior to the proposed effective date of the ramp capability Tariff provisions, and, in that filing, to reflect the most up-to-date versions of the then-current Tariff provisions.

Finally, we will grant MISO's request for waiver of the Commission's maximum 120-day notice requirement in section 35.3 of the Commission's regulations¹⁰⁵ to allow the proposed modifications to become effective at a later unspecified date, which will be determined based upon Commission action on the subsequent 205 filing that MISO has committed to make.¹⁰⁶

The Commission orders:

(A) MISO's Filing is hereby conditionally accepted, as discussed in the body of this order.

¹⁰³ Filing at n.11.

¹⁰⁴ *Id.* at 11.

¹⁰⁵ 18 C.F.R. § 35.3(a)(1) (2014).

¹⁰⁶ *See supra* P 10.

(B) MISO is hereby directed to submit a compliance filing within 60 days of the date of this order, as discussed in the body of this order.

By the Commission.

(S E A L)

Nathaniel J. Davis, Sr.,
Deputy Secretary.