

relating to station power services. These orders addressed such matters as the on-site self-supply, remote self-supply, and third-party supply of station power. The Commission has defined “station power” as “the electric energy used for the heating, lighting, air-conditioning, and office equipment needs of the buildings on a generating facility's site, and for operating the electric equipment that is on the generating facility's site.”⁴

3. On September 8, 2003, Midwest ISO submitted proposed revisions to its OATT intended to clarify the processes by which all generators may provide or obtain station power service. Midwest ISO proposed a new Schedule 20 under its OATT to address the procurement of station power in three circumstances: (1) by self-supply involving the monthly netting of a facility's gross output whenever the output equals or exceeds station power requirements (on-site self-supply); (2) by treating station power as Network Load to be scheduled and delivered through Network Integration Transmission Service (Network Service) under the OATT, allowing the remote self-supply and the third-party supply of such power; and (3) through bundled retail purchases of station power. A facility that self-supplies its station power requirements on site (*i.e.*, its monthly net output is zero or positive) has not used, and will not incur charges for, transmission service to provide such station power. If a facility's monthly net output is negative, it has used Network Service and is subject to the applicable monthly demand charge for Network Service, together with other charges applicable to Network Service, under the OATT. Midwest ISO noted that the proposed revisions were interim in nature pending the implementation of its Energy Markets. It stated that upon implementation of its Energy Markets, station power service will be provided in a manner consistent with the operation of the new markets.

4. In the January 29 Order, the Commission conditionally accepted Midwest ISO's proposed station power rules, to take effect October 8, 2003. The Commission directed Midwest ISO to modify Schedule 20 to: (1) eliminate monthly netting for the purpose of determining charges for transmission service; (2) provide customers the option to meet their station power requirements using Point-to-Point Transmission Service; (3) specify the general metering requirements for station power service; (4) incorporate definitions for “Generator” and “Facility;” (5) clarify that monthly netting will be used to determine whether self-supply of station power has occurred, whether on-site or remotely; (6) eliminate language that provided that nothing in Schedule 20 is intended to “supersede or otherwise bypass an applicable retail rate or tariff;” and (7) clarify language stating that nothing in Schedule 20 is intended to supersede otherwise applicable jurisdiction of a state regulatory commission by adding the phrase “except in the event of a conflict between federal and state tariff provisions.” The Commission also

⁴ *PJM II*, 94 FERC at 61,889.

required Midwest ISO to file with the Commission, at least sixty days prior to the implementation of its Energy Markets, revisions to its station power rules as necessary to accommodate the operation of its Energy Markets, or, in the alternative, an explanation of why no such revisions are necessary.

Compliance Filings

5. On March 1, 2004, as amended on March 15, 2004, Midwest ISO filed revisions to Schedule 20 to address the directives in the January 29 Order except those related to operation of its Energy Markets.

6. On December 30, 2004, Midwest ISO submitted revisions to its station power rules to accommodate the operation of its Energy Markets under its Transmission and Energy Markets Tariff (TEMT) when those markets commence.⁵ The December 30 Filing requested an effective date of March 1, 2005, the date that the Commission had accepted the Energy Market provisions of the TEMT to take effect.⁶ On January 28, 2005, Midwest ISO filed, in a number of dockets related to its TEMT, including Docket No. ER03-1312-006, a motion to change to April 1, 2005 the effective date for the start of financially binding market operations. On February 17, 2005, the Commission granted the motion to change the effective date for the start of the Energy Markets.⁷

⁵ The TEMT provides for terms and conditions necessary to implement a market-based congestion management program and energy spot markets. This includes a Day-ahead energy market and a Real-time energy market, locational marginal pricing (LMP) and a market for Financial Transmission Rights. When Midwest ISO commences operation of financially binding Energy Markets, it will also begin providing transmission service under the TEMT instead of the OATT. However, for a transition period, if it is required to temporarily shut down the Energy Market, it will be able to temporarily revert back to the OATT. See *Midwest Independent Transmission System Operator, Inc.*, 107 FERC ¶ 61,191 (2004) (Procedural Order), 108 FERC ¶ 61,163 (TEMT II Order), *order on reh'g*, 109 FERC ¶ 61,157 (2004).

⁶ The Procedural Order provided an effective date of March 1, 2005, with an effective date of on or before November 7, 2004 for Firm Transmission Rights provisions. The TEMT II Order continued the effective date of March 1, 2005, and provided an effective date of August 6, 2004 for certain miscellaneous provisions, such as the Reliability Assessment Commitment Procedure.

⁷ *Midwest Independent Transmission System Operator, Inc.*, 110 FERC ¶ 61,169 (2005) (February 17, 2005 Order).

7. In the March 1, March 15 and December 30, 2004 Filings, and its January 28, 2005 Motion, Midwest ISO asks the Commission to waive the service requirements provided in Rule 2010(a) of the Commission's Rules and Regulations, 18 C.F.R. § 385.2010(a) (2004), regarding service of paper copies of the filing. Midwest ISO explains that it has made service electronically, has posted the filing on its website, and will make paper copies available upon request.

Requests for Rehearing

8. Timely requests for rehearing were filed by Wisconsin Electric Power Company (Wisconsin Electric), Archer-Daniels-Midland Company (ADM), and Midwest ISO Transmission Owners. In addition, on March 1, 2004, the Detroit Edison Company (Detroit Edison) and National Grid USA (National Grid) filed motions to intervene out-of-time and requests for rehearing of the January 29 Order. Consumers Energy Company (Consumers Energy) filed an answer supporting Detroit Edison's motion to intervene out-of-time. ADM filed comments opposing National Grid's late intervention.

Notice of Compliance Filings/Comments

9. Notice of Midwest ISO's March 1, 2004 Filing, as amended on March 15, 2004, was published in the *Federal Register*, 69 Fed. Reg. 11,612 and 15,319 (2004), with comments, protests, and interventions due on or before April 5, 2004. Detroit Edison filed a motion to intervene and protest. Consumers Energy filed comments.

10. Notice of Midwest ISO's December 30, 2004 Filing was published in the *Federal Register*, 70 Fed. Reg. 3,010 (2005), with comments, protests, and interventions due on or before January 19, 2005. Alcoa Power Generating Inc. (Alcoa) filed a motion to intervene raising no substantive issues. Dominion Energy Marketing, Inc., Dominion Retail, Inc., and Troy Energy LLC (collectively, Dominion Companies) filed a motion to intervene and supporting comments. Constellation Generation Group, LLC also filed comments in support of the filing. The following parties protested the filing: Detroit Edison, Consumers Energy, and Mirant Americas Energy Marketing, LP, Mirant Zeeland, LLC and Mirant Sugar Creek, LLC (collectively, Mirant). On February 7, 2005, Midwest ISO and Michigan Electric Transmission Company (METC) filed answers.

Discussion

A. Procedural Issues

11. When late intervention is sought after the issuance of a dispositive order, the prejudice to other parties and burden upon the Commission of granting the late intervention may be substantial. Thus, movants bear a higher burden to demonstrate

good cause for granting such late intervention. Detroit Edison and National Grid have not met this higher burden of justifying their motions to intervene out-of-time filed on March 1, 2004.⁸ In light of our decision to deny Detroit Edison's and National Grid's late motions to intervene, we will dismiss their requests for rehearing. Because Detroit Edison and National Grid are not parties to this proceeding, they lack standing to seek rehearing of the January 29 Order under the Federal Power Act (FPA) and the Commission's regulations.⁹

12. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2004), Detroit Edison's timely, unopposed motion to intervene filed in response to the March 2004 Compliance Filing and the timely, unopposed motions to intervene of Alcoa and Dominion Companies filed in response to the December 30, 2004 Compliance Filing serve to make those entities parties to this proceeding as of the dates of those motions. Each of those parties must accept the record as it existed as of the date of their respective interventions.

13. Rule 213(a)(2) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.213(a)(2) (2004), prohibits an answer to a protest unless otherwise ordered by the decisional authority. We will accept the answers filed by Midwest ISO and METC because they have provided information that assisted us in our decision-making process.

14. The Commission granted Midwest ISO's January 28, 2005 Motion for change of effective date to April 1, 2005, with respect to the Energy Market provisions of the TEMT.¹⁰ Because the revisions to Schedule 20 contained in the December 30, 2004 Filing are tied to the effective date of financially binding energy market operations for Midwest ISO, we will grant the requested effective date for the tariff sheets in the December 30 Filing to coincide with the start of financially binding energy market operations.

15. Consumers Energy requests that Midwest ISO's request for waiver of service requirements in 18 CFR § 385.2010 be denied in future filings in established dockets with established service lists. Consumers Energy maintains that there is no valid basis to allow Midwest ISO to dispense with the normal service requirements of section 385.2010 in situations where there is a finite number of participants that have formally

⁸ See, e.g., *Midwest Independent Transmission System Operator, Inc.*, 102 FERC ¶ 61,250 at P 7 (2003).

⁹ 16 U.S.C. § 8251(a) (2000); 18 C.F.R. § 385.713(b) (2004).

¹⁰ See February 17, 2005 Order, 110 FERC ¶ 61,169 at Ordering Paragraph (A).

expressed their interest in this particular docket and formally intervened in this on-going proceeding.

16. Midwest ISO argues that the Commission should continue to grant waiver of service requirements where Midwest ISO serves electronic versions of its filing upon Midwest ISO Members, Member representative of Transmission Owners, Midwest ISO Advisory Committee participants, and all state commissions within the Midwest ISO Region. In addition, Midwest ISO posted its filing on Midwest ISO's website. Midwest ISO states that good cause remains for granting waiver in this proceeding because all parties receive sufficient notice of Midwest ISO filings.

17. We have routinely granted Midwest ISO's request for waiver of service requirements even for compliance filings under similar circumstances. We will do so in this particular case. We believe that the use of electronic copies and posting filings to websites are adequate to meet the service requirement needs of the parties involved. In addition, we will continue grant waiver for service requirements on a case by case basis for future filings. Consumers Energy has not provided a strong enough basis to support our doing otherwise here.

B. Requests for Rehearing of January 29 Order

1. Nodal Aggregation Concept

18. In its original protest, Wisconsin Electric requested that Midwest ISO be required to define "generator" and "generation facilities" to recognize that an entire generation station may aggregate multiple generation units and meters into one node, with netting done on a nodal basis. Wisconsin Electric contended that this definition is consistent with provisions of its existing interconnection agreements. Wisconsin Electric contended that to do otherwise would, among other things, abrogate the terms of the existing agreements without finding that such agreements are not within the public interest.

19. In the January 29 Order, the Commission found that it was unable to determine, based on the information that Wisconsin Electric had provided, whether the nodal configuration it described would allow on-site self-supply of station power.

20. In its request for rehearing, Wisconsin Electric argues that the Commission erred by denying Wisconsin Electric's request to include within the definition of "generation facilities" a nodal configuration concept consistent with its existing Commission-approved interconnection agreements. In addition, Wisconsin Electric requests that the Commission affirm on rehearing that the January 29 Order is not intended to abrogate Wisconsin Electric's existing interconnection agreements. In support of its pleading, Wisconsin Electric submits a diagram of its Valley Power Plant which, according to Wisconsin Electric, is representative of the nodal aggregation concept used throughout

Wisconsin and Michigan. Wisconsin Electric further states that all of Wisconsin Electric's interconnection agreements contain similar diagrams that illustrate the use of such nodal configuration. Wisconsin Electric points out that none of the agreements were found to be in violation of the public interest in the January 29 Order.

21. We have consistently stated that generators may be charged for jurisdictional facilities used to deliver station power.¹¹ Therefore, we will clarify that, to the extent that Wisconsin Electric requires the use of jurisdictional facilities of another party to self-supply its station power requirements, it is engaging in remote self-supply, not on-site self-supply, and it must pay the charge(s) applicable for use of such facilities under the relevant Commission-jurisdictional rate schedule or tariff. In addition, in our discussion below on Midwest ISO's proposed revisions to its station power rules to accommodate the commencement of its Energy Markets, we find that, to the extent a generator has other arrangements for the delivery of station power, it need not take transmission service for the delivery of such station power under Schedule 20. However, if such other arrangements involve the transmission owner providing for use of its transmission facilities directly by the generator, *i.e.*, not through the Midwest ISO OATT, the transmission owner shall be responsible for taking transmission service under the Midwest ISO OATT to satisfy its obligations to provide for delivery of station power. This will ensure that Midwest ISO continues to meet the requirement that, as a regional transmission organization, it is the only provider of transmission service over the facilities under its control.¹² Accordingly, we will direct Midwest ISO to file revisions to its station power rules for the period prior to commencement of its Energy Markets, within 60 days of the date of this order, to make them consistent with the discussion in this paragraph.

22. However, we cannot determine whether Wisconsin Electric's particular agreements are adversely affected (or even implicated), and to what degree, on the basis of the limited record before us. If Wisconsin Electric believes it is necessary for the Commission to make a specific determination as to the applicability of Midwest ISO's station power rules to any or all of Wisconsin Electric's facilities, and to what degree, it

¹¹ See, *e.g.*, *Sunbury Generation, LLC v. PPL Electric Utilities Corporation*, 99 FERC ¶ 61,168, *order on reh'g*, 100 FERC ¶ 61,200 (2002).

¹² See 18 C.F.R § 35.34(k)(1)(i) (2000). See also *Midwest Independent Transmission System Operator, Inc.*, Opinion No. 453, 97 FERC ¶ 61,033 at 61,170-71 (2001), *order on reh'g*, Opinion No. 453-A, 98 FERC ¶ 61,141 (2002), *order on remand*, 102 FERC ¶ 61,192 (2003), *reh'g denied*, 104 FERC ¶ 61,012 (2003), *aff'd sub nom. Midwest ISO Transmission Owners v. FERC*, 373 F.3d 1361 (D.C. Cir. 2004).

may file a request for a declaratory order with supporting evidence for its individual facilities and individual contracts.

2. Application and Study Process for Network Service

23. In its original protest, Wisconsin Electric argued that facilities currently designated as Network Resources should be exempted from any application or study processes to designate their station power requirements as Network Load. Wisconsin Electric stated that the application and study processes are unnecessary because the transmission capability that exists to deliver power from the facilities as Network Resources is sufficient to allow delivery of station power to the facilities.

24. In the January 29 Order, the Commission stated that the availability of transmission capacity to deliver station power to a facility will depend on the location of the facility and potential Network Resources to serve the station power load of the facility, the impacts of which will not likely match the impacts of reservations from the facility to other Network Loads. Accordingly, it denied Wisconsin Electric's request that facilities currently designated as Network Resources be exempted from the application and study processes to designate their station power requirements as Network Load.

25. Wisconsin Electric seeks rehearing of the Commission's decision to not exempt Network Resources from the application and study processes to designate their station power requirements as Network Load. In support of its rehearing request, Wisconsin Electric reiterates that existing transmission capacity is sufficient to allow for the delivery of station power. Wisconsin Electric argues that, given the fact that the transmission system was built for generators and has operated smoothly for years, a myriad of studies on the impact of station power load on the transmission system is unnecessary.

26. We will deny Wisconsin Electric's request for rehearing. We reiterate that adequate transmission capacity to deliver station power supply to a facility will depend on the location of the facility and potential Network Resources from which a customer seeks to serve station power load of the facility, and the impacts of such transactions will not likely match the impacts of reservations from the facility to other Network Loads. Thus, we disagree with Wisconsin Electric that transmission capacity will always be adequate to meet requests to reserve Network Service to supply station power. However, we note that the study process will not be automatically required. System impact studies and facilities studies will be performed only when, in accordance with the terms of Midwest ISO's OATT, Midwest ISO determines that such studies are needed. We also note that transmission customers have the option of supplying station power load from resources for which adequate transmission capacity exists and for which extensive studies are unnecessary, or arranging non-firm transmission service to deliver station power supply.

3. Monthly Netting (Prior to Commencement of Energy Markets)

27. In the January 29 Order, the Commission rejected Midwest ISO's proposal to only charge for transmission service if a facility's monthly net output is negative. The Commission stated that, while it accepted station power proposals by PJM and NYISO that applied monthly netting for the purpose of billing the access charge for transmission service, in those instances, customers do not obtain firm service in exchange for paying the access charge. Rather, customers obtain firm service by also paying congestion management charges to buy through constraints, based on net output during each sub-hourly settlement interval. Since under Midwest ISO's proposal, it would not operate markets with LMP (until the commencement of Energy Markets) and would only provide firm service on a physical basis, the Commission found that customers should take and pay for transmission service for their actual use of the transmission system to deliver station power from off-site supply, regardless of the facility's monthly net energy output. For customers receiving station power through Network Service, the Commission found that the charges for such service should be based on coincident peak hourly demand. However, the Commission approved Midwest ISO's proposal to use monthly netting for the purpose of determining whether station power has been self-supplied, *i.e.*, whether or not a retail sale occurred in the supply of station power during a given month.

28. Wisconsin Electric states that the effects of the Commission's modification to Midwest ISO's proposal are unclear. Wisconsin Electric requests that the Commission clarify the role of netting for transmission service. Wisconsin Electric believes that the Commission intends that, under Midwest ISO's original station power provisions, monthly netting was only to be used to determine if a retail sale has occurred in supplying station power, not to determine transmission load. Wisconsin Electric asserts that it is unable to discern any other application for netting under Midwest ISO's station power rules as modified by the January 29 Order.

29. We will grant the requested clarification. In the January 29 Order, the Commission approved Midwest ISO's proposal to use monthly netting for the purpose of determining whether station power has been self-supplied. However, prior to the commencement of the Energy Markets, monthly netting is not to be used to determine whether transmission charges apply. This is a departure from the NYISO and PJM station power provisions, which is justified by the different way in which Midwest ISO operated before the commencement of its Energy Markets.

30. ADM requests clarification that a generator will face retail sales charges for station power only to the extent the "net differential" between the energy the generator withdraws from the system exceeds the amount of energy the generator injects into the system on a monthly basis. ADM states that without such clarification, a third party

supplier might seek payment for the gross amount of power a generator withdrew from the system. We will grant ADM's requested clarification.

31. We will clarify that, under Midwest ISO tariff's terms and conditions, a generator need only pay for its monthly net station power requirements, not its gross station power requirements, that is, that portion of its station power takes that it does not self-supply, either on site or remotely. In addition, we will clarify that netting under Midwest ISO's station power provisions is limited to station power load and cannot include industrial load.¹³

4. Jurisdictional Issues

32. The Midwest TOs argue that the Commission exceeded its jurisdiction when it concluded that state-jurisdictional local distribution charges will not apply to delivery of remotely self-supplied station power, and they urge the Commission to reverse its decision to reject a provision stating that nothing in Schedule 20 is intended to supersede or bypass an applicable retail rate or tariff. According to the Midwest TOs, the issue of whether a utility may assess local distribution charges is a matter within the purview of state public utility commissions because the FPA specifies that the Commission will not have jurisdiction over facilities used in local distribution. They point to language in Order No. 888 that "even where there are no identifiable local distribution facilities, states nevertheless have jurisdiction in all circumstances over the service of delivering to end users.

33. Midwest TOs rely on several Commission orders (one of which, we note, was subsequently reversed in pertinent part) where, they assert, we applied the same principles with respect to state jurisdiction over distribution.¹⁴ Midwest TOs also note two court cases which they characterize as acknowledging the preservation of state jurisdiction over distribution facilities and retail service.¹⁵ Midwest TOs conclude that, in this case, the Commission's decision that local distribution charges will not apply if local

¹³ *PJM II*, 94 FERC at 61,889.

¹⁴ Midwest TOs at 4-5, *citing Northeast Utility Services Company*, 101 FERC ¶ 61,327 (2002) (*NU*), *rev'd in pertinent part, AES Warrior Run, Inc., v. Potomac Edison Co.*, 104 FERC ¶ 61,051 (*Warrior Run*), *reh'g denied*, 105 FERC ¶ 61,357 (2003), *order on remand*, 108 FERC ¶ 61,316 (2004), *reh'g pending*; *San Francisco Bay Area Rapid Transit District*, 87 FERC ¶ 61,255 (1999), *reh'g denied*, 90 FERC ¶ 61,291 (2000) (*BART*).

¹⁵ Midwest TOs at 6, *citing Detroit Edison Co. v. FERC*, 334 F.3d 48, 54 (D.C. Cir. 2003) (*Detroit Edison*); *New York v. FERC*, 535 U.S. 1, 23 (2002).

distribution facilities are not being used is an assertion of jurisdiction over unbundled retail distribution service prohibited by the FPA and *Detroit Edison*.

34. The Commission has analyzed its jurisdiction over station power provisions in numerous cases. The position that station power rules encroach on state jurisdiction over retail sales and local distribution has previously been litigated and rejected. We have explained that, although an off-line generator may consume energy as station power load, it is a separate question whether that consumed energy has been sold at retail. The self-supply of station power is distinguishable from a retail purchase of station power, and not all end use necessarily involves a sale for end use. Furthermore, the Commission has explained that, when there is a conflict between station power provisions in Commission-jurisdictional and state-jurisdictional tariffs, the former must control. This is not an impermissible encroachment on a state's authority over retail rates.¹⁶ Accordingly, we will not reverse our decision to require revision of Midwest ISO's tariff language.

35. We do not agree that Order No. 888 signals a lack of jurisdiction in this instance. As we explained in *KeySpan* and elsewhere, the passage discussing state jurisdiction over delivery to end users was written to help identify facilities associated with stranded generation-based costs for the purpose of utilities' recovery of stranded costs and benefits in the transition to restructured markets.¹⁷ It was not necessarily intended to define the Commission's jurisdiction for any other purpose. We further explained: "Our station power orders have clarified the class of customers from whom local distribution rates that include stranded costs and benefits are appropriately collected, *i.e.*, customers who are taking state-jurisdictional, local distribution service."¹⁸

36. The Commission orders that Midwest TOs rely on, *NU* and *BART*, do not help their argument. Pertinent language in *NU* was reversed in a later order, *Warrior Run*, which stated that, where there are no local distribution facilities involved in the delivery of station power, but only transmission facilities, the Commission has jurisdiction over the delivery and the rates for the delivery. The Commission noted that:

Language from *NU* reflects a misreading of Order Nos. 888 and 888-A, where we discussed local distribution *service* that would remain subject to state jurisdiction after unbundling so that a state would be able to "assign stranded costs and benefits through a local distribution service charge." We did not intend to suggest, as the dictum in *NU* implies, and as [the

¹⁶ See *KeySpan IV*, 107 FERC ¶ 61,142 at P 42-43.

¹⁷ See *id.* at P 44-49; *Nine Mile*, 110 FERC ¶ 61,033 at P 40-47.

¹⁸ *Nine Mile*, 110 FERC ¶ 61,033 at P 43.

transmission owner] argues, that the use . . . of local distribution facilities for delivery of station power is entirely irrelevant, no matter the circumstances, to whether a local distribution charge for delivery of station power can be assessed. Indeed, to accord Order Nos. 888 and 888-A such a reading results in rates that would be contrary to longstanding principles of cost causation. Allowing [the transmission owner] to charge for retail distribution service in this circumstance would also frustrate Commission efforts to create a more level playing field with more comparable treatment between merchant generators and vertically integrated utilities.^[19]

37. Further, the *BART* orders are inapposite. Those orders involved the issue of whether Pacific Gas and Electric Company (PG&E) was charging BART state direct access charges in addition to the OATT's transmission rates for the delivery of federal preference power. The Commission found that PG&E was charging BART the appropriate OATT rate and suggested that BART take any concerns it had regarding the state charges to the California Commission. On rehearing, the Commission found that PG&E's local distribution facilities were, in fact, being used to wheel the preference power to BART's loads. Thus, those orders do not address the type of service provided under Schedule 20, *i.e.*, transmission service for the delivery of station power.

38. Similarly, *Detroit Edison* is distinguishable from the facts of this case. The jurisdictional question there was whether local distribution service was being provided under a different provision of Midwest ISO's transmission tariff, which would enable an unbundled retail customer to bypass retail tariffs. In Schedule 20, in contrast, customers will not be taking any state-jurisdictional, local distribution service from transmission providers. Nor will they be taking any local distribution service from Midwest ISO. Thus, there is no basis for Midwest TO's argument that we have exceeded our jurisdiction in this regard.

39. ADM also requests clarification that a state need not have enacted retail choice for a generator to take service under Schedule 20. ADM notes that the January 29 Order held: "Schedule 20 does not affirmatively create the right to choose a retail supplier of station power in a state in which retail choice has not already been enacted."²⁰ It reasons that, because there is no retail sale when a generator self-supplies, no third party is involved; thus, it should not matter whether retail choice provisions are in place for netting to occur. ADM asks the Commission to expressly clarify this point; in the alternative, if the Commission does not so clarify, ADM seeks rehearing.

¹⁹ *Warrior Run*, 104 FERC ¶ 61,051 at P 17 (footnotes omitted.)

²⁰ January 29 Order at P 46.

40. We will so clarify our order. The formal enactment of retail choice by a state is not a prerequisite for a generator to be able to self-supply. Our January 29 Order was speaking more in terms of third-party supply; we were not as clear in this regard as we could have been. Schedule 20 does not grant an affirmative right to any third-party sellers of station power (that is, it does not entitle any third-party seller of station power) to make such sales, which are retail sales, unless the state allows them.

C. March 1 and 15 Compliance Filings

41. In its March 1 Compliance Filing, Midwest ISO proposes the following revisions to Schedule 20 in order to address the Commission's directives in the January 20 Order: (1) add definitions for "Generator" and "Facility"; (2) clarify the means through which station power may be supplied; (3) eliminate monthly netting for the purpose of determining charges for transmission service; (4) provide customers the option to meet their station power requirements using Point-to-Point Transmission Service; (5) specify metering requirements for station power service; and (6) clarify that, in the event of a conflict between Schedule 20 and state tariff provisions, Schedule 20 will control. In its March 15 Compliance Filing, Midwest ISO proposes further revisions to Schedule 20, among other things, to clarify the transmission service requirements for delivery of station power, in order to address concerns raised by stakeholders that certain language in the March 1 Filing was confusing.

42. On March 12, 2004, Consumers Energy filed comments stating that the modifications to Schedule 20 that Midwest ISO proposes in the March 1 Compliance Filing make Schedule 20 inconsistent and confusing as a whole. Consumers Energy requests that Midwest ISO be given additional time to file a coherent set of station power rules. Until this is done, Consumers Energy argues that it is futile to comment on specific elements of the revised Schedule 20.

43. On March 19, 2004, Detroit Edison filed a motion to intervene and protest. Detroit Edison maintains that the January 29 Order errs by facilitating the bypass of state jurisdictional retail rates and tariffs by end-use customers. Since the compliance filing perpetuates these errors, Detroit Edison requests that the compliance filing be rejected.

44. Midwest ISO's March 1 Compliance Filing, as amended on March 15, complies with our directives in the January 29 Order. Accordingly, we will accept it without modification, to take effect October 8, 2003. The issues raised by Detroit Edison go beyond the scope of this compliance filing. As we are considering the March compliance filings along with the December 30 Filing, about which Consumers Energy has taken the opportunity to comment, its concerns should be satisfied.

D. December 30 Filing

45. The proposed changes to Schedule 20 are intended to provide standardized terms and conditions of service for the supply of station power consistent with LMP-based energy markets. Midwest ISO states that the proposed modifications have been drafted with an eye toward consistency with the approach taken in PJM. The primary changes include: (1) use of monthly netting for determination of whether station power load has been met through self-supply or through purchases at retail, and whether transmission charges apply; (2) if a facility self-supplies station power through on-site generation and net output for the month is positive, the generator will not incur any charges for transmission service; (3) in cases of remote self-supply, hourly Non-Firm Point-to-Point Transmission Service charges will apply for the transmission of energy in an amount equal to the facility's net negative output supplied from the generation owner's facility(ies) that have positive net output; (4) net energy delivered and consumed when a facility remotely self-supplies station power will be settled at the hourly LMP; (5) Midwest ISO will determine the extent to which a facility self-supplied station power requirements in a given month and generation owners are obligated to provide sufficient information to allow Midwest ISO to implement Schedule 20; and (6) ancillary service charges under Schedules 1 through 6 of the TEMT will not apply for transmission service associated with remote self supply.

1. Existing Agreements

46. Detroit Edison argues that Schedule 20 should not allow International Transmission Company (International Transmission) or Midwest ISO to override Detroit Edison's existing Commission-approved agreements with International Transmission, which prohibit additional charges for transmission associated with Detroit Edison self-supplying station power at certain co-located, multiple-unit generating stations. Detroit Edison submits that Schedule 20 accommodates this type of unique arrangement insofar as it provides that its transmission service provisions will apply unless the generator makes other arrangements with the transmission provider. In its answer, Midwest ISO states that it does not object to Detroit Edison's interpretation of Schedule 20.

47. We understand that procedures relating to station power service were only first clarified in Midwest ISO's tariff by its September 8, 2003 application and that interconnection agreements accepted for filing before that time may already contain provisions regarding supply of station power. Detroit Edison's interconnection agreement with International Transmission appears to provide for the use of certain transmission facilities to deliver station power supply. To the extent that generators have such other arrangements providing for delivery of station power supply, we find it reasonable that the transmission service provisions of Schedule 20 will not apply. However, as we find in our discussion above on requests for rehearing of the January 29

Order, if such other arrangements involve the transmission owner providing for use of its transmission facilities directly by the generator, *i.e.*, not through the Midwest ISO TEMT, the transmission owner shall be responsible for taking transmission service under the Midwest ISO TEMT to satisfy its obligations to provide for delivery of station power. As we explain there, this will ensure that Midwest ISO continues to meet the requirement that, as a regional transmission organization, it is the only provider of transmission service over the facilities under its control.²¹ We will direct Midwest ISO to file revisions to the station power rules contained in its December 30 Compliance Filing, within 60 days of the date of this order, to make them consistent with the discussion in this paragraph.

2. Netting Issues

48. Detroit Edison requests that the Commission clarify that station power should be considered self-supplied on-site if it is generated on-site, but is delivered through interconnection facilities or through *de minimis* use of the transmission system. According to Detroit Edison, as a consequence of the design of certain of its facilities, station power cannot be supplied “behind the meter,” but rather must be supplied through separate metering facilities interconnected to the transmission grid at a common point of interconnection. At the very least, Detroit Edison requests that the Commission require Midwest ISO to clarify that all energy delivered to a generating facility from the generator’s off-site resources, including energy delivered through separate feeder lines, interconnection points or meters, constitutes station power load includable in a facility’s monthly netting calculation.

49. In addition, Detroit Edison requests clarification that where a facility’s operating license or governing regulatory authority requires that station power be delivered by an adjacent off-site supply source, such supply should be considered on-site, even though the energy is delivered from the transmission grid through a separate switchyard.

50. Detroit Edison requests that the Commission require Midwest ISO to include On-site Self-Supply of Station Power as a defined term in its tariff and to define the term as follows:

On-Site Self-Supply of Station Power shall mean a Facility’s supply of its own Station Power from (i) any generating units within the Facility, including self-supply that requires solely the use of interconnection facilities or otherwise makes *de minimis* use of the grid; and (ii) from any

²¹ See *infra* at P 21.

off-site generating facility owned by the same Generation Owner, to the extent that, and only if, such off-site supply is required under the operating license(s) or rules issued by one or more governing regulatory bodies.^[22]

51. Midwest ISO agrees with Detroit Edison that Schedule 20 should be revised to include a defined term “On-Site Self-Supply” consistent with Commission precedent.²³ Midwest ISO proposes to include in a future filing a definition of on-site self-supply and to clarify that any energy received by a facility for use as station power, regardless of voltage or metering point, should be netted against any energy produced by the facility. However, Midwest ISO states that it defers to the Commission as whether to include specific language on: (1) the use of interconnection facilities or *de minimis* use of the grid; or (2) mandatory off-site supply (*i.e.*, pursuant to operating license or regulatory authority).

52. We have consistently stated that generators are to be charged for the use of facilities involved in the delivery of station power.²⁴ Therefore, we deny Detroit Edison’s request for a “*de minimis*” exception for such charges, given that Detroit Edison has provided no persuasive rationale for such an exception. With respect to charges for interconnection facilities utilized for the delivery of station power, Schedule 20 does not contain generally applicable charges for such facilities. Such charges for direct assignment facilities would need to be filed with the service agreement for delivery of station power supply and would be considered on a case-by-case basis. However, in most instances, the generator is likely to have already paid for the cost of such interconnection facilities through its interconnection agreement, and no additional charges to recover the cost of such facilities would be warranted. Finally, Detroit Edison has not provided any support or rationale for us to require that mandatory remote self-supply pursuant to a regulatory agency be treated as on-site self-supply. Therefore, we will reject adding this concept to the definition of on-site self-supply. We will direct Midwest ISO to file modifications to Schedule 20 to clarify the definitions of on-site self-supply and remote self-supply consistent with the discussion in this paragraph within 60 days of the date of this order.

²² Detroit Edison protest at 7.

²³ Midwest ISO Answer at 6, *citing KeySpan Ravenswood, Inc. v. New York Independent System Operator, Inc.*, 101 FERC ¶ 61,230 at P 25 (2002), *reh’g denied*, 107 FERC ¶ 61,142 (2004).

²⁴ See, *e.g.*, *Sunbury Generation, LLC v. PPL Electric Utilities Corporation*, 99 FERC ¶ 61,168, *order on reh’g*, 100 FERC ¶ 61,200 (2002).

53. Detroit Edison argues that netting should be done on an hourly basis rather than a monthly basis. Detroit Edison claims that a generating facility's hourly net output could be negative nearly every hour during the month, at which time the generator (absent remote resources) would be drawing energy from a third party. However, the generator would not pay retail charges for energy and distribution facility usage as long as net output for the month was positive. Detroit Edison further argues that, since Midwest ISO's Energy Markets are based on hourly settlements, hourly schedule and meter data as well as billing systems already exists, so implementation of hourly netting would cause no undue administrative burden.

54. Consumers Energy argues that that the Commission's station power precedent has dealt only with base-load, high capacity factor units. However, when monthly netting is applied to peaking units in off-peak months, the result is different, it argues. Consumers Energy states that such a generator may find it worth its while to generate one day a month in off-peak months in order to self-supply . In addition, Consumers Energy seeks clarification and guidance on how Midwest ISO will settle injections and withdrawals at hourly LMPs when it is not known whether a retail sale has occurred until the end of the month.

55. Midwest ISO opposes an hourly netting period and urges the Commission to approve monthly netting as proposed in the December 30 Filing. Midwest ISO argues that the Commission has approved monthly netting for RTOs, has recently upheld monthly netting as being consistent with longstanding precedent, and has specifically found monthly netting to be appropriate to avoid the creation of an unnecessary seam between contiguous regional organizations.²⁵

56. Midwest ISO answers that it intends to provide guidance and a description of the settlement and billing process for implementation of Schedule 20 in its Business Practices Manual. Midwest ISO states that it has begun to address the concerns like those raised by Consumers Energy regarding implementation of the Schedule 20 station power rules through a stakeholder process that will lead to the promulgation of station power provisions in the Business Practices Manual that address these issues. Midwest ISO states that it will make these business practices available for public inspection on a permanent basis via posting on Midwest ISO's website.

²⁵ Midwest ISO Answer at 5, *citing AES Somerset, LLC v. Niagara Mohawk Power Corporation*, 110 FERC ¶ 61,032 at P 63-64, 71-72 (*AES Somerset*); *Nine Mile Point Nuclear Station, LLC v. Niagara Mohawk Power Corporation*, 110 FERC ¶ 61,033 at P 58-59 (2005) (*Nine Mile*); *Duke Energy Moss Landing LLC v. California Independent System Operator Corporation*, 109 FERC ¶ 61,170 at P 23 (*Duke Energy*) (2004).

57. We will deny Detroit Edison's request that Midwest ISO be required to replace monthly netting with an hourly netting period. As we have acknowledged, the monthly netting interval has evolved into the standard for determining whether station power has been self-supplied and deviating from this standard would require a strong justification.²⁶ Here, it is compelling that PJM has adopted a one-month netting interval, and Midwest ISO's adoption of a one-month netting interval avoids the creation of an unnecessary seam between the two contiguous and highly interconnected regional organizations.²⁷ Detroit Edison has provided no valid reason to consider a different netting period. Consumers Energy's and Detroit Edison's suggestion that the Commission's station power precedent has addressed only the supply of station power at base load units is not correct. We approved monthly netting in PJM and NYISO for all generators, including peaking units. Moreover, these RTOs use hourly settlements for their energy markets the same as Midwest ISO will in its Energy Markets.²⁸

58. We support Midwest ISO's pledge to develop business practices for implementation of its station power rules through its stakeholder process. This should facilitate the participation of all interested parties in clarifying the processes for implementation of Schedule 20 under the TEMT.

59. Consumers Energy requests that the Commission require Midwest ISO to eliminate the parenthetical reference following the define term "Net Output" in section III.2 of the revised Schedule 20 proposed in the December 30 Filing.²⁹ Consumers

²⁶ See *Duke Energy* at P 23.

²⁷ *Alliance Companies*, 100 FERC ¶ 61,137 (2002), *order on reh'g*, 103 FERC ¶ 61,274 at P 20-37 (2003); *Midwest Independent Transmission System Operator, Inc.*, 104 FERC ¶ 61,105 at P 20-43, *order denying reh'g in pertinent part*, 105 FERC ¶ 61,212 (2003).

²⁸ *Nine Mile*, 110 FERC ¶ 61,033 at P 29 (explaining why hourly congestion management systems are consistent with monthly netting for station power service).

²⁹ Section III.2 of the revised Schedule 20 proposed in the December 30 Compliance Filing states:

During any calendar month when the Net Output of a Facility is positive as a result of either the on-site self-supply or remote self-supply of Station Power (*i.e.*, the Facility consumes less, or the same amount of, energy to serve its Station Power requirements than it generates at that Facility or via remote self-supply), Generation Owner shall be deemed not to have engaged in the retail purchase of electric energy with respect to Station Power service hereunder.

Energy submits that, since “Net Output” is a formally defined term, the description in the parenthetical is unnecessary and could lead to confusion.

60. In its answer, Midwest ISO agrees to eliminate from section III.2 the short-hand description of how “Net Output” will be determined in the parenthetical reference following the defined term “Net Output,” as requested by Consumers Energy.

61. We agree that the short hand description of how “Net Output” will be determined in section III.2 is unnecessary and could lead to confusion. Accordingly, we will direct Midwest ISO to file revisions to Schedule 20 to eliminate the parenthetical within 60 days of this order.

3. Applicability of Schedule 17 Charges

62. Detroit Edison requests that facilities that self-supply station power with only *de minimis* use of the transmission system, or engage in off-site supply under the requirements of operating licenses or rules issued by regulatory bodies, should be exempt from Schedule 17 of Midwest ISO’s TEMT.³⁰ Detroit Edison argues that such charges are predicated solely on energy injections into and withdrawal from the transmission system, neither of which occurs in a meaningful way under these scenarios. Detroit Edison requests that, at a minimum, the Commission clarify that to the extent a generator self-supplies station power from remote resources, Midwest ISO will net the facility’s self-supplied station power load against its gross output on a monthly basis before calculating Schedule 17 charges. Detroit Edison argues that it is erroneous to suggest that a generator remotely supplying station power load benefits from the Energy Markets. Detroit Edison maintains that a generator will benefit only from the Energy Markets when it injects net output into the marketplace.

63. Midwest ISO opposes Detroit Edison’s request that Schedule 17 charges should not apply if entities engage in self-supply of station power. Midwest ISO argues that generation owners engaging in on-site or remote self-supply avail themselves of Energy Markets Service by injecting and extracting energy into and from the transmission system with settlement at the applicable LMP.

³⁰ Pursuant to Schedule 17, Energy Markets Service, Midwest ISO recovers its costs associated with development, implementation, and operation of its energy markets. The billing determinants for Energy Markets Service by Midwest ISO are the sum of all MWh injections into the Transmission System, MWh extractions from the Transmission System and all virtual bids or virtual offers, settled in the Day-ahead market that don't actually inject or extract from the Transmission System. *See Midwest Independent Transmission System Operator, Inc.*, 108 FERC ¶ 61,235 (2004).

64. We concur with Midwest ISO. Midwest ISO's Energy Markets give a generator needed options and information that allow, among other things, the generator to determine whether it is more efficient to engage in on-site self-supply, remote self-supply, or to utilize third-party supply. Accordingly, we will deny Detroit Edison's request to exempt on-site or remote self-supply from Schedule 17 charges. The Commission considered and rejected similar arguments in accepting Midwest ISO's proposed methodology for assessing Schedule 17 charges on self-scheduled transactions.³¹ We see no need for further discussion here.

4. Transmission Service Options

65. Detroit Edison requests that the Commission clarify that generation owners will be permitted to use Network Service to deliver station power from remote generation sources. Detroit Edison argues that this operational flexibility is consistent with Midwest ISO's proposed Schedule 20, as well as the relevant provisions of PJM's tariff. Specifically, Detroit Edison cites language under Midwest ISO's Schedule 20 providing that Non-Firm Point-to-Point Transmission Service will apply unless the generator makes "other arrangements" with the transmission provider in advance.

66. Midwest ISO does not believe that clarification is necessary. Midwest ISO states in its answer that the language cited by Detroit Edison is intended to accommodate the election, not obligation, of generators to arrange for other transmission service, including Network Service, for delivery of remote self-supply, and that, in the absence of "other arrangements" made in advance for transmission service for remote self-supply, Non-Firm Point-to-Point Transmission Service charges will apply.

67. We agree with Midwest ISO that no additional clarification is necessary to address Detroit Edison's concerns.

5. Definitions

68. Consumers Energy argues that Midwest ISO uses the term third-party supply, in addition to self-supply and retail purchases, but does not define third-party supply or distinguish it from retail purchases. Consumers Energy argues that this confusion of terms will encourage generation owners to claim that they are entitled to some form of third-party supply other than retail purchases. Consumers Energy requests that the Commission either require Midwest ISO to define third-party supply as a retail purchase or eliminate the term.

³¹ *Id.* at P 43-51.

69. Midwest ISO proposes in a future filing to define third-party supply clarifying it as an option to procure (rather than self-supply) station power under a retail tariff or, where permissible, under a retail open access program.

70. We agree that defining third-party supply should eliminate confusion regarding the availability of this option. Accordingly, we will direct Midwest ISO to file revisions to Schedule 20 to incorporate the above description of third-party supply within 60 days of the date of this order.

6. Ancillary Services

71. Midwest ISO proposes that ancillary service charges under Schedules 1 through 6 of the TEMT will not apply for transmission service associated with remote self-supply. In support, Midwest ISO states that this is consistent with the treatment of ancillary services for delivery of station power supply that the Commission accepted for PJM. Midwest ISO states that it does not believe that the revenues associated with such charges will be greater than the cost of collecting them. However, Midwest ISO states that it reserves the right to change these provisions if the situation should change in the future.

72. Consumers Energy requests that Midwest ISO be required to justify its proposal to not assess ancillary service charges under the TEMT for remote self-supply. Consumers Energy argues that most ancillary services are ultimately provided by generators, so they are the only entities that stand to lose revenues. Consumers Energy submits that, in fairness to the generators, Midwest ISO should be required to justify its proposal to not charge for ancillary services for remote self-supply. If Midwest ISO's proposal to not charge for ancillary services is accepted, Consumers Energy requests that Midwest ISO be required to collect ancillary service data after the TEMT goes effect. Based upon this data, Midwest ISO should have to report to the Commission on costs and revenues and justify continuing to not charge for ancillary services for remote self-supply.

73. In its answer, Midwest ISO reiterates that it does not believe that the revenues associated with such charges would be greater than the costs of collecting them. In addition, Midwest ISO argues that it would not be necessary or efficient for the Commission to impose a formal data collection and monitoring program. Midwest ISO points out that it has reserved the right to modify the provisions regarding ancillary services charges under Schedule 20 and will do so if the situation changes at a future time.

74. We will accept Midwest ISO's proposal that ancillary service charges under Schedules 1 through 6 of the TEMT will not apply for transmission service associated with remote self-supply. In addition, we will not require any formal data collection. In this regard, Midwest ISO's proposal is consistent with the station power rules that we

approved for both PJM and NYISO.³² In addition, the Commission approved those provisions without requiring collection of data or future reports to the Commission on ancillary service charges, and we will similarly not require collection of data or future reports here. However, we expect that, if the situation changes, Midwest ISO will file to revise Schedule 20 accordingly.

7. Metering Provisions and Verification Issues

75. Mirant objects to language in Schedule 20, section V, Metering Requirements, that provides that the generation owner shall be responsible for submitting accurate, complete and verified metering information to the transmission owner and transmission provider, which shall have the right to audit such submissions. Mirant states that this provision conflicts with section II of Schedule 20, which provides that the transmission provider will determine the extent to which the generator self-supplied station power, and may unreasonably require generators to seek verification from transmission owners before utilizing the self-supply option under Schedule 20. Mirant requests that the Commission require Midwest ISO to revise section V to make clear that Midwest ISO alone has the responsibility for determining whether a generator has self-supplied station power for the month.

76. In addition, Mirant states that section II.4, which requires the generation owner to provide the transmission provider with sufficient information to allow the transmission provider to implement Schedule 20, may undermine the ability of generation owners to avail themselves of the supply options provided under Schedule 20. Mirant requests that the Commission require Midwest ISO to modify Schedule 20 to clarify that the transmission owner and transmission provider are required to cooperate with the generation owner's efforts to obtain accurate and complete metering data if either the transmission owner or transmission provider has primary access to that data. Consumers Energy requests that Midwest ISO be required to explain what information, besides metering data, a generation owner may be required to provide Midwest ISO to allow it to implement Schedule 20.

77. Finally, Mirant requests that the Commission require Midwest ISO to delete the reference to "transmission service requirements" under Schedule 20, section V³³ in order to avoid any confusion as to the requirements to purchase transmission service in connection with self-supply of station power, or to clarify section V to specify that any

³² *PJM IV*, 95 FERC ¶ 61,470 at 62,687, *KeySpan*, 101 FERC ¶ 61,230 at P 9.

³³ Section V of Schedule 20 provides that generation owners "shall be responsible for making all appropriate metering arrangements for Station Power transmission service requirements to enable the Transmission Provider to implement Schedule 20."

transmission service required would be in connection with remote self-supply of station power requirements. Mirant argues that this modification is needed to ensure that section V is consistent with section III of Schedule 20, which provides that generators will not be required to obtain transmission service for on-site self-supply of station power.

78. In response to Mirant's concerns, Midwest ISO states that it is willing to modify section V of Schedule 20 to clarify that Midwest ISO has the sole responsibility to determine whether a facility has self-supplied and whether a generation owner's metering information is sufficiently accurate, complete, and verifiable for purposes of implementing Schedule 20. Also, Midwest ISO states that it is amenable to amending Schedule 20 to require the party with primary access to relevant meter data to cooperate with generation owners regarding metering arrangements and verification of data. Finally, in response to Mirant's request that the reference to "transmission service requirements" in section V be deleted or clarified, Midwest ISO clarifies that this reference is intended to make clear that it is the responsibility of the generation owner to ensure that metering arrangements are sufficient to implement Schedule 20 and is not intended to imply that transmission charges may apply in the case of on-site self-supply.

79. In its answer, METC recommends that the Commission clarify that the party with primary access to meter data is obliged to cooperate in providing the data, regardless of whether it is the transmission owner, the generator or another party, and that it is the generator's responsibility to make arrangements with the appropriate party to access this data.

80. We agree with Mirant that Midwest ISO alone should be responsible for determining whether a generator has self-supplied station power for the month and also that the transmission owner and transmission provider should be required to cooperate with the generation owner's efforts to obtain accurate and complete metering data if either transmission owner or transmission provider has primary access to that data. Accordingly, we will require Midwest ISO to file, within 60 days of the date of this order, revisions to: (1) section V of Schedule 20 to clarify that Midwest ISO has the sole responsibility of determining whether a facility has self-supplied and whether a generation owner's metering information is sufficiently accurate, complete, and verifiable for purposes of implementing Schedule 20; and (2) section II of Schedule 20 to provide that, to the extent that the transmission owner or transmission provider has primary access to relevant meter data, it must cooperate with generation owners regarding metering arrangements and verification of data to implement Schedule 20. Should an entity not subject to this requirement have pertinent data, we would expect them to cooperate with generation owners' efforts to obtain and verify information needed to allow the transmission provider to implement Schedule 20.

81. We find Midwest ISO's explanation of the reference to transmission service requirements in section V addresses Mirant's concerns and we do not believe that any modifications to Schedule 20 are required to clarify this matter. Finally, Consumers Energy's concerns about what information generation owners may be required to provide Midwest ISO in order to implement Schedule 20 are more appropriately addressed in the stakeholder process that Midwest ISO has instituted to develop business practices for implementation of its station power rules.

8. Conclusion

82. We find that Midwest ISO's proposed revisions to its station power rules to accommodate the operation of its Energy Markets, with the modifications discussed above, represent a reasonable approach to station power supply, consistent with provisions that we have accepted for PJM and NYISO. Accordingly, we will conditionally accept Midwest ISO's December 30 Filing, subject to the compliance filing directed above, to become effective April 1, 2005, as requested.

The Commission orders:

(A) We hereby deny rehearing, and grant clarification in part, of the January 29 Order, as discussed in the body of this order.

(B) Midwest ISO's March 1, 2004 Compliance Filing, as amended on March 15, 2004, is hereby accepted for filing, to become effective October 8, 2003.

(C) Midwest ISO's December 30, 2004 Compliance Filing is hereby conditionally accepted for filing, to become effective April 1, 2005, as requested.

(D) Midwest ISO 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)

Linda Mitry,
Deputy Secretary.