

December 23, 2008, the Commission issued an order approving an uncontested settlement submitted by the parties.⁴

3. According to Midwest ISO, its January 18, 2011 filing amends the Original Interconnection Agreement to reflect an increase in the capacity of the Palisades Nuclear Generating Plant (Palisades Plant) and to update the Original Interconnection Agreement to track Midwest ISO's currently effective *pro forma* Generator Interconnection Agreement (GIA) while retaining the non-conforming language in the Original Interconnection Agreement reflecting the unique requirements of the Palisades Plant, a nuclear generating facility. In conforming the Original Interconnection Agreement to the *pro forma* GIA, certain metering provisions of Article 7.1 of the Original Interconnection Agreement are proposed to be deleted.

4. Midwest ISO requests that the Commission waive its sixty-day prior notice requirement to permit a January 19, 2011 effective date.

II. Notice of Filings and Responsive Pleadings

5. Notices of Midwest ISO's January 18, 2011 and February 9, 2011 filings were published in the *Federal Register*, 76 Fed. Reg. 4338 and 9344 (2011), with interventions and comments due on or before February 8, 2011 and March 2, 2011, respectively. Timely motions to intervene were filed by METC and Entergy Palisades. Consumers Energy Company (Consumers) filed a timely motion to intervene and comments. On February 23, 2011, Midwest ISO filed an answer. On March 22, 2011, Consumers filed a status report.

A. Consumers' Comments

6. Consumers objects to the elimination of certain provisions of Article 7.1 of the Original Interconnection Agreement. Consumers states that, under those deleted provisions, Consumers has "access to [certain METC] Metering Equipment in order for [Consumers] to read metering quantities."⁵ Consumers further states that other provisions proposed to be deleted require METC and Entergy Palisades to "give [Consumers] access to such retail Metering Equipment in order for [Consumers] to read retail metering quantities and to operate, test, maintain, and replace such retail Metering Equipment."⁶ Consumers contends that it needs such access in order to continue to

⁴ *Midwest Independent System Operator, Inc.*, 125 FERC ¶ 61,362 (2008).

⁵ Consumers Protest at 3-4.

⁶ *Id.*

provide retail services including, station power and black start-related service to the Palisades Plant. Consumers also points out that under the provisions in Article 7.1 proposed to be deleted, it is a “Metering Party” and a third party beneficiary with respect to Article 7.1.⁷

7. Consumers states that the metering provisions proposed to be deleted from Article 7.1 of the Original Interconnection Agreement were included because of Consumers’ historical ownership of the Palisades Plant.⁸ Consumers argues that, when the Palisades Plant and related facilities were built, the fact that Consumers owned them allowed the facilities to be configured with the retail billing meters located within the Palisades Plant’s transmission substation. However, Consumers argues that, with the transfer of its transmission facilities to METC in 2001 and subsequent transfer of its interest in the Palisades Plant to Entergy Palisades, Consumers needed access to METC’s facilities to make the readings and maintain the equipment needed for it to continue to provide retail services to the Palisades Plant. Consumers argues that because the retail metering equipment is located at a site controlled by METC, it is not enough for Entergy Palisades to be obligated to provide access to Consumers (as would commonly be the case for retail metering equipment). Rather, under these circumstances, Consumers contends that there must also be provisions obligating METC to provide it with both physical and metering data access.⁹

8. Consumers notes that the Commission has allowed tailoring of the *pro forma* GIA by adding appendices to meet special needs of specific generators. Consumers suggests that, rather than deleting the metering provisions now contained in Article 7.1 of the Original Interconnection Agreement, those provisions could be moved to the Appendices of the Amended Interconnection Agreement. Consumers also notes that it is possible that those metering provisions could be covered outside the Amended Interconnection Agreement, and that Consumers, Entergy Palisades, and METC are exploring that possibility.¹⁰

⁷ *Id.*

⁸ *Id.*

⁹ *Id.*

¹⁰ *Id.* at 5, n.2. In its March 22, 2011 status update, Consumers states that it has discussed the matter with Entergy Palisades and METC and has not yet been able to reach an alternate resolution with those parties.

B. Midwest ISO's Answer

9. Midwest ISO notes that Consumers was not a party to the Original Interconnection Agreement or the related settlement, and is not a party to the Amended Interconnection Agreement. Therefore, Midwest ISO argues that continued designation of Consumers as a third party beneficiary in a non-conforming retail metering provision in the Amended Interconnection Agreement is not appropriate.¹¹ Further, Midwest ISO argues that Entergy Palisades (the interconnection customer) is responsible for wholesale metering under the Amended Interconnection Agreement and can make its own arrangements with other parties regarding retail metering by Consumers. Midwest ISO contends that terms that relate to retail metering can occur at any generating facility and are not related to the nuclear-specific circumstances that require other non-conforming provisions in the Amended Interconnection Agreement.¹² Midwest ISO suggests that these provisions should be in a separate agreement among Entergy Palisades, METC, and Consumers, so that the Amended Interconnection Agreement more closely tracks the *pro forma* GIA.¹³

10. Midwest ISO also points out that Appendices A and C of the Amended Interconnection Agreement provide that METC owns certain defined metering equipment, but that Entergy Palisades will install new metering equipment at the earliest reasonable opportunity at its own expense. Midwest ISO contends that, to the extent that retail metering may also be updated or affected, METC, Entergy Palisades, and Consumers can better provide for the rights and responsibilities of retail metering in a separate agreement, thereby avoiding possible confusion based upon the use of inconsistent or potentially non-jurisdictional (i.e., retail) terms in the Amended Interconnection Agreement.¹⁴

III. Discussion

A. Procedural Matters

11. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2010), the timely, unopposed motions to intervene serve to make the entities that filed them parties to this proceeding.

¹¹ Midwest ISO Answer at 2.

¹² *Id.* at 3.

¹³ *Id.* at 3-4.

¹⁴ *Id.*

12. Rule 213(a)(2) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.213(a)(2) (2010), prohibits an answer to a protest unless otherwise ordered by the decisional authority. We will accept Midwest ISO's answer because it has provided information that assisted us in our decision-making process.

B. Substantive Matters

13. We accept for filing the proposed Amended Interconnection Agreement to be effective January 19, 2011, as requested. We reject Consumers' request that the Amended Interconnection Agreement retain certain provisions in Article 7.1 of the Original Interconnection Agreement that are inconsistent with the *pro forma* GIA. As we have stated, the Commission may recognize deviations from the *pro forma* GIA as "may be necessary for a small number of interconnections with specific reliability concerns, novel legal issues, or other unique factors."¹⁵ However, a transmission provider seeking such deviations "bears a high burden to justify and explain that its changes are not merely 'consistent with or superior to' the *pro forma* agreement, but are *necessary* changes."¹⁶ Here, the non-conforming provisions of the Original Interconnection Agreement that Consumers seeks to retain in the Amended Interconnection Agreement do not address specific reliability concerns, novel legal issues, or other unique factors, but rather address retail metering issues that can occur at any generating facility. Further, by Consumers' own admission, these non-conforming provisions are not *necessary* because alternate means are available to provide to Consumers access rights to its retail metering facilities and metering data. We encourage Consumers, METC and Entergy Palisades to continue their efforts to reach agreement on these issues.

The Commission orders:

Midwest ISO's Amended Interconnection Agreement is hereby accepted, to be effective January 19, 2011, as requested.

By the Commission.

Kimberly D. Bose,
Secretary.

¹⁵ *Midwest Independent Transmission System Operator, Inc.*, 111 FERC ¶ 61,421, at P 11-12 (2005); *see also Southwest Power Pool, Inc.*, 132 FERC ¶ 61,062, at P 3 (2010) (*SPP*).

¹⁶ *SPP*, 132 FERC ¶ 61,062 at P 3.