

147 FERC ¶ 61,059
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426

April 21, 2014

In Reply Refer To:
Midcontinent Independent System
Operator, Inc.
Docket No. ER14-83-001

Midcontinent Independent System
Operator, Inc.
Attention: Michael Kessler, Assistant General Counsel
P.O. Box 4202
Carmel, IN 46082-4202

Dear Mr. Kessler:

1. On October 14, 2013, pursuant to section 205 of the Federal Power Act,¹ Midcontinent Independent System Operator, Inc. (MISO)² submitted proposed revisions to Module E-1 of its Open Access Transmission, Energy and Operating Reserve Markets Tariff (Tariff) in order to remove potential barriers to external resources' participation in MISO's annual planning resource auction by allowing external resources to participate in the auction if these resources can demonstrate that they are deliverable to load as required by section 69A.3.1.g of MISO's Tariff (October 14 Filing). On December 11, 2013, the Commission conditionally accepted MISO's proposal, directing MISO to submit a compliance filing within 30 days to clarify the application of section 69A.3.1.g to external resources.³ On January 9, 2014, MISO submitted its compliance filing, proposing clarifying revisions to section 69A.3.1.g (January 9 Filing). As discussed below, we conditionally accept MISO's January 9 Filing, to become effective December 13, 2013, subject to MISO's submission of a further compliance filing.

¹ 16 U.S.C. § 824d (2012).

² Effective April 26, 2013, MISO changed its name from "Midwest Independent Transmission System Operator, Inc." to "Midcontinent Independent System Operator, Inc."

³ *Midcontinent Indep. Sys. Operator, Inc.*, 145 FERC ¶ 61,209 (2013) (December 11 Order).

2. In its January 9 Filing and as directed by the Commission, MISO proposes clarifying revisions to section 69A.3.1.g of its Tariff. Under the proposed revisions, “Intermittent Generation Resources” and “External Resources” must demonstrate their deliverability to load through one of several possible methods listed in that Tariff provision, thereby qualifying the resources as planning resources that may participate in the annual planning resource auction. MISO also proposes to revise the demonstration requirement for energy resource interconnection service in Tariff section 69A.3.1.g.ii. Specifically, MISO proposes that deliverability of the resource may be determined by “[d]emonstrating [energy resource interconnection service] under Attachment X and/or firm Transmission Service,” such that firm transmission service would be an optional requirement in place of the current mandatory requirement for firm transmission service.⁴
3. Notice of MISO’s January 9 Filing was published in the *Federal Register*, 79 Fed. Reg. 3368 (2014), with interventions and protests due on or before January 30, 2014. MidAmerican Energy Company (MidAmerican) filed a timely protest. MISO filed an answer to MidAmerican’s protest on February 14, 2014.
4. In its protest, MidAmerican expresses two concerns with MISO’s January 9 Filing.⁵ First, MidAmerican states that MISO’s proposed addition of the word “or” to Tariff section 69A.3.1.g.ii would deem a generator to be deliverable based only on energy resource interconnection service, in the absence of firm transmission service. MidAmerican states that this proposal should be rejected for procedural and substantive concerns. Procedurally, MidAmerican argues that the proposed addition should be rejected because it was not suggested in the October 14 Filing, directed by the December 11 Order, or discussed in the January 9 Filing.⁶ Substantively, MidAmerican contends that the proposed addition should be rejected because it would allow generators that lack firm transmission service to become planning resources, which is contrary to the historical development of MISO’s Tariff, as generators using energy resource interconnection service have never been permitted to become planning resources unless they also obtain firm transmission service. MidAmerican notes that Tariff

⁴ January 9 Filing at 2.

⁵ MidAmerican Protest at 2.

⁶ *Id.* at 2-3.

section 69A.3.1.g.ii, which was contained in MISO's initial resource adequacy proposal, was accepted by the Commission in 2009 and has since remained unquestioned.⁷

5. Second, MidAmerican asserts that MISO incorrectly uses the term "Intermittent Generation Resource" throughout section 69A.3.1.g.⁸ MidAmerican states that the term "Intermittent Generation Resource" is not defined in the Tariff, and that MISO's proposed language should use one of two terms that are defined in the Tariff: "Intermittent Resources" or "Intermittent Generation." MidAmerican concludes that "Intermittent Generation" is the appropriate term because it can include external resources, whereas the term "Intermittent Resources" cannot.⁹

6. In its answer, MISO agrees with both of the points raised in MidAmerican's protest. First, MISO clarifies that its revision to Tariff section 69A.3.1.g.ii was not intended to relieve resources from the obligation to obtain firm transmission service. Rather, MISO states that its revision was intended to address the fact that there is no energy resource interconnection service under Attachment X for external resources. Second, MISO confirms that the use of "Intermittent Generation Resource(s)" throughout section 69A.3.1.g was inadvertent and that "Intermittent Generation" is the appropriate defined term. Accordingly, MISO proposes to remove the optional firm transmission service language in the energy resource interconnection service demonstration of deliverability and replace the term "Intermittent Generation Resource(s)" with "Intermittent Generation" throughout section 69A.3.1.g, if directed to do so by the Commission.¹⁰

7. Rule 213(a)(2) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.213(a)(2) (2013), prohibits an answer to a protest unless otherwise ordered by the decisional authority. We accept MISO's answer because it has provided information that assisted us in our decision-making process.

8. We conditionally accept the January 9 Filing, as it reasonably clarifies the application of section 69A.3.1.g to external resources. However, we agree with MidAmerican that MISO's proposed addition of the word "or" to Tariff section 69A.3.1.g.ii should be rejected. While MISO explains in its answer that it

⁷ *Id.* at 3-5 (citing *Midwest Indep. Transmission Sys. Operator, Inc.*, 129 FERC ¶ 61,261 (2009)).

⁸ *Id.* at 6-9.

⁹ *Id.* at 7-9 (citing *Midwest Indep. Transmission Sys. Operator, Inc.*, 135 FERC ¶ 61,126, at P 9 (2011), *order on reh'g*, 140 FERC ¶ 61,011, at P 14 (2012)).

¹⁰ MISO Answer at 3.

did not intend to relieve resources of the obligation to have firm transmission service, its proposed revision, which can be read to provide an option for energy resource interconnection service with no firm transmission service, does not support MISO's assertion. Inasmuch as this revision does not accomplish MISO's purpose and it can be read to be contrary to the current mandatory requirement for firm transmission service, as noted by MidAmerican, we require that this revision be deleted. We also agree that the undefined term "Intermittent Generation Resource(s)" should be replaced with the defined term "Intermittent Generation" throughout section 69A.3.1.g of MISO's Tariff. We agree with MidAmerican that the Commission has accepted the term "Intermittent Generation" in previous proceedings. We also note that MISO confirms that "Intermittent Generation" is the appropriate defined term. We condition our acceptance of the January 9 Filing on MISO's submission of a compliance filing within 30 days of the date of this order that removes the proposed addition of the word "or" to Tariff section 69A.3.1.g.ii and replaces the term "Intermittent Generation Resource(s)" with the term "Intermittent Generation" throughout Tariff section 69A.3.1.g, as proposed by MISO in its answer.

By direction of the Commission.

Nathaniel J. Davis, Sr.,
Deputy Secretary.