

150 FERC ¶ 61,055
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

January 30, 2015

In Reply Refer To:
Midcontinent Independent
System Operator, Inc.
Docket No. ER15-542-000

Midcontinent Independent System Operator, Inc.
Attention: Jacob T. Krouse
P.O. Box 4202
Carmel, IN 46082

Dear Mr. Krouse:

1. On December 1, 2014, pursuant to section 205 of the Federal Power Act (FPA)¹ and Part 35 of the Commission's regulations,² you submitted on behalf of Midcontinent Independent System Operator, Inc. (MISO) proposed revisions to Schedules 10, 10-D, 10-G, 16, 16-B, 16-C, 17, 17-B, and 17-C (December 1 Filing) of its Open Access Transmission, Energy and Operating Reserve Markets Tariff (Tariff).

2. MISO explains that the proposed revisions will allow MISO to amortize land costs and collect funds through monthly billing rates, which more accurately aligns the recovery of land costs with the cash outlay. Currently, the Tariff does not allow for recovery of land costs until it is sold. MISO explains that under the revisions land will continue to be recorded as an asset in FERC Accounts 380/389 (Land and Land Rights), and the cost of land will be amortized over a five-year period by debiting FERC Account 405 (Amortization of Other Electric Plant) and crediting FERC Account 111 (Accumulated Provision for Amortization of Electric Utility Plant).³ MISO added language to Schedules 10, 16 and 17 to reflect the proposed method.

¹ 16 U.S.C. § 824d (2012).

² 18 C.F.R. pt. 35 (2014).

³ Transmittal at 1.

3. MISO also proposes revisions to the aforementioned schedules to remove references to Aquila, Inc., a withdrawn transmission owner, and to exit fee credits for Commonwealth Edison Company and Louisville Gas & Electric Company and Kentucky Utilities Company, which have expired.⁴ MISO includes further clean-up edits for ease of reference and to remove superfluous information.

4. Notice of the December 1 Filing was published in the *Federal Register*, 79 Fed. Reg. 73,058 (2014), with interventions and protests due on or before December 22, 2014. Wisconsin Electric Power Company and Midcontinent MCN, LLC filed timely motions to intervene. MidAmerican Energy Company (MidAmerican) filed a timely motion to intervene and comments. On January 6, 2015, MISO filed an answer to MidAmerican's comments.

5. In its comments, MidAmerican states that lingering references to outdated Schedules 10-A, 10-B, 10-C, 16-A, and 17-A remain in Section 1.T and Schedules 10, 16, and 31 of the Tariff. MidAmerican also notes that the outdated schedules themselves remain in the Tariff, though apparently MISO seemingly intends to delete them through the December 1 Filing.⁵ MidAmerican requests that MISO revise the outdated language to correct these errors and notes that it may be administratively preferable for MISO to update language in Schedule 31 when MISO makes its annual filing revising cost allocations rather than through a compliance filing.⁶

6. In its answer, MISO states that it generally agrees with the additional revisions suggested by MidAmerican regarding Section 1.T, Schedule 10 and Schedule 16 and commits to make those revisions in a compliance filing if the Commission so directs.⁷ MISO also agrees with the revisions to Schedule 31 and, as MidAmerican suggests, will make such revisions in its annual filing to revise Schedule 31, anticipated to occur on or about January 30, 2015.⁸ MISO also states that it will delete Schedules 10-A, 10-B, 10-C, 16-A, and 17-A once the Commission approves the December 1 Filing.⁹

7. 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

⁴ *Id.* at 1-2.

⁵ MidAmerican Comments at 3-4.

⁶ *Id.* at 3.

⁷ MISO Answer at 2.

⁸ *Id.*

⁹ *Id.*

the entities that filed them parties to this proceeding. 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 unless otherwise ordered by the decisional authority. We will accept the answer submitted by MISO because it has provided information that assisted us in our decision-making process.

8. We will conditionally accept MISO's December 1 Filing to be effective January 31, 2015, as requested, subject to a further compliance filing discussed below. MISO's proposed Tariff revisions appear to be just and reasonable, and have not been shown to be unjust, unreasonable, unduly discriminatory or preferential, or otherwise unlawful. Further, MISO's proposed accounting to record and amortize the cost of land is approved.

9. We accept MISO's commitment to correct the errors identified by MidAmerican in Section 1.T and Schedules 10, 16, and 31.¹⁰ However, for Schedule 31, we will require MISO to correct the identified errors in the compliance filing ordered in the instant docket rather than the annual filing made to revise Schedule 31.¹¹ Furthermore, we direct MISO to delete the outdated Schedules 10-A, 10-B, 10-C, 16-A, and 17-A. We direct MISO to make all of these corrections in a compliance filing due within 30 days of this order.¹²

By direction of the Commission. Commissioner Honorable is not participating.

Kimberly D. Bose,
Secretary.

¹⁰ MISO Answer at 2.

¹¹ See *Boston Edison Co.*, 98 FERC ¶ 61,292 (2002) (Commission has an interest in ensuring that tariffs clearly, completely and unambiguously identify services, rates and terms and conditions).

¹² MISO's proposed revisions contain several typographical errors that MISO should also correct in its compliance filing. First, Schedule 10 under section III in the second paragraph contains a spacing error. Second, the definitions of variable A.3 under section III in Schedules 10, 16 and 17 all contain spelling errors. Third, MISO did not spell out all instances of Grandfathered Agreements in Schedules 16, 16-B and 16-C as proposed in its filing.