#### 161 FERC ¶ 61,056 UNITED STATES OF AMERICA FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Neil Chatterjee, Chairman; Cheryl A. LaFleur, and Robert F. Powelson.

Midcontinent Independent System Operator, Inc.

Docket Nos. ER17-1000-000 ER17-1000-001 ER17-1013-000 ER17-1013-001 (not consolidated)

# ORDER ON TARIFF FILINGS AND DENYING REQUEST FOR REHEARING AND CLARIFICATION

(Issued October 19, 2017)

1. On February 17, 2017, in Docket No. ER17-1000-000, Midcontinent Independent System Operator, Inc. (MISO) submitted, under section 205 of the Federal Power Act (FPA)<sup>1</sup> and section 35.12 of the Commission's regulations,<sup>2</sup> a service agreement between MISO and Exelon Generation (Exelon) for 30 megawatts (MW) of Network Resource Interconnection Service (NRIS) for an external generating facility (E-NRIS). On February 22, 2017, in Docket No. ER17-1013-000, MISO submitted, under section 205 of the FPA and section 35.12 of the Commission's regulations, a service agreement between MISO and Exelon for 2,300 MW of E-NRIS (together, the Exelon E-NRIS Service Agreements). On April 18, 2017, pursuant to the authority delegated by the Commission's February 3, 2017 Order Delegating Further Authority to Staff in Absence of Quorum,<sup>3</sup> the Exelon E-NRIS Service Agreements were accepted for filing, suspended

<sup>&</sup>lt;sup>1</sup> 16 U.S.C. § 824d (2012).

<sup>&</sup>lt;sup>2</sup> 18 C.F.R § 35.12 (2017).

<sup>&</sup>lt;sup>3</sup> Agency Operations in the Absence of a Quorum, 158 FERC ¶ 61,135 (2017).

for a nominal period, to become effective February 6, 2017, as requested, subject to refund and further Commission order.<sup>4</sup>

2. As discussed below, in this further order, we accept the Exelon E-NRIS Service Agreements, effective February 6, 2017, as requested.

3. On May 18, 2017, in Docket Nos. ER17-1000-001 and ER17-1013-001, the American Wind Energy Association, Wind on the Wires, EDF Renewable Energy, Inc., E.ON Climate & Renewables North America, LLC, and Invenergy LLC (collectively, Movants) filed a request for rehearing and clarification of the April 18 Order. As discussed below, we deny the request for rehearing and clarification.

# I. <u>Background</u>

4. The Definitive Planning Phase (DPP) is the final phase of MISO's generator interconnection process, during which MISO conducts reliability and deliverability studies that determine whether there is available transmission capacity to accommodate the interconnection of new proposed generation facilities or whether network upgrades are needed. All generators newly interconnecting to the MISO transmission system for either NRIS<sup>5</sup> or Energy Resource Interconnection Service (ERIS)<sup>6</sup> must provide an M2 milestone payment when they first enter MISO's DPP study queue.<sup>7</sup> The M2 milestone payment is refundable once a Generator Interconnection Agreement (GIA) is executed and the interconnection customer provides an Initial Payment under the GIA towards the

<sup>4</sup> *Midcontinent Independent System Operator, Inc.*, Docket Nos. ER17-1000-000 and ER17-1013-000 (Apr. 18, 2017) (delegated letter order) (April 18 Order).

<sup>5</sup> NRIS allows an interconnection customer to interconnect its Generating Facility to the MISO transmission system or distribution system, as applicable, and integrate its Generating Facility with the transmission system to deliver its output over that system in the same manner as for any Generating Facility designated as a network resource. MISO, FERC Electric Tariff, Attachment X (70.0.0), § 1. Unless indicated otherwise, all capitalized terms shall have the same meaning given them in the MISO Tariff.

<sup>6</sup> ERIS allows an interconnection customer to connect its Generating Facility to the MISO transmission system or distribution system, as applicable, and to be eligible to deliver the Generating Facility's electric output using the existing firm or non-firm capacity of the transmission system on an as available basis. MISO, FERC Electric Tariff, Attachment X (70.0.0), § 1.

<sup>7</sup> See MISO, FERC Electric Tariff, Attachment X (70.0.0), § 3.3; MISO Business Practice Manual No. 015-r16, Generator Interconnection, § 4.2 (effective Aug. 1, 2017).

cost of any required network upgrades. However, if the interconnection customer withdraws from the queue, the M2 milestone payment will first be applied to the cost of network upgrades that are shifted to concurrent or later-queued projects, with the remaining funds refunded to the withdrawing interconnection customer.<sup>8</sup>

5. On March 8, 2013, the Commission accepted, subject to condition, revisions to Module E of MISO's Open Access Transmission, Energy and Operating Reserve Markets Tariff (Tariff) to allow generation external to MISO's footprint to participate in capacity auctions and deliver the generating facility's electric output into the MISO system by obtaining E-NRIS.<sup>9</sup>

6. On October 13, 2016, in Docket Nos. EL16-12-000, ER16-1817-000, and ER16-1346-000, the Commission directed MISO to file Tariff revisions that, among other things: (1) apply the M2 milestone payment to all classes of interconnection customer; (2) subject E-NRIS customers to the same deposits and payments as all other customers; and (3) describe in detail the classes of customers that can obtain E-NRIS.<sup>10</sup> The Commission also accepted MISO's proposed *pro forma* E-NRIS Service Agreement, subject to condition, and made it effective as of April 5, 2016.<sup>11</sup> The Commission directed MISO to submit a further compliance filing adjusting the *pro forma* E-NRIS customers; (2) change the termination clause to match the existing termination clause in the *pro forma* GIA; (3) specify the E-NRIS customer's point of delivery into MISO and identify the external generating resource that is associated with the E-NRIS; and (4) add a section listing milestones that is similar to Appendix B to the *pro forma* GIA.<sup>12</sup>

7. On January 3, 2017, in Docket Nos. ER16-1817-001 and ER16-1346-001, the Commission accepted MISO's compliance filings, subject to condition, to be effective as of April 5, 2016, finding that the Tariff changes will ensure comparable treatment for all

<sup>9</sup> See Midwest Indep. Transmission Sys. Operator, Inc., 142 FERC ¶ 61,182 (2013).

<sup>10</sup> Internal MISO Generation v. Midcontinent Independent System Operator, Inc., 157 FERC ¶ 61,021, at PP 55, 62, 79, 80 (2016) (October 13 Order).

<sup>11</sup> Id. P 81.

<sup>12</sup> *Id.* PP 82, 85, 99.

<sup>&</sup>lt;sup>8</sup> See Business Practice Manual-No. 015, § 6.2.11; MISO, FERC Electric Tariff, Attachment X (70.0.0), § 7.6.2.

customers, external or internal, existing or new.<sup>13</sup> The Commission found that the termination provision in Article 8.0 of the revised *pro forma* E-NRIS Service Agreement did not align with the termination provision in section 2.3.1 of the *pro forma* GIA, and required MISO to alter Article 8.0 accordingly.<sup>14</sup> The Commission further found that Appendix B to the *pro forma* E-NRIS Service Agreement was lacking in detail, and directed MISO to submit a new Appendix B to the *pro forma* E-NRIS Service Agreement that (1) either includes all milestones from Appendix B to the *pro forma* GIA or explains why certain milestones do not apply, and (2) includes section B (transmission owner's milestones).<sup>15</sup> In an order issued concurrently with this order, the Commission accepts MISO's compliance filings, subject to condition.<sup>16</sup>

#### II. <u>Filings</u>

8. On February 17, 2017, in Docket No. ER17-1000-000, MISO filed an agreement between MISO, as transmission provider, and Exelon, as interconnection customer, for 30 MW of E-NRIS regarding the existing Fairless Hills Power Plant Generating Facility located external to the MISO transmission system in Bucks County, Pennsylvania (Fairless Hills E-NRIS Service Agreement).<sup>17</sup> MISO designated the agreement as Original Service Agreement No. 3000 under the MISO Tariff. The project is designated as Project No. J374 in MISO's interconnection queue. MISO's filing indicates that no network upgrades or contingent facilities are required prior to granting the E-NRIS under the Fairless Hills E-NRIS Service Agreement.

9. On February 22, 2017, in Docket No. ER17-1013-000, MISO filed an agreement between MISO, as transmission provider, and Exelon, as interconnection customer, for 2,300 MW of E-NRIS regarding the existing Byron Nuclear Facility located external to the MISO transmission system in Ogle County, Illinois (Byron E-NRIS Service

<sup>14</sup> Id. P 27.

<sup>15</sup> *Id.* P 28.

<sup>16</sup> 161 FERC ¶ 61,059 (2017).

<sup>17</sup> Fairless Hills E-NRIS Service Agreement Filing, Docket No. ER17-1000-000, Tab A (E-NRIS Service Agreement), Appendix A-2 (filed Feb. 17, 2017).

<sup>&</sup>lt;sup>13</sup> Midcontinent Indep. Sys. Operator, Inc., 158 FERC ¶ 61,004, at P 26 (2017) (January 3 Order).

Agreement).<sup>18</sup> MISO designated the agreement as Original Service Agreement No. 2998 under the MISO Tariff. The project is designated as Project No. J371 in MISO's interconnection queue. MISO's filing indicates that no network upgrades or contingent facilities are required prior to granting the E-NRIS under the Byron E-NRIS Service Agreement.

10. MISO states that the bodies of the Exelon E-NRIS Service Agreements conform to the *pro forma* E-NRIS Service Agreement in MISO's Tariff, including the revisions conditionally accepted in Docket Nos. ER16-1817-000 and -001.<sup>19</sup> MISO further states that the agreements contain pending language filed with the Commission in Docket No. ER16-1817-003 in compliance with the January 3 Order, and asks that the Commission conditionally accept the Exelon E-NRIS Service Agreements subject to any revisions ordered by the Commission in Docket No. ER16-1817, *et al.* 

11. MISO requests that the Commission waive its 60-day notice requirement and make the Exelon E-NRIS Service Agreements effective as of February 6, 2017.<sup>20</sup> MISO states that the parties have indicated their support for such an effective date. MISO further requests waiver of requirements in section 35.15 of the Commission's regulations, 18 C.F.R. § 35.13 (2017), to the extent applicable.

### III. <u>Notices and Responsive Pleadings</u>

12. Notice of the Fairless Hills E-NRIS Service Agreement Filing in Docket No. ER17-1000-000 was published in the *Federal Register*, 82 Fed. Reg. 11,566 (2017), with interventions and protests due on or before March 10, 2017. Notice of the Byron E-NRIS Service Agreement Filing in Docket No. ER17-1013-000 was published in the *Federal Register*, 82 Fed. Reg. 12,218 (2017), with interventions and protests due on or before March 15, 2017.

13. Timely motions to intervene in Docket Nos. ER17-1000-000 and ER17-1013-000 were filed by: Exelon; Invenergy LLC; EDF Renewable Energy, Inc.; and E.ON Climate & Renewables North America, LLC.

<sup>20</sup> Fairless Hills E-NRIS Service Agreement Filing, Transmittal Letter at 2; Byron E-NRIS Service Agreement Filing, Transmittal Letter at 2.

<sup>&</sup>lt;sup>18</sup> Byron E-NRIS Service Agreement Filing, Docket No. ER17-1013-000, Tab A (E-NRIS Service Agreement), Appendix A-2 (filed Feb. 22, 2017).

<sup>&</sup>lt;sup>19</sup> Fairless Hills E-NRIS Service Agreement Filing, Transmittal Letter at 1; Byron E-NRIS Service Agreement Filing, Transmittal Letter at 1 (both citing October 13 Order, 157 FERC ¶ 61,021 (2016) and January 3 Order, 158 FERC ¶ 61,004 (2017)).

14. On March 15, 2017, the American Wind Energy Association and Wind on the Wires (together, AWEA/WOW) filed a timely motion to intervene and protest in Docket No. ER17-1013-000 and an out-of-time motion to intervene and protest in Docket No. ER17-1000-000.

15. On March 30, 2017, MISO and Exelon submitted answers to AWEA/WOW's protest in Docket Nos. ER17-1000-000 and ER17-1013-000.

16. On May 18, 2017, Movants filed a request for rehearing and clarification of the April 18 Order in Docket Nos. ER17-1000-001 and ER17-1013-001. On June 2, 2017, Exelon filed an answer to the request for rehearing.

# A. <u>AWEA/WOW Protest</u>

17. AWEA/WOW state that MISO conducts two reliability studies and one deliverability study in each DPP cycle in order to assess whether network upgrades are needed to mitigate the impacts of new internal or external generation onto the MISO grid.<sup>21</sup> They state that these DPP studies provide information about power flows, sinks, and impacts on transmission elements, among other things, and quantify the reliability and deliverability impacts on all relevant transmission elements.<sup>22</sup> AWEA/WOW note that the 2,330 MW of E-NRIS under the Exelon E-NRIS Service Agreements were studied in the August 2014 Central DPP, but that the August 2014 Central System Impact Study is only 18 pages long and does not include any technical results or data to confirm the conclusions contained therein. For instance, AWEA/WOW assert that there is insufficient data about: (1) loadings and distribution factors on monitored elements; (2) how the power was sinked into MISO; and (3) the line loading values of the request on the monitored elements to account for contingencies after the projects are added and simulations are run under the required North American Electric Reliability Corporation contingencies.<sup>23</sup> They contend that there is insufficient data to confirm MISO's conclusion that there are no reliability and deliverability violations and that no network upgrades are needed to accommodate the new 2,330 MW of E-NRIS.

18. AWEA/WOW also assert that MISO's conclusion is suspect, as 2,330 MW of new power flows that sink in MISO as E-NRIS are highly likely to cause violations that

<sup>22</sup> *Id.* at 6.

<sup>23</sup> *Id.* at 7.

<sup>&</sup>lt;sup>21</sup> Protest and Motion to Accept Protest Out-of-Time of AWEA/WOW, Docket Nos. ER17-1000-000 and ER17-1013-000, at 5 (filed Mar. 15, 2017) (AWEA/WOW Protest).

require network upgrades or other mitigation.<sup>24</sup> First, they reference a DPP System Impact Study conducted for a comparably-sized 3,500 MW E-NRIS Manitoba Hydro project, which contained 147 pages and revealed several reliability concerns. Second, AWEA/WOW state that other MISO studies in the Central region have identified the need for network upgrades to support new service, such as a much smaller Project J238 (a 725 MW coal project).<sup>25</sup> Third, AWEA/WOW state that the DPP System Impact Study for Project J276, which seeks 150 MW of NRIS, determined that service could not be provided until a certain Multi-Value Project is operational (expected 2019).<sup>26</sup> They note that the Multi-Value Project serves regional needs; yet, the August 2014 Central System Impact Study does not include any information to evaluate how much the Bvron facility will use the Multi-Value Project. Fourth, AWEA/WOW state that MISO has not granted some of the transmission service requests in the same geographic area as the Byron E-NRIS request due to constraints that would require mitigation.<sup>27</sup> Fifth, AWEA/WOW argue that congestion at the MISO-PJM seam is a well-known issue, so much so that MISO and PJM recently approved targeted market efficiency projects aimed at relieving the congestion, many of which are in geographic proximity to the Points of Delivery under the Exelon E-NRIS Service Agreements.<sup>28</sup> AWEA/WOW question MISO's conclusion that the 2,330 MW of E-NRIS would not exacerbate such congestion and cause reliability violations.

19. AWEA/WOW ask the Commission to require MISO to explain exactly what it studied, how it performed that study, identify the inputs (i.e., loadings, power flows, sinks, etc.) and to provide detailed technical study results that confirm MISO's conclusion of no reliability or deliverability violations, and hence no need for network upgrades.<sup>29</sup> They argue that, until MISO has presented such data, its filing must be deemed deficient and that service under the Exelon E-NRIS Service Agreements should not be allowed.<sup>30</sup> AWEA/WOW argue that, if reliability and deliverability impacts were not studied or were done insufficiently, and actual violations will occur, there would be

<sup>24</sup> Id. at 8.
<sup>25</sup> Id. at 9.
<sup>26</sup> Id. at 10.
<sup>27</sup> Id. at 11-12.
<sup>28</sup> Id. at 12-14.
<sup>29</sup> Id. at 14.
<sup>30</sup> Id. at 15.

multiple harms in violation of Commission policy and the FPA.<sup>31</sup> AWEA/WOW argue that, in particular, MISO should be required to address how it treated (and treats going forward) flows on the PJM system from the Byron and Fairless Hills facilities.<sup>32</sup> They assert that MISO should answer whether the external facilities are modeled as (1) NRIS in MISO and ERIS in PJM or (2) NRIS in MISO and PJM, and they note that, if the resources are designated as NRIS in both MISO and PJM, it will impact DPP results.

20. AWEA/WOW state that, in the event that MISO claims that a reliability study was not required for the Exelon E-NRIS Service Agreements, they refute that claim.<sup>33</sup> They argue that MISO's Business Practice Manual No. 015 (BPM No. 015) clarifies that E-NRIS requests would be subject to the reliability and deliverability studies that are required of all requests in the DPP. Although they note that BPM No. 015 was finalized in August 2015 and the August 2014 Central System Impact Study was completed in October 2015, they assert that the decision to clarify BPM No. 015 was focused on 7,000 MW of E-NRIS that MISO moved into the DPP, which includes the Exelon E-NRIS Service Agreements at issue here.<sup>34</sup> In addition, they argue that MISO stated in the August 2014 Central System Impact Study requirements applicable to the E-NRIS Service Agreements include the DPP reliability study.<sup>35</sup>

21. AWEA/WOW request that the Commission accept its intervention and protest in Docket No. ER17-1000-000 out-of-time because, given the overlap of issues, it made sense to submit one protest.<sup>36</sup> They state that the protest is submitted only three business days after the due date and no party has submitted substantive comments in the docket. They further argue that good cause exists to grant the request because it will ensure that the Commission has a complete record to assess whether the proposed service in Docket No. ER17-1000-000 is just and reasonable and not unduly discriminatory or preferential.

<sup>31</sup> *Id.* at 16-18.

<sup>32</sup> *Id.* at 18-19.

<sup>33</sup> Id. at 19.

<sup>34</sup> Section 6.1.6 of Business Practice Manual No. 015, External Network Resource Interconnection Service Study, states that "MISO will perform all applicable ERIS reliability analysis as outlined in section 6.1.1.1.2 to ensure system reliability for the injection from the Generating Facility external to MISO."

<sup>35</sup> AWEA/WOW Protest at 20.

<sup>36</sup> *Id.* at 21.

#### B. <u>Answers</u>

22. MISO states that the Exelon E-NRIS Service Agreements conform to the *pro forma* E-NRIS Service Agreement in its Tariff, and that MISO filed them with the Commission (rather than including them in its Electric Quarterly Reports) only because of the pending compliance revisions to the *pro forma* E-NRIS Service Agreement in Docket No. ER16-1817, *et al.*<sup>37</sup> MISO argues that, accordingly, no supporting information is required beyond what MISO has already provided. MISO further argues that AWEA/WOW do not cite to any rule or Tariff provision requiring MISO to provide any data "to confirm" its studies that it performed before granting E-NRIS for the Exelon E-NRIS Service Agreements. MISO claims that AWEA/WOW's arguments are therefore legally barred and the Commission should reject the protest.<sup>38</sup>

23. MISO asserts that the protest is an impermissible collateral attack on the Commission's prior rejection of AWEA/WOW's requests in Docket Nos. EL16-12-000 and ER16-1817-000 for more expansive E-NRIS study procedures.<sup>39</sup> MISO further argues that AWEA/WOW also attack the pre-existing studies of the Exelon projects, despite the Commission's clarification in the October 13 Order that all E-NRIS revisions would apply prospectively.<sup>40</sup> MISO asserts that, as the Commission said in the October 13 Order, AWEA/WOW should file a complaint if they believe that the current procedures are not just and reasonable.<sup>41</sup>

24. Although MISO argues that the protest should be rejected on procedural grounds, it responds to AWEA/WOW's claims.<sup>42</sup> First, MISO rejects AWEA/WOW's claim that the August 2014 Central System Impact Study related to the Exelon projects is insufficient. MISO states that the study was preceded by a 98-page report that contains detailed information that was used to evaluate the Exelon projects and other projects in

<sup>38</sup> *Id.* at 6.

<sup>39</sup> *Id.* at 6-7 (citing October 13 Order, 157 FERC ¶ 61,021 at P 64).

<sup>40</sup> *Id.* at 7 (citing October 13 Order, 157 FERC ¶ 61,021 at P 63).

<sup>41</sup> *Id.* at 8.

<sup>42</sup> Id.

<sup>&</sup>lt;sup>37</sup> MISO Motion for Leave to Answer and Answer to Protest of AWEA/WOW, Docket Nos. ER17-1000-000 and ER17-1013-000, at 5 (filed Mar. 30, 2017).

the August 2014 Central DPP group.<sup>43</sup> MISO asserts that both the August 2014 Central System Impact Study and the preceding report contain ample information to support the Exelon E-NRIS Service Agreements, and AWEA/WOW do not point to any specific deficiencies or errors in these or other MISO analyses. MISO clarifies that it performed the applicable ERIS reliability analysis for both Exelon projects to ensure system reliability for the injection from each generating facility external to MISO.<sup>44</sup> MISO notes that this ERIS reliability analysis is in addition to any affected system studies that were performed when the existing Exelon projects interconnected to PJM. MISO further states that this "do no harm" ERIS reliability analysis, which contains steady state, thermal, voltage, and transient stability analyses, is posted on MISO's website.<sup>45</sup> MISO asserts that the August 2014 Central System Impact Study details the performance criteria, disturbance criteria, contingency criteria and the associated deliverability criteria that were used in the study, and does not include additional details (e.g., line overload, constraints identified, etc.) because the study showed no limitations for the existing Exelon projects. MISO further clarifies that its general practice is to document the details underpinning limitations to justify the need for mitigation when constraints are identified and, where no constraints are identified, such documentation is not necessary.<sup>46</sup>

25. Second, MISO refutes AWEA/WOW's analogies to unrelated projects and speculative claims of the need for network upgrades.<sup>47</sup> MISO states that the Manitoba Hydro project is located in an area that is differentiable geographically and electrically from the areas in which the Exelon projects are located; therefore, the Exelon E-NRIS studies cannot be expected to identify a comparable number of constraints. As for the smaller 725 MW coal project (Project J238) that AWEA/WOW states requires network upgrades when the larger combined Exelon projects do not, MISO states that the Exelon projects implicate 345 kV transmission facilities on the MISO system, which are typically more robust than the 138 kV transmission facilities that were required for

<sup>44</sup> *Id.* at 9. This reliability analysis was eventually memorialized in BPM No. 015 in August of 2015.

<sup>46</sup> *Id.* at 9-10.

<sup>47</sup> *Id.* at 10.

<sup>&</sup>lt;sup>43</sup> *Id.* at 8-9 (citing Report Number: R045-15 *MISO DPP 2014 August Central Area Study* Prepared for MISO, dated 7/23/2015, Siemens PTI Project Number P/21-113969.).

<sup>&</sup>lt;sup>45</sup> *Id.* (citing <u>https://www.misoenergy.org/Library/Repository/Study/</u> <u>Generator%20Interconnection/GI%20DPP%202014%20AUG%20Central%20J332%20S</u> IS%20Report.pdf)

Project J238. MISO adds that the 138 kV upgrades were located near the outlet for Project J238, while the outlet for the Exelon projects is on PJM's transmission system, and as comparable upgrades for the Exelon project would be on PJM's transmission system, they are outside the scope of MISO's E-NRIS studies. Furthermore, MISO notes that the Exelon projects have already been studied for injection onto their host transmission system.<sup>48</sup> MISO states that Project J276, which AWEA/WOW states seeks 150 MW of NRIS, is located on the 138 kV system and is geographically distinct from the Exelon projects. MISO argues that the "mere existence of projects in the same region with different conditions is not dispositive of discriminatory treatment; rather, it reflects that different projects fall on either side of the distribution factor requirements for conditionality in MISO's interconnection study process." MISO further states that Project J276 has a near-term constraint at Burr Oak that is mitigated in the out-year case by a difference in topology (i.e., the Multi-Value Project mentioned in the protest), whereas the Exelon projects have no such constraint and are therefore not conditioned on the same Multi-Value Project. MISO asserts that the transmission service requests referenced by AWEA/WOW involve service that implicates a substantial geographical distance. Finally, MISO states that real-time market congestion of the MISO-PJM seam is not necessarily a reliability issue, as the existence of such congestion does not automatically imply a need for reliability upgrades.

26. MISO states that it opposes AWEA/WOW's motion for leave to file a late intervention and protest in Docket No. ER17-1000-000 because AWEA/WOW has not demonstrated good cause for failing to file their pleading on time.<sup>49</sup> MISO claims that the substantial deficiencies in the protest would make the Commission's acceptance of the protest a disruption to this proceeding and would result in prejudice and additional burdens on other parties.

27. Exelon asserts that MISO complied with all of its Tariff requirements and rules with respect to Exelon's requests for service, and AWEA/WOW cite to no rule or requirement that MISO failed to follow.<sup>50</sup> Exelon further argues that AWEA/WOW provide no credible evidence to support their conclusion that the Exelon projects must

<sup>50</sup> Exelon Motion for Leave to Answer and Answer to Protest of AWEA/WOW, Docket Nos. ER17-1000-000 and ER17-1013-000, at 3 (filed Mar. 30, 2017).

<sup>&</sup>lt;sup>48</sup> *Id.* at 11. MISO notes that MISO's E-NRIS studies do not determine upgrades for external projects to inject on their host transmission system.

<sup>&</sup>lt;sup>49</sup> *Id.* at 12.

trigger upgrades because upgrades are required for projects in other areas of MISO, and therefore the Commission should reject AWEA/WOW's arguments as unsupported.<sup>51</sup>

28. Exelon states that the interconnection requests related to Manitoba Hydro's generators and Projects J238 and J276 are all distinguishable from the Exelon projects.<sup>52</sup> Exelon further asserts that the Commission' approved standards and methods for evaluation of transmission service requests are not the same as for E-NRIS.<sup>53</sup> Exelon also argues that AWEA/WOW confuse the market efficiency analysis used to identify the inter-regional transmission organization congestion that is the object of the joint MISO/PJM targeted market efficiency projects with the reliability and deliverability analysis that is appropriate for interconnection requests and which MISO appropriately performed for the Exelon projects.

29. Exelon states that the Commission has made clear that concerns about the core interconnection study requirements for interconnection service should be raised with MISO via the stakeholder process or in a separate complaint with the Commission.<sup>54</sup> Exelon states that, if AWEA/WOW had concerns that the August 2014 Central System Impact Study did not identify network upgrades triggered by the Exelon projects, they had opportunities in the past to raise such concerns.<sup>55</sup> Exelon asserts that it would be inequitable for the Commission to allow AWEA/WOW to raise objections to the studies at this late stage and further delay E-NRIS service to the Exelon projects.

# IV. <u>Discussion</u>

# A. <u>Procedural Matters</u>

30. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2017), the timely, unopposed motions to intervene in Docket Nos. ER17-1000-000 and ER17-1013-000 serve to make the entities that filed them parties to this proceeding.

31. Pursuant to Rule 214(d) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214(d) (2017), the Commission will grant AWEA/WOW's late-filed motion to intervene and protest in Docket No. ER17-1000-000 given their interest in

<sup>52</sup> Id.

<sup>53</sup> *Id.* at 6.

<sup>54</sup> *Id.* at 8 (citing October 13 Order, 157 FERC ¶ 61,021 at P 64).

<sup>55</sup> *Id.* at 9.

<sup>&</sup>lt;sup>51</sup> *Id.* at 5.

the proceeding, the early stage of the proceeding, and the absence of undue prejudice or delay.

32. Rule 213(a)(2) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.213(a)(2) (2017), prohibits an answer to a protest unless otherwise ordered by the decisional authority. We will accept the answers filed by MISO and Exelon because they have provided information that assisted us in our decision-making process.

33. Rule 713(d) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.713(d) (2017), prohibits an answer to a request for rehearing. Accordingly, the answer filed by Exelon is hereby rejected.

# B. <u>Commission Determination</u>

#### 1. <u>Exelon E-NRIS Service Agreements, Docket</u> Nos. ER17-1000-000 and ER17-1013-000

We accept the Exelon E-NRIS Service Agreements, subject to the outcome of 34. Docket No. ER16-1817, et al., effective February 6, 2017. We reject AWEA/WOW's contention that the August 2014 Central System Impact Study is too brief and does not contain sufficient information to confirm MISO's conclusion that no network upgrades are needed to accommodate the 2,330 MW of E-NRIS associated with the Exelon E-NRIS Service Agreements.<sup>56</sup> MISO's August 2014 Central System Impact Study indicates that MISO completed reliability and deliverability studies for each Exelon E-NRIS Service Agreement. MISO's E-NRIS reliability analyses for the Exelon projects included steady state and stability analyses and detailed the performance criteria, disturbance criteria, contingency criteria and the associated deliverability criteria that were used in the study. These studies are comparable to the reliability and deliverability studies that are now required of all requests in the DPP, including E-NRIS requests, pursuant to current BPM No. 015. Further, the bodies of the Exelon E-NRIS Service Agreements conform to the pro forma E-NRIS Service Agreement in MISO's Tariff, which was accepted by the Commission, subject to further revisions to be made on compliance.

<sup>&</sup>lt;sup>56</sup> We address the protest on the merits, and reject MISO's request to dismiss the protest. MISO argues that it filed conforming service agreements, which would usually only be included in the Electric Quarterly Reports, and thus no supporting information is required beyond what MISO has already provided. MISO argues that it only filed the Exelon E-NRIS Service Agreements under section 205 of the FPA because of the pending compliance revisions to the *pro forma* E-NRIS Service Agreement in Docket No. ER16-1817, *et al.* However, parties are free to protest filings made under section 205 of the FPA.

35. We dismiss as unsubstantiated AWEA/WOW's arguments that the new power flows resulting from the Exelon E-NRIS Service Agreements are likely to cause violations that require network upgrades or other mitigation. We also dismiss as unsubstantiated AWEA/WOW's arguments that, because reliability concerns have been raised by or network upgrades have been required by (1) another large project interconnecting in a different geographic area of MISO and (2) other smaller projects and transmission service requests in the same geographic area of MISO, it follows that the Exelon E-NRIS Service Agreements should similarly cause reliability concerns and/or require network upgrades. As MISO and Exelon explain, all projects and transmission service requests referenced by AWEA/WOW are distinguishable from, and cannot be directly compared to, the Exelon projects. In addition, we agree with MISO that the existence of real-time market congestion on the MISO-PJM seam does not automatically imply a reliability issue or the need for network upgrades, and indeed, MISO's studies did not indicate any such need.

#### 2. <u>Request for Rehearing and Clarification of the April 18 Order,</u> <u>Docket Nos. ER17-1000-001 and ER17-1013-001</u>

### a. <u>Request for Rehearing and Clarification</u>

36. Movants argue that the April 18 Order is a final order for purposes of the FPA, and they submit the request for rehearing and clarification to preserve procedural standing.<sup>57</sup> They state that the April 18 Order is arbitrary and capricious because it failed to address the protests of the Exelon E-NRIS Service Agreements; they argue that the Commission has a statutory obligation under the FPA to address the protests and explain how its decision to accept the agreements subject to further order is based on substantial evidence in the record.<sup>58</sup>

37. Movants argue that MISO's E-NRIS Service Agreement filings are patently deficient because they do not contain any data demonstrating that 2,330 MW can be injected into MISO from the external generating facilities without causing reliability or deliverability violations.<sup>59</sup> They contend that the Commission erred by allowing service under the agreements to begin without consideration of the potential harms that such

<sup>58</sup> *Id.* at 6-7.

<sup>59</sup> *Id.* at 7-8.

<sup>&</sup>lt;sup>57</sup> Requests for Rehearing and Clarification of American Wind Energy Association, Wind on the Wires, EDF Renewable Energy, Inc., E.On Climate & Renewables North America, LLC and Invenergy LLC, Docket Nos. ER17-1000-001 and ER17-1013-001, at 6 (filed May 18, 2017).

service would cause. Movants also state that the Commission erred by not rejecting the filings or issuing a deficiency letter.

38. Movants contend that MISO attempts to hide behind procedural shields to claim that its study results should not be further scrutinized; namely, that the Commission granted Exelon's request in Docket Nos. EL16-12-000 and ER16-1817-000 that any new study procedures resulting from those dockets not apply to the studies already undertaken for the Exelon E-NRIS Service Agreements.<sup>60</sup> Movants assert that those dockets do not address the reliability and deliverability portions of the DPP studies. Movants further refute MISO's claim that the Commission should accept the Exelon E-NRIS Service Agreements.<sup>61</sup> They state that the Commission must scrutinize agreements filed under section 205 of the FPA to ensure that they are just and reasonable. Movants argue that, to the extent the Commission relied on these procedural claims to allow for service under the Exelon E-NRIS Service Agreements to begin under the April 18 Order, the Commission erred.

39. Finally, Movants note that the April 18 Order accepted the E-NRIS Service Agreements subject to further order and refund, and they ask the Commission to clarify the specific remedies that would be ordered as part of the refund process should the Commission ultimately find the agreements to be unjust and unreasonable.<sup>62</sup>

# b. <u>Commission Determination</u>

40. The request for rehearing and clarification is denied. To the extent Movants are concerned about allowing service under the Exelon E-NRIS Service Agreements without consideration of the potential harms that such service would cause, those concerns are moot upon the issuance of this order. Movants' concerns about the adequacy of the studies supporting the Exelon E-NRIS Service Agreements are addressed above. Finally, Movants' request for clarification of the refund process is moot because the Exelon E-NRIS Service Agreements are accepted, as discussed above.

<sup>62</sup> Id. at 12-14.

<sup>&</sup>lt;sup>60</sup> Id. at 8-10.

<sup>&</sup>lt;sup>61</sup> Id. at 10-12.

The Commission orders:

(A) MISO's E-NRIS Service Agreements are hereby accepted, subject to the outcome of Docket No. ER16-1817, *et al.*, effective February 6, 2017, as discussed in the body of this order.

(B) The request for rehearing and clarification of the April 18 Order is denied, as discussed in the body of this order.

By the Commission.

(SEAL)

Kimberly D. Bose, Secretary.