

157 FERC ¶ 61,101
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Norman C. Bay, Chairman;
Cheryl A. LaFleur, and Colette D. Honorable.

Midcontinent Independent System Operator, Inc.

Docket No. ER16-2528-000

ORDER ACCEPTING TERMINATION OF AGREEMENT

(Issued November 17, 2016)

1. On September 1, 2016, pursuant to section 205 of the Federal Power Act (FPA),¹ Midcontinent Independent System Operator, Inc. (MISO) submitted a request to terminate the System Support Resource (SSR)² Agreement between White Pine Electric Power, L.L.C. (White Pine) and MISO for the provision of SSR service by White Pine Unit No. 1,³ designated as Service Agreement No. 6507 (Second Revised White Pine SSR Agreement) under its Tariff (Request for Termination). In this order, the Commission accepts MISO's Request for Termination, effective November 26, 2016, as requested.

¹ 16 U.S.C. § 824d (2012).

² MISO's Open Access Transmission, Energy and Operating Reserve Markets Tariff (Tariff) defines SSR Units as "Generation Resources or Synchronous Condenser Units (SCUs) that have been identified in Attachment Y – Notification to this Tariff and are required by the Transmission Provider for reliability purposes, to be operated in accordance with the procedures described in Section 38.2.7 of this Tariff." MISO, FERC Electric Tariff, Module A, § 1.S "System Support Resource (SSR)" (39.0.0). Unless indicated otherwise, all capitalized terms shall have the same meaning given them in the MISO Tariff.

³ White Pine Unit No. 1 is a generator turbine located in White Pine, Michigan within the footprint of the American Transmission Company LLC (ATC) with a nameplate capacity of 20 MW.

I. Background

2. Under MISO's Tariff, market participants that have decided to retire or suspend a generation resource or SCU must submit a notice (Attachment Y Notice), pursuant to Attachment Y (Notification of Potential Resource/SCU Change of Status) of the Tariff, at least 26 weeks prior to the resource's retirement or suspension effective date. During this 26-week notice period, MISO will conduct a study (Attachment Y Study) to determine whether all or a portion of the resource's capacity is necessary to maintain system reliability, such that SSR status is justified. If so, and if MISO cannot identify an SSR alternative that can be implemented prior to the retirement or suspension effective date, then MISO and the market participant shall enter into an agreement, as provided in Attachment Y-1 (Standard Form SSR Agreement) of the Tariff, to ensure that the resource continues to operate, as needed.⁴ The SSR Agreement is filed with the Commission and specifies the terms and conditions of the service, including the compensation to be provided to the resource. For each SSR Agreement filed with the Commission, a separate rate schedule must be filed to provide for recovery of the costs identified in the SSR Agreement.

II. History of White Pine Unit No. 1 SSR Status

3. On April 15, 2014, in Docket No. ER14-1724-000, MISO submitted the first SSR agreement between White Pine and MISO to ensure the continued availability of White Pine Unit No. 1 as an SSR Unit (White Pine 1 SSR Agreement), along with the first associated Rate Schedule 43H in Docket No. ER14-1725-000. On June 13, 2014, the Commission accepted the White Pine 1 SSR Agreement and Rate Schedule 43H, and suspended them for a nominal period, to be effective April 16, 2014 for a one-year period as requested, subject to refund and further Commission order.⁵ On August 21, 2014, the Commission issued a further order addressing issues related to the White Pine 1 SSR Agreement and Rate Schedule 43H.⁶

4. On April 20, 2015, in Docket No. ER15-1535-000, MISO submitted a proposed Revised White Pine SSR Agreement to ensure the continued availability of White Pine Unit No. 1 as an SSR Unit for an additional one-year term, beginning April 16, 2015, along with a Revised Rate Schedule 43H in Docket No. ER15-1536-000. In an order issued June 19, 2015, the Commission accepted and suspended the Revised White Pine

⁴ See *Midwest Indep. Transmission Sys. Operator, Inc.*, 108 FERC ¶ 61,163, order on reh'g, 109 FERC ¶ 61,157 (2004).

⁵ *Midcontinent Indep. Sys. Operator, Inc.*, 147 FERC ¶ 61,199 (2014).

⁶ *Midcontinent Indep. Sys. Operator, Inc.*, 148 FERC ¶ 61,136 (2014).

SSR Agreement, to be effective April 16, 2015, subject to refund, and set all SSR cost-related issues in the Revised White Pine SSR Agreement for hearing and settlement judge procedures.⁷ The Commission also accepted subject to condition Revised Rate Schedule 43H, suspended it for a nominal period, to be effective April 16, 2015, subject to refund, and subject to the outcome of a proceeding addressing the cost allocation for three SSRs located in the ATC service territory in Docket No. ER14-2952.⁸

5. On August 4, 2015, in Docket No. ER15-1876-000, the Commission accepted MISO's filing of an executed, amended, and restated SSR Agreement between White Pine and MISO containing additional compensation for unanticipated repairs to White Pine Unit No. 1,⁹ suspended it for a nominal period, to become effective June 1, 2015, subject to refund, and set the proposed rate for hearing and settlement judge procedures, and consolidated the proceeding with the ongoing hearing and settlement procedures established by the Commission in Docket No. ER15-1535-000.¹⁰

6. On April 21, 2016, in Docket No. ER16-1480-000, MISO submitted its proposed Second Revised White Pine SSR Agreement to ensure the continued availability of White Pine Unit No. 1 as an SSR Unit for an additional one-year term, beginning April 16, 2016, along with a Second Revised Rate Schedule 43H in Docket No. ER16-1481-000. On June 20, 2016, the Commission accepted the Second Revised White Pine SSR Agreement, and suspended it for a nominal period, to be effective April 16, 2016, subject to refund, and set all SSR cost-related issues for hearing and settlement judge procedures.¹¹ In the same order, the Commission also accepted the Second Revised Rate Schedule 43H, effective April 16, 2016, finding that the proposed cost allocation was the same as that submitted for allocating costs accepted by the Commission in a May 2016 compliance order as just and reasonable.¹² It is the Second Revised White Pine SSR

⁷ *Midcontinent Indep. Sys. Operator, Inc.*, 151 FERC ¶ 61,244, at P 32 (2015).

⁸ *Id.* P 43.

⁹ MISO Amended White Pine SSR Agreement Filing, Docket No. ER15-1876-000 (filed June 5, 2015 and supplemented June 8, 2015).

¹⁰ *Midcontinent Indep. Sys. Operator, Inc.*, 152 FERC ¶ 61,108 (2015).

¹¹ *Midcontinent Indep. Sys. Operator, Inc.*, 155 FERC ¶ 61,286 (2016) (Order on Second Revised White Pine SSR Agreement).

¹² *Id.* P 61 (citing *Midcontinent Indep. Sys. Operator, Inc.*, 155 FERC ¶ 61,134 at P 53).

Agreement that MISO proposes to terminate in the instant filing. MISO has not sought to terminate the Second Revised Rate Schedule 43H in this filing.

III. Notice of Filing and Responsive Pleadings

7. Notice of MISO's Request for Termination was published in the *Federal Register*, 81 Fed. Reg. 62,494 (2016), with interventions and protests due on or before September 22, 2016.

8. Timely motions to intervene were filed by: ATC; WPPI Energy (WPPI); Wisconsin Electric Power Company and Wisconsin Public Service Corporation; and Wisconsin Power and Light Company. Upper Peninsula Power Company (Upper Peninsula) and the Michigan Attorney General and Michigan Agency for Energy (Michigan AG and Michigan Agency) filed timely motions to intervene and comments. White Pine filed a timely motion intervene and protest. On September 22, 2016, the Michigan Public Service Commission (Michigan Commission) filed a notice of intervention and comments.

9. On October 6, 2016, Upper Peninsula filed an answer to White Pine's protest. On October 7, 2016, MISO, the Michigan AG and Michigan Agency, the Michigan Commission, and WPPI filed answers to White Pine's protest, and White Pine filed an answer to the Michigan Commission's comments.

10. On October 8, 2016, Michigan Citizens Against Rate Excess (MICH-CARE) filed a motion to intervene-out-of-time, motion to answer White Pine's protest, and comments.

11. On October 21, 2016, White Pine filed an answer in opposition to MICH-CARE's motion to intervene out-of-time.

12. On October 21, 2016, White Pine filed an answer to the answers to its protest.

IV. Discussion

A. Procedural Matters

13. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2016), the notice of intervention and timely, unopposed motions to intervene serve to make the entities that filed them parties to this proceeding. Pursuant to Rule 214(d) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214(d) (2016), the Commission will grant MICH-CARE's late-filed motion to intervene given its interest in the proceeding, the early stage of the proceeding, and the absence of undue prejudice or delay.

14. Rule 213(a)(2) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.213(a)(2) (2016), prohibits an answer to a protest or an answer unless otherwise

ordered by the decisional authority. We are not persuaded to accept the answers and will, therefore, reject them.

B. Substantive Matters

1. MISO Filing

15. MISO states that on August 25, 2016, it informed White Pine that its application for retirement of White Pine Unit No. 1 was approved, effective November 26, 2016, and that MISO would file to terminate the Second Revised White Pine SSR Agreement. MISO states that it has determined that White Pine Unit No. 1 is not required to serve in an SSR status past the 90 days provided in MISO's notice of termination, which releases White Pine Unit No. 1 from SSR designation on November 26, 2016. According to MISO, development of a reconfiguration plan on the ATC system renders unnecessary the need for continued service by White Pine Unit No. 1 after November 26, 2016.

16. MISO states that other entities affected are those benefitting from the Second Revised White Pine SSR Agreement and assigned responsibility for the SSR costs pursuant to Rate Schedule 43H that was accepted by the Commission in the Order on Second Revised White Pine SSR Agreement. The affected area is the western portion of the Upper Peninsula of Michigan.¹³

17. MISO explains that ATC's radial reconfiguration plan is a workable alternative to the Second Revised White Pine SSR Agreement. MISO notes that in its three SSR Agreement filings, in support of SSR status for White Pine Unit No. 1, it could not identify alternatives to White Pine Unit No. 1 to address the local reliability issue resulting from the retirement of White Pine Unit No. 1. Thus, MISO determined that White Pine Unit No. 1 would be required for reliability purposes until transmission reinforcements were completed to eliminate the thermal overload during planned outage conditions. MISO states that the thermal overload was expected to be eliminated at the in-service date for MTEP Project 8089. That project would rebuild and convert the Lakota Rd – Mass-Winona 69kV transmission circuits by December 31, 2021. MISO states that, in July 2016, however, ATC proposed a transmission reconfiguration plan for use during planned outages that would eliminate the reliability issues and permit White Pine Unit No. 1 to retire as stated in the Attachment Y Notification provided by White Pine. The plan specifies switching actions to open the local ATC transmission network in the Western Upper Peninsula of Michigan, which would split the area into

¹³ Request for Termination, Transmittal at 2.

two separate load pockets during limited periods of planned maintenance on the critical 138kV transmission lines.¹⁴

18. MISO states that it analyzed ATC's radial reconfiguration plan and reviewed it with impacted stakeholders at the West Technical Studies Task Force conference on August 9, 2016. MISO states that the discussion included statements that supported the decision to eliminate the Second Revised White Pine SSR Agreement as well as concerns about the reliability of the area during the periods of reconfiguration. MISO states that it explained that the proposed alternative resolves the issue that required White Pine Unit No. 1 to remain in service past the announced retirement date and does not introduce any new violations of applicable planning criteria. MISO states that by reconfiguring the transmission network into two radially fed load areas, the planning criteria violation due to the risk of cascading trip of the overloaded 69kV circuit during planned outages is eliminated. According to MISO, the proposed reconfiguration plan uses actions that are part of an established procedure for dealing with unplanned outages, and utilizes the same switching actions for planned outage situations.¹⁵

19. MISO notes that a couple of stakeholders raised concerns that the resulting configuration introduces consequential load loss for the next contingency, to which MISO responded that consequential load loss for the next contingency during planned outages is within the North American Electric Reliability Corporation (NERC) and local planning criteria.¹⁶ According to MISO, the reconfiguration alternative resolves the transmission planning criteria violations upon which the SSR designation of White Pine Unit No. 1 was based, accompanied by a slightly increased risk of consequential load loss following a subsequent contingency compared with retaining White Pine Unit No. 1 in ready status. Under these circumstances, MISO states that White Pine Unit No. 1 is no longer a last resort means for providing transmission system reliability under transmission planning criteria. MISO states that these matters are discussed in the Revised Attachment Y Study Report, which is Exhibit D to the Request for Termination.¹⁷

¹⁴ *Id.* at 3.

¹⁵ *Id.* at 4.

¹⁶ NERC defines consequential load loss as "All Load that is no longer served by the Transmission system as a result of Transmission Facilities being removed from service by a Protection System operation designed to isolate the fault." Glossary of Terms Used in NERC Reliability Standards, at 30 (Sept. 29, 2016).

¹⁷ Request for Termination, Transmittal at 4.

20. MISO further notes that during stakeholder discussions at the West Technical Studies Task Force conference, representatives of White Pine asked MISO to conduct additional analyses to more fully demonstrate the effectiveness of the reconfiguration plan as an alternative to continued service by White Pine Unit No. 1. MISO states that it conducted additional studies to verify the wider area impacts of implementing the reconfiguration proposed by ATC and that the additional studies, the results of which were posted on MISO's website on August 16, 2016, confirmed MISO's earlier determination that the ATC proposal maintains the reliability of the system within the applicable planning criteria and is an acceptable alternative to the Second Revised White Pine SSR Agreement.¹⁸ MISO states that it responded to additional inquiries regarding the results of additional analyses following the posting of the results. It states that on August 24, 2016, ATC confirmed its commitment to providing transmission service in the Upper Peninsula of Michigan by "extend[ing] the applicability of an Operating Guide to situations that involve scheduled maintenance."¹⁹

21. MISO requests an effective date of November 26, 2016, the date stated in the Request for Termination.

2. Comments and Protests

a. Comments in Support of Termination

22. The Michigan Commission²⁰ states that White Pine Unit No. 1 has run only a handful of times in each of the past two years, yet the SSR Agreements for White Pine Unit No. 1 entitled it to \$4, 674,011 in 2014-2015, \$7,271,537 in 2015-2016, and \$6,579,245 in 2016-2017. The Michigan Commission states that the cost of these SSRs, per MWh produced, is astounding, and those being burdened with these costs are far from able to support unnecessary expenses. It states that the poverty rates of Ontonagon County and Dickinson County, both located in the Upper Peninsula of Michigan, respectively, are 17.8 percent and 14.4 percent. The Michigan Commission also notes MISO's study finding that the risk of consequential load loss during planned maintenance is slight and that there are other situations (namely unplanned outages) where the study finds risks are reduced.²¹

¹⁸ *Id.*

¹⁹ *Id.* (citing Exh. B, ATC Letter (Aug. 24, 2016)).

²⁰ The Michigan AG and Michigan Agency support the Michigan Commission's comments. MICH-CARE notes that it strongly supports the Request for Termination.

²¹ Michigan Commission Comments at 6-7.

23. The Michigan Commission states that White Pine has argued that the Attachment Y Study Report does not take into account unplanned outages.²² It argues that White Pine is wrong, because (1) the proposed reconfiguration is in place only during periodic planned summer maintenance, which occurs only a few days in the coming years and only for a few hours, and (2) the original Attachment Y Study Report showed that White Pine Unit No. 1 is not needed other than during a planned outage. It contends that the only time there will be a slight risk of consequential load loss is if there is an unplanned outage that occurs during planned maintenance, and most planned maintenance can be postponed if summer weather threatens.²³

24. The Michigan Commission also states that beyond ATC's radial reconfiguration plan, other potential long-term solutions will not be in place until 2018 at the earliest, which would require an SSR Agreement to remain in place for White Pine Unit No. 1 until April 2018 or later, with total charges from November 27, 2016 through April 15, 2018 likely to be \$9 million. The Michigan Commission asserts that an SSR Agreement for White Pine Unit No. 1 is far more costly than reconfiguring the transmission system and it asserts that White Pine Unit No. 1 has not proven to be a reliable power source despite the millions poured into it.²⁴

25. Upper Peninsula states that the SSR Agreements for White Pine Unit No. 1 have cost electric customers in the Upper Peninsula region approximately \$6 million per year. It argues that this significant financial burden should be lifted from electric customers as soon as possible.²⁵

²² The Michigan Commission does not specifically cite to where White Pine made this argument, but MISO, in the instant filing, and White Pine, in its protest, state that White Pine raised reliability concerns during MISO's discussions with stakeholders, including at the August 9 West Technical Studies Task Force conference. *See supra* P 20, *infra* P 34.

²³ Michigan Commission Comments at 8.

²⁴ *Id.* at 9. Among other things, the Michigan Commission asserts that though ATC was able to postpone planned maintenance when White Pine Unit No. 1 was unavailable in 2015, due to a hydrogen leak, there is no guarantee that this plant, long past its expected useful life, will not continue to have problems periodically.

²⁵ Upper Peninsula Comments at 5.

b. White Pine's Protest

26. White Pine requests that the Commission reject the Request for Termination or, alternatively, refrain from ruling at this time and establish a proceeding so that a fully informed record can be developed that takes into account adverse reliability impacts from the ATC reconfiguration plan and ensures compliance with applicable MISO Tariff and NERC Reliability Standards, as well as ensures the reliability of the bulk-power system.

27. White Pine argues that adoption of the ATC reconfiguration plan in lieu of the Second Revised White Pine SSR Agreement will negatively impact system reliability. White Pine states that in its orders approving the SSR Agreements for White Pine Unit No. 1, the Commission has accepted MISO's reliability analyses, as provided in Attachment Y Study Reports, which concluded that "(1) retirement of White Pine Unit No. 1 [would] cause[] several NERC Category C overloads and also aggravate[] pre-existing NERC Category B overloads; (2) under planned outage plus single contingency events in shoulder conditions, the remaining transmission path could not support the Western Upper Peninsula load pocket; and (3) during summer peak conditions, risk of voltage collapse [would] exist[] for multiple contingency events."²⁶ White Pine argues that MISO's acceptance of major load loss exceeding 70 percent on one part of the system as a trade-off for increased reliability on another part of the system cannot be squared with NERC's stated overall objective of the planning process.

28. Further, White Pine asserts that in accepting each of MISO's three SSR filings for White Pine Unit No. 1, the Commission referred to the Attachment Y Studies that in turn found that radial reconfiguration plans were not a feasible alternative to designating White Pine Unit No. 1 as an SSR. White Pine argues that the Request for Termination should be rejected until MISO can demonstrate why adoption of ATC's radial reconfiguration plan is now a workable solution, and (1) will not result in increased reliability risks, (2) complies with NERC Reliability Standards, and (3) has implementation guidelines that have been vetted as required.²⁷

29. White Pine argues that its analysis suggests that, rather than eliminate reliability issues, implementation of the ATC radial reconfiguration plan will expose more than 70 percent of the area load to more load curtailment than the area load experiences with the Second Revised White Pine SSR Agreement in place. Further, White Pine contends that MISO's emphasis on the plan's "use during planning outages" is troublesome,

²⁶ White Pine Protest at 11-12 (citing *Midcontinent Indep. Sys. Operator, Inc.*, 151 FERC ¶ 61,244 at P 18; *Midcontinent Indep. Sys. Operator, Inc.*, 147 FERC ¶ 61,199 at P 3 n.8; *Midcontinent Indep. Sys. Operator, Inc.*, 155 FERC ¶ 61,286 at P 20).

²⁷ *Id.* at 13.

because it implies that the radial reconfiguration plan will only work when the first outage is a planned outage. White Pine states that White Pine Unit No. 1, during the term of its designation as an SSR facility, has been regularly dispatched to cope with unplanned outage events. White Pine argues that reliance on the radial reconfiguration plan will do nothing to ensure system reliability during such unplanned events; rather, it effectuates a degradation in system reliability that currently exists under the Second Revised White Pine SSR Agreement.²⁸

30. White Pine further contends that MISO does not claim that ATC's radial reconfiguration plan will solve all of the reliability issues that formed the basis for designation of White Pine Unit No. 1 as an SSR unit. To the contrary, White Pine argues, MISO claims that ATC's radial reconfiguration plan solves only part of the reliability problem for only part of the transmission system and that, in so doing, it has to slightly increase the risk of consequential load loss for another part of the system.²⁹

31. White Pine asserts that MISO's proposed adoption of the ATC radial reconfiguration plan will increase the risk to reliability in contravention of NERC Reliability Standards, i.e., the increased risk of consequential load loss compared with retaining White Pine Unit No. 1 in ready status. White Pine argues that Footnote 9 to NERC Transmission Planning (TPL) Standard TPL-001-4 highlights the importance of minimizing the risk of service interruption.³⁰

²⁸ *Id.* at 14.

²⁹ *Id.* at 15.

³⁰ *Id.* at 16, citing NERC Reliability Standard TPL-001-4, n.9 which provides:

An objective of the planning process should be to minimize the likelihood and magnitude of interruption of Firm Transmission Service following Contingency events. Curtailment of Firm Transmission Service is allowed both as a System adjustment (as identified in the column entitled 'Initial Condition') and a corrective action when achieved through the appropriate re-dispatch of resources obligated to re-dispatch, where it can be demonstrated that Facilities, internal and external to the Transmission Planner's planning region, remain within applicable Facility Ratings and the re-dispatch does not result in any Non-Consequential Load Loss. Where limited options for re-dispatch exist, sensitivities associated with the availability of those resources should be considered.

32. White Pine also states that other provisions in NERC Reliability Standard TPL-001-4, Table 1, footnote 12, regarding “Non-Consequential Load Loss,”³¹ state that such load loss may only be utilized to mitigate system reliability issues if certain specific parameters are met, including (1) firm limitations on the maximum amount of load that an entity may plan to shed, (2) safeguards to ensure against inconsistent results and arbitrary determinations that allow for planned non-consequential loss, and (3) a defined, open and transparent, verifiable and enforceable stakeholder process. White Pine asserts that MISO has failed to ensure that these protections are in place.³² White Pine contends that MISO has failed to even quantify the amount of load that would be shed to mitigate a single contingency event during radial reconfiguration and that White Pine’s own analysis estimates that over 70 percent of firm load in the area would be exposed to interruption.

33. White Pine contends that MISO has failed to provide any of the specifics with respect to its proposed implementation of ATC’s radial reconfiguration plan on which the Commission can reasonably rely. White Pine argues that MISO’s Operating Guide has not been revised, and the ATC letter regarding change in operations, attached as Exhibit B to MISO’s Request for Termination, only commits ATC to “working with MISO to make the necessary changes to the [Operating Guide] prior to November 15, 2016.”³³

34. White Pine argues that MISO’s Request for Termination is based on an incomplete and hurried analysis, in contravention of Section 38.2.7 of the MISO Tariff, arguing that the Tariff provision requires that, “[b]efore entering into an SSR Agreement[,]” MISO must assess feasible alternatives “in an open and transparent planning process.” White Pine also argues that MISO’s BPM-020-r15 Section 6.2.4 similarly requires input “via open and transparent stakeholder meetings to assess feasible alternatives to the potential SSR Agreement.”³⁴ White Pine also argues that MISO has failed to implement the information sharing and governmental review requirements specified in Attachment 1 to TPL-001-4. White Pine argues that MISO’s process failed to meet those requirements because ATC’s proposal was supported only by an eight-page

³¹ NERC defines non-consequential load loss as “Non-Interruptible Load loss that does not include: (1) Consequential Load Loss, (2) the response of voltage sensitive Load, or (3) Load that is disconnected from the System by end-user equipment.” Glossary of Terms Used in NERC Reliability Standards, at 60 (Sept. 29, 2016).

³² White Pine Protest at 17.

³³ *Id.* at 19-20 (citing Request for Termination, Exh. B, ATC Letter Regarding Change in Operations (Aug. 24, 2016)).

³⁴ *Id.* at 21.

PowerPoint presentation that did little more than recommend meetings with certain stakeholders and an eventual presentation of the option to MISO. White Pine argues that, in advance of the August 9, 2016 West Technical Studies Task Force conference, MISO afforded only one business day for stakeholder review of its analysis and materials. Further, White Pine states that MISO refused White Pine's request to conduct an Attachment Y Study regarding the reliability impacts of ATC's radial reconfiguration plan. White Pine further contends that the additional study that MISO posted on its website on August 16, 2016 was incomplete, because it only reviewed the shoulder case and did not examine the peak cases. White Pine states that MISO did not release a revised Attachment Y Study Report addressing the ATC radial reconfiguration plan until September 1, 2016, as an attachment to the Request for Termination, five days after MISO's notice of termination to White Pine.³⁵

35. Last, White Pine argues that before an alternative to the Second Revised White Pine SSR Agreement is employed, MISO should initiate a stakeholder process that must at a minimum include: (1) meetings open to all affected stakeholders, (2) advance notice and provisions for a stakeholder comment period, (3) information regarding the purpose and scope of the proposed non-consequential load loss, (4) a procedure for stakeholders to submit written questions and concerns and to receive written responses, and (5) a dispute resolution process for any question or concern that is not resolved to the stakeholder's satisfaction.³⁶

3. Commission Determination

36. We accept MISO's Request for Termination, effective November 26, 2016, as requested. MISO has appropriately given 90 days' written notice of termination under the terms of the Second Revised White Pine SSR Agreement, as it has determined that White Pine Unit No. 1 is no longer needed to ensure reliability. Prior Attachment Y Studies reviewing the retirement of White Pine Unit No. 1 determined that White Pine Unit No. 1 would be required for reliability purposes until transmission reinforcements were completed to eliminate thermal overload during planned outage conditions. However, MISO has determined that a transmission reconfiguration plan for use during planned outages proposed by ATC would eliminate the reliability issues and permit White Pine Unit No. 1 to retire as stated in the Attachment Y Notice provided by White Pine. MISO also reviewed the ATC proposal and its determination to seek to terminate the Second Revised White Pine SSR Agreement with White Pine and affected stakeholders prior to filing the Request for Termination. Moreover, MISO also states that it conducted additional studies to verify the wider area impacts of implementing the

³⁵ *Id.* at 21-23.

³⁶ *Id.* at 17-19.

reconfiguration proposed by ATC, the results of which MISO shared with stakeholders, and that the additional studies confirmed MISO's earlier determination that the ATC transmission reconfiguration plan is an acceptable alternative to the Second Revised White Pine SSR Agreement. In accepting MISO's Request for Termination, we agree with MISO's analysis and reject White Pine's protest arguments, as well as its request to establish a proceeding for additional review, as discussed below.

37. We reject White Pine's argument that the reliance on the ATC transmission reconfiguration plan will not ensure system reliability as compared to the system reliability that currently exists under the Second Revised White Pine SSR Agreement. We agree with MISO that a candidate SSR generator must address the violation of reliability standards that would occur if the generator retired in order to be considered for extended service as an SSR Unit. Correspondingly, an alternative to the SSR Unit must address the violation of reliability standards for which the SSR Unit is needed and must not cause new violations of reliability standards; we agree with MISO that the ATC transmission reconfiguration plan satisfies these concerns.

38. Furthermore, the fact that transmission reconfiguration may not previously have been a feasible alternative, as argued by White Pine, is irrelevant and has no bearing on whether the ATC transmission reconfiguration plan as explained in the Request for Termination is a feasible alternative to the Second Revised White Pine SSR Agreement.³⁷

39. We are not persuaded by White Pine's arguments that adoption of the ATC transmission reconfiguration plan would increase the risk to reliability in contravention of NERC Reliability Standards, because Footnote b of Table 1 of TPL-001-4 of the NERC Reliability Standards allows for consequential load loss as an acceptable consequence of any event excluding normal system conditions. Therefore, White Pine's reliability argument does not persuade us that the Request for Termination is unjust and unreasonable.

40. Last, we reject White Pine's argument that MISO has failed to revise the Operating Guide to provide the specifics with respect to its proposed implementation of ATC's transmission reconfiguration. We are persuaded by ATC's stated commitment to MISO to revise the Operating Guide accordingly.³⁸ Further, we find that MISO

³⁷ We likewise find White Pine's arguments regarding the dispatch of White Pine Unit No. 1 during unplanned outages to be irrelevant, as MISO has made clear that White Pine Unit No. 1 was designated an SSR in order to alleviate reliability concerns that arise during planned outages.

³⁸ See Request for Termination, Exh. B (ATC Letter to MISO) (Aug. 24, 2016) ("ATC is committed to working with MISO to make the necessary changes to the Op Guide prior to November 15, 2016.").

conducted a reasonable review of the ATC transmission reconfiguration plan, as well as complied with the notice provision of the Second Revised White Pine SSR Agreement prior to seeking its termination in the Request for Termination. The procedures in MISO's Tariff and Business Practices Manual that White Pine argues MISO should have used before seeking to terminate the Second Revised White Pine SSR Agreement relate to procedures that must be satisfied before an SSR Agreement is entered into; those procedures do not specifically govern terminations of SSR Agreements. Nevertheless, as noted above, we find that MISO appropriately studied and determined that the ATC transmission reconfiguration plan is a feasible alternative to the Second Revised White Pine SSR Agreement and adequately involved stakeholders in that determination.³⁹

The Commission orders:

The Request for Termination of the Second Revised White Pine SSR Agreement is hereby accepted, to be effective November 26, 2016, as discussed in the body of this order.

By the Commission.

(S E A L)

Kimberly D. Bose,
Secretary.

³⁹ Any additional procedures White Pine points to as being required by the NERC Transmission Planning standards appear only to be required where non-consequential load loss is anticipated, which is not the case here.