

140 FERC ¶ 61,246  
FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, D.C. 20426

September 27, 2012

In Reply Refer To:  
Midwest Independent Transmission  
System Operator, Inc.  
Docket No. ER12-2380-000

Midwest Independent Transmission System Operator, Inc.  
Attn: Corrie Bilke  
Attorney for Midwest Independent Transmission System Operator, Inc.  
P.O. Box 4202  
Carmel, IN 46082-4202

Dear Ms. Bilke:

1. On August 1, 2012, the Midwest Independent Transmission System Operator, Inc. (MISO) submitted revisions to various administrative cost schedules under its Open Access Transmission, Energy and Operating Reserve Markets Tariff (Tariff).<sup>1</sup> In this order, we conditionally accept the revisions to the Administrative Cost Schedules, effective October 1, 2012, subject to MISO making a compliance filing, as discussed below.
2. Under the currently effective language of the applicable Administrative Cost Schedules, MISO uses budgeted costs in the calculation of the rate formulae. MISO is proposing revisions to these Administrative Cost Schedules to use budgeted or forecasted costs in these calculations. MISO explains that monthly budgeted costs are developed annually and are set during the prior year, while forecasted costs are based upon the most recent business activity and therefore are more aligned with actual spending patterns. MISO states that the use of forecasted costs will help to reduce fluctuations in the billing rates.
3. In addition, the proposed revisions seek to clarify certain provisions contained in the Administrative Cost Schedules to account for the recent addition of various schedules to the Tariff following the withdrawal of certain transmission owners from MISO. MISO

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<sup>1</sup> See Appendix for a listing of the affected schedules (collectively, the Administrative Cost Schedules).

states that these revisions incorporate cross-references to the recently added schedules and ensure consistency throughout the schedules.

4. Notice of MISO's filing was published in the *Federal Register*, 77 Fed. Reg. 47,831 (2012), with protests and interventions due on or before August 22, 2012. Timely motions to intervene were filed by Ameren Services Company; American Municipal Power, Inc.; Consumers Energy Company; Duke Energy Corporation; and Wisconsin Electric Power Company. MidAmerican Energy Company (MidAmerican) filed a timely motion to intervene and comments. On September 6, 2012, MISO filed an answer to MidAmerican's comments.

5. MidAmerican states that it does not oppose MISO's proposed tariff revisions; however, it contends that several minor editorial changes would be appropriate in order to ensure that the schedules related to MISO's administrative costs contain consistent and accurate formulae. MidAmerican requests the following revisions: (1) changing the term "budgeted costs" to "budgeted costs or forecasted costs" in the definition of the Targeted Monthly Recovery Amount; (2) with regard to Schedule 10, reflecting credits for revenues under Schedule 31(Reliability Coordination Service Cost Recovery Adder) and deleting duplicative formulae for the energy rate and capacity rate; (3) with regard to Schedules 10-C, 10-D, and 10-G, revising the definition of Targeted Monthly Recovery Amount to match the similar definition proposed for Schedule 10-A; and (4) incorporating conforming edits to Schedule 31.

6. MidAmerican asks whether the definition for Targeted Monthly Recovery Amount should be further revised to remove certain language,<sup>2</sup> or alternatively, if the language remains in this definition, whether this language should be revised to include Schedule 10-D and Schedule 10-G. MidAmerican further suggests that the definition could be deleted in its entirety. MidAmerican also asks whether further tariff revisions are required in order to ensure that Schedule 35 (HVDC Agreement Cost Recovery Fee) revenues are included in the monthly Schedule 10 true-up.<sup>3</sup>

7. In its answer, MISO states that it is agreeable to making all of the changes proffered by MidAmerican in its comments if so directed by the Commission. Regarding MidAmerican's question regarding the definition of Targeted Monthly Recovery

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<sup>2</sup> MidAmerican Comments at 3-4. MidAmerican asks whether the definition of Targeted Monthly Recovery Amount should be revised to remove the following language: "exclusive of the costs to be recovered under Schedule 10-A, Schedule 10-B and Schedule 10-C; the monthly credit for Withdrawal Obligations paid under Schedules 10-A and 10-C;..." inasmuch as in the formulae in Schedule 10, it appears that the Targeted Monthly Recovery Amount reflects all costs to be recovered, prior to adjusting for the costs and credits associated with Schedules 10-A, *et al.*

<sup>3</sup> *Id.* at 7.

Amount, MISO states that it is willing to include references to Schedules 10-D and 10-G if so directed by the Commission. On MidAmerican's question regarding how revenues from Schedule 35 are treated, MISO explains that no further revisions are required because revenues of Schedule 35 are already included as part of the monthly Schedule 10 true-up. MISO states that it shared its analysis of this issue with MidAmerican, and MidAmerican has agreed that revisions to include Schedule 35 are not needed.

8. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2012), the timely, unopposed motions to intervene serve to make the parties 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) (2012), prohibits an answer to a protest unless otherwise ordered by the decisional authority. We will accept MISO's answer because it has provided information that assisted us in our decision-making process.

9. We accept MISO's revisions to the Administrative Cost Schedules, effective October 1, 2012, subject to MISO making the compliance filing discussed below. As stated above, MISO has consented to make the revisions identified in MidAmerican's comments, with the one noted exception which both parties have determined is unnecessary; thus, no issues are in dispute. Furthermore, we find that MidAmerican's suggested revisions provide additional clarity and consistency throughout the Administrative Cost Schedules. Accordingly, MISO is directed to file, within 30 days of the date of this order, a compliance filing that makes all of the revisions to which MISO agreed in its answer.

By direction of the Commission.

Kimberly D. Bose,  
Secretary.

## Appendix

Midwest Independent Transmission System Operator, Inc.  
FERC FPA Electric Tariff  
FERC Electric Tariff

[SCHEDULE 10, ISO Cost Recovery Adder, 3.0.0](#)

[SCHEDULE 10-A, Midwest ISO Alternate Administrative Cost Adder, 1.0.0](#)

[SCHEDULE 10-C, Schedule 10C - LGE, KU Cost Recovery Adder, 1.0.0](#)

[SCHEDULE 10-D, ATSI and Eligible Customer Alternative Schedule 10 Administr, 2.0.0](#)

[SCHEDULE 10-G, DEO/DEK and Eligible Customer Alternative Schedule 10 Admin, 3.0.0](#)

[SCHEDULE 16, FTR Administrative Service Cost Recovery Adder, 3.0.0](#)

[SCHEDULE 16-A, LGE, KU FTR Administrative Service Cost Recovery Adder, 1.0.0](#)

[SCHEDULE 16-B, ATSI and Eligible Customer Alternative Schedule 16 Administr, 2.0.0](#)

[SCHEDULE 16-C, DEO/DEK and Eligible Customer Alternative Schedule 16 Admini, 2.0.0](#)

[SCHEDULE 17, Energy Market Support Administrative Service Cost Recovery, 3.0.0](#)

[SCHEDULE 17-A, LGE, KU Energy Market Support Cost Recovery, 1.0.0](#)

[SCHEDULE 17-B, ATSI and Eligible Customer Alternative Schedule 17 Administr, 2.0.0](#)

[SCHEDULE 17-C, DEO/DEK and Eligible Customer Alternative Schedule 17 Admini, 2.0.0](#)