

100 Court Avenue
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OMS

Organization of MISO States

**COST ALLOCATION AND REGIONAL PLANNING (CARP) MEETING
CARP VIII
August 17 - 18
Minnesota Public Utilities Commission Hearing Room
St. Paul, MN**

Recommended Reading Before Arriving:

Initial Modeling Outcomes

EGEAS Outputs Presentation:

<http://www.misostates.org/CARP8EGEASOutputs081109UPDATED.pdf>

EGEAS Data Spreadsheet:

<http://www.misostates.org/CARP8MISOEGEASSummaryUPDATED.xls>

Siting Methodology:

<http://www.misostates.org/CARP8SitingMethodlogyUPDATED.pdf>

7th Circuit Court Opinion

<http://www.ca7.uscourts.gov/tmp/Q10MT7MT.pdf>

Whitepaper on Injection-Withdrawal:

http://mktweb.midwestiso.org/publish/Document/7e7fdb_1225bf59491_-7d4c0a48324a/Injection_Withdrawal_Whitepaper_072409_Version_1_0.pdf?action=download&property=Attachment

NOTE – We will be starting at 1:00 p.m. – there are numerous places near the MNPUC for lunch. If you are arriving early, this may be a great opportunity to set up lunch meetings with other OMS members. Additional meeting information is available here:

<http://www.misostates.org/CARP8InfoOMSmtonCostAllocationStPaulmtg.pdf>

AGENDA
AUGUST 17th

1:00 – 1:10 Welcome and Call of the Roll

Commissioner Lauren Azar, President of OMS
Bill Smith, Executive Director of OMS

1:10 – 1:20 RECB Taskforce Update

Commissioner Lauren Azar, President of OMS/Chair of RECB Taskforce

1:20 – 1:30 Eastern Interconnection Wide Planning Update

Commissioner Lauren Azar, President of OMS

Note: The deadline for the proposal for funding was originally due with DOE on August 14th. The deadline was extended to September 14th.

1:30 – 1:40 UMTDI Update

Marya White, Minnesota Office of Energy Security

1:40 – 3:00 Modeling Update and New Decisions

JT Smith, Midwest ISO
Ryan Westphal, Midwest ISO

This section will begin with a report from the MISO modeling team, which will involve the following:

- **Modeling results to-date.** It is possible that the results will lead to discussion and analysis by the group. In some cases, the results may encourage the group to discuss revising or modifying some assumptions.
- **The group will have to determine which futures will be carried forward to a PROMOD analysis.** This is likely going to require significant discussion and final decision-making to give direction to the MISO team.
- The group will also discuss the **criteria that will be used for siting of new capacity.**

Relevant Information:

EGEAS Outputs Presentation:

<http://www.misostates.org/CARP8EGEASOutputs081109UPDATED.pdf>

EGEAS Data Spreadsheet:

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Siting Methodology:

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3:00 – 3:15 Break

3:15 – 4:15 Modeling Update and New Decisions (Continued)

Since this is a major discussion and decision-making item, the rest of Monday's agenda is set aside for modeling issues and decisions.

4:15 – 5:00 Discussion of Recent Court of Appeals Decision

The 7th Circuit recently issued an opinion that may have an effect of our discussions relating to cost allocation. In ICC v. FERC, a divided three-judge panel for the U.S. Court of Appeals for the 7th Circuit overturned a FERC order approving a postage-stamp rate design for new transmission lines in the PJM footprint that operate at voltages of 500-kV or more.

The court did uphold FERC's approval of PJM's rate design with respect to existing transmission facilities.

A copy of the Court's opinion is here:

<http://www.ca7.uscourts.gov/tmp/Q10MT7MT.pdf>

OMS has made dinner reservations at POP! Restaurant. Contact Julie if you'd like to attend so we have an accurate head count: Julie@misostates.org

AUGUST 18th

8:00 – 9:00 Perspectives From FERC

Commissioner Mark Spitzer, Federal Energy Regulatory Commission

CARP negotiators will have the unique opportunity to hear the perspectives of FERC Commissioner Mark Spitzer. Commissioner Spitzer will provide his perspective and time should allow for some interactive questions from CARP negotiators.

9:00 – 10:30 Injection –Withdrawal

Clair Moeller, Midwest ISO

Clair will continue his discussion on the developing “injection-withdrawal” methodology from our last CARP meeting. He will provide a deeper look into some aspects of the methodology, such as the impact of using energy versus capacity as a driver for the rate calculations, through calculated examples using existing, planned and proposed transmission costs.

Some helpful background in the form of a whitepaper is available here:

http://mktweb.midwestiso.org/publish/Document/7e7fdb_1225bf59491_-7d4c0a48324a/Injection_Withdrawal_Whitepaper_072409_Version_1_0.pdf?action=download&_property=Attachment

An additional presentation containing the analytical results will be posted in advance of the meeting.

10:30 – 10:45 Break

10:45 – 12:00 Injection –Withdrawal Continued

Clair Moeller, Midwest ISO

Noon – 12:45 Lunch

We will have a working lunch to allow for additional questions for Clair regarding the injection-withdrawal presentation.

12:45 – 1:30 Tehachapi Model – Preliminary Information/Discussion [Invited Speaker]

Laurence Chaset, Staff Counsel, California Public Utilities Commission

This presentation will not be available until Monday. We will have copies available at the meeting on Tuesday.

1:30 – 2:00 Next Steps

2:00 Adjourn