



Organization of MISO States

100 Court Avenue, Suite 218
Des Moines, Iowa 50309

Phone: 515-243-0742
Fax: 515-243-0746
www.misostates.org

OMS Executive Director Report May 12, 2008

FERC and DOE Activity

1. The FERC on April 17 approved incentives for two transmission projects: a 1,000-mile transmission line from Canada to California and the Susquehanna Line, a 130-mile project across northeastern Pennsylvania to northern New Jersey. The Susquehanna Line, Docket No. EL08-23, is a "baseline project" in the PJM 2007 Regional Transmission Expansion Plan. The FERC granted rate incentives including:
 - a 1.25 percent ROE adder
 - a one-half percent adder to each utility's base ROE for continued membership in PJM
 - 100 percent recovery of prudently incurred expenses for CWIP
 - abandonment incentives
 - and authority to transfer incentives to affiliates.
2. On April 17, the FERC today affirmed the main findings in the final rule on market-based rate it enacted last year, Docket No: RM04-7, including
 - the horizontal and vertical market power analysis
 - the use of a balancing authority area or the regional transmission organization market as the default relevant geographic market
 - a regional approach for triennial market power studies
 - and codification of restrictions on affiliate abuse in the regulations.
3. On April 21 the FERC opened an inquiry to determine whether its method of assessing annual regulatory charges from public utilities should be modified. Docket No: AD08-7

4. On April 30, MISO submitted tariff revisions on the continuation of GFAs and modifying Option B and losses of carved-out GFAs. Docket No. ER07-532-001.

OMS-MISO Activity:

1. The OMS Resource Adequacy Work Group and the MISO Supply Adequacy Work Group continued work on a Module E financial settlement element to present to MISO stakeholders during June and to file at the FERC on June 25.
2. MISO's Interconnection Process Task Force advanced its recommendations for improvement of the interconnection queue. On April 10, 2008, the Task Force will consider sending those recommendations to the Advisory Committee and filing at FERC in late May.
3. On April 29-30, the MISO conducted a workshop on the economic fundamentals used in the Joint Combined System Plan. Four design workshops are scheduled during June.
4. Commissioners Goss and Ebert announced resignations from the Kentucky and Wisconsin commissions. OMS is grateful for their leadership within the OMS and the OPSI.

Public Relations

1. Presentations:
 - None
2. Pending speaking/meeting invitations:
 - Commissioner Elliott to address the Demand Response National Town Meeting, Washington, June 2.

Upcoming MISO Filings of Regional Interest

Mid May	ER08-____-000	The Midwest ISO to submit its Amendment of Section 43.7.2 of the EMT to address use of ARR for state and other similar retail choice programs.	N/A
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6/01/2008	ER08-___-000	The Midwest ISO Transmission Owners to file a revenue distribution methodology for the Post-Transition Period (the period beginning February 1, 2008) pursuant to Appendix C of the Transmission Owners Agreement.	N/A
6/25/2008	ER08-394-000	The Midwest ISO to submit its Compliance filing regarding revisions to the tariff to revise Module E to address long-term Resource Adequacy Requirements and financial settlement.	122 FERC ¶ 61,283 (2008)
8/1/2008	ER05-6-044, <i>et al.</i> EL04-135-046, <i>et al.</i> EL02-111-064, <i>et al.</i> EL03-212-060, <i>et al.</i>	The Midwest ISO and PJM Interconnection to submit their economic cross-border cost allocation proposals in compliance with the Commission's Order on Cross-Border Facilities Cost Allocation.	122 FERC ¶ 61,084 at P 29 (2008)

Other upcoming dates:

- May 16 – Work Group Chairs
- May 19 – possible OMS Special Board meeting
- May 22 – OMS Executive Committee
- June 12 – OMS Board meeting