Midwest ISO FINAL Cost Allocation Proposal

Gary Fuerst
7/15/2010
July 15, 2010 Cost Allocation Highlights

• **Proposal**
  – 100% postage stamp of revenue requirements to load and exports for Multi Value Projects (MVPs)
  – Generation Interconnection Projects cost sharing methodology remains the same

• **Key Facts**
  – MWHr “withdrawal” charge. No “Injection” charge for generators
  – New Schedule 26A
  – Border Rate with PJM initially set to $0
  – Multi Value Projects are primarily driven by Public Policy
  – Top Down/Bottom Up Planning Approach
  – Current cost allocation for reliability projects remains the same (RECB I)
  – July 16, 2010 Effective Date
Multi Value Projects

Projects that:

• “Enable reliable energy delivery in support of documented energy policy mandates or laws that have been enacted or adopted through state or federal legislation or regulatory requirement”

• Address multiple economic issues impacting multiple zones and have a benefit-to-cost-ratio of 1.0 or higher. (Back-door Economic)

• Address at least one reliability issue and at least one economic issue impacting multiple zones.
Regional Generation Outlet Plan
What’s Next

• FERC filing on July 15, 2010
• Extended comment period (45 days) to end of August
• Potential FERC order by end of 2010