NIPSCO PROPOSAL FOR JOA CHANGES CAUSED BY TRIGGERING EVENTS

Criteria for Project Designation as a Cross-Border Triggering Event Project (CBTEP):
Projects that meet all of the following criteria will be designated as CBTEPs:

(1) New system constraint due to
   a) new generation interconnection, or
   b) retiring generation, or
   c) permanent topology changes
(2) Project cost must be a minimum of $1,000,000;
(3) Using the Coordinated System Plan power flow model, the contribution of the cross-border RTO to loading on the constrained facility giving rise to the CBTEP must be at least three percent (3%) of the total loading on the constrained facility; and
(4) CBTEP must have an in-service date after December 31, 2012.

The Cross-Border Grandfathered Projects document contains a list of projects that will be excluded from designation as a CBBRP notwithstanding the in-service date.

a. Allocation Method for Constraints due to Generation Interconnection – (Existing language)

b. Allocation Method for Constraints due to Generation Retirements:
The Coordinated System Plan shall designate the share of the Project Cost to be allocated to each RTO for a generation retirement or group of generation retirements in one RTO causing an overload based on single worst contingency in the other RTO based on the following:

1. If constrained facility(ies) was (were) loaded at 97% or below prior to generation retirement – RTO with retiring generation is allocated 100% of the Project Cost
2. If constrained facility(ies) was (were) loaded at a level greater than 97% prior to generation retirement – RTO with the retiring generation is allocated first 50% of Project Cost. The remaining 50% is allocated based on each RTO’s percent flow (%) of the total MISO and PJM flow on the constrained facility.

c. Allocation Method for Constraints due to Permanent Topology Changes
The Coordinated System Plan shall designate the share of the Project Cost to be allocated to each RTO for a permanent topology change in one RTO causing an overload based on single worst contingency in the other RTO based on the following:

1. If constrained facility(ies) was (were) loaded at 97% or below prior to the permanent topology change – RTO with permanent topology change is allocated 100% of the Project Cost
2. If constrained facility(ies) was (were) loaded at a level greater than 97% prior to the permanent topology change – RTO with permanent topology change is allocated first 50% of Project Cost. The remaining 50% is allocated based on each RTO’s percent flow (%) of the total MISO and PJM flow on the constrained facility.