

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

**Information Requirements for
Available Transfer Capability**

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Docket No. RM05-17-000

**COMMENTS ON NOTICE OF INQUIRY OF
THE MIDWEST INDEPENDENT TRANSMISSION SYSTEM OPERATOR, INC.**

Pursuant to the Federal Energy Regulatory Commission's ("FERC" or "Commission") Notice of Inquiry issued on May 27, 2005 in the above-captioned docket,¹ the Midwest Independent Transmission System Operator, Inc. ("Midwest ISO") submits comments in this proceeding, in which the Commission seeks comments on (a) the North American Electric Reliability Council's recent Long-Term AFC/ATC Task Force Report; (b) the advisability of revising and standardizing available transfer capability calculations; and (c) the most expeditious way to obtain an industry-wide standard for available transfer capability calculations.

I. BACKGROUND

The Midwest ISO serves as an independent agent for its transmission-owning Members and controls an interconnected transmission grid encompassing more than 122,000 megawatts of generation capacity over more than 111,000 miles of high voltage transmission lines in all or parts of 15 states and parts of Canada.

One of the services the Midwest ISO provides for its Members is the calculation of Available Flowgate Capability ("AFC"). Employees of the Midwest ISO also served

¹ *Generator Run Status Information*, Docket No. RM05-16-000, 111 FERC ¶ 61,275 (2005) ("NOI").

on the NERC Long-Term ATC Task Force (“LTATF”) and contributed to the LTATF Final Report to the NERC Market Committee.

II. GENERAL COMMENTS

The comments provided herein are those of the Midwest ISO. Individual transmission owners and stakeholders of the Midwest ISO have expressed the desire to provide individual comments to the FERC. While there may be differing opinions on some of the issues dealt with in the LTATF Final Report, the Midwest ISO remains committed to the stakeholder process and stakeholder input in the calculations and methodologies discussed in the LTATF Final report and those used at the Midwest ISO.

The Midwest ISO also submits that some of the issues mentioned in the LTATF Final Report are being addressed through the various operating agreements with other Transmission Providers. One of the main points of these operating agreements between the Midwest ISO, MAPP, PJM, SPP and TVA is AFC/ATC coordination.

The following are the Midwest ISO specific comments requested by the Commission.

A. Standardization and Coordination of ATC/AFC and Related Terms

The Midwest ISO believes that eventual standardization of ATC/AFC methodologies is a goal the industry can and should work towards. Of more pressing concern is the documentation of the processes currently in place. This documentation should include the Transmission Providers’ current definition of the major components of the calculations, including TTC, TRM, CBM, ATC and AFC. The current NERC definitions are found in the LTATF Final Report referenced in the FERC NOI. Standardization of the calculation does not mean that the industry would use the same set

of software tools, rather a more common understanding and definition of the components of the ATC/AFC calculation.

The Midwest ISO supports the NERC efforts to revise the standards for ATC/AFC/TTC and TRM/CBM. The Midwest ISO will participate in the development of these standards. These standards would increase the transparency the Commission desires and result in an ATC/AFC calculation that is more consistent within the industry.

The Midwest ISO also supports the stakeholder involvement in these processes. The Midwest ISO currently has a standard TRM calculation methodology. This methodology has been approved through the stakeholder process and is in place today in the calculation of AFC.

The Midwest ISO also has a standard CBM calculation process that has been approved by the stakeholders. This process has been presented to the MAIN, MAPP and ECAR NERC Regional Reliability Councils. The Midwest ISO is in the process of responding to the questions of the Councils and will be able to implement the stakeholder-approved process in the future.

The Midwest ISO has long recognized the need for coordination of AFCs between Transmission Providers with the implementation of the RTO model. The Midwest ISO currently exchanges AFC values on flowgates with MAPP, PJM and SPP. The exchange also includes values such as load forecast, generation dispatch, and transmission service request from each entity's OASIS system. The Commission has encouraged the formation of operating agreements between Transmission Providers to eliminate seams issues. The implementation of the Midwest ISO/PJM Joint Operating Agreement, and the future implementation of the Midwest ISO/MAPP Seams Operating Agreement, the

Midwest ISO/PJM/TVA Joint Reciprocal Coordination Agreement and the Midwest ISO/SPP Joint Operating Agreement contain requirements for exchange of data used to calculate AFC/ATC and the exchange of calculated AFC/ATC values.

B. Advisability of Developing Interconnection-Wide Standards for the Eastern Interconnection and WECC

The Midwest ISO believes the industry should strive towards an industry-wide standard in regards to data inputs, assumptions and calculation frequency.

C. Contents of the NERC LTATF Report

1. Communication and Coordination of ATC/AFC – The Midwest ISO, along with MAPP, PJM, SPP and TVA, has taken steps in this direction through AFC coordination and the implementation/agreement of various operating agreements. These values are exchanged on defined time intervals and integrated into all transmission service evaluation request processing. All parties have taken steps and developed rule sets for respecting constraints on each other's transmission system. These "third party limits" are communicated and respected by the respective tariff and coordination processes. The Midwest ISO supports this effort.

2. Calculation process for AFC/ATC – The Midwest ISO supports and currently provides data required for the calculation of AFC/ATC for other Transmission Providers. These quantities include load forecasts, schedules and transmission service requests required for determination of net interchange, and generation dispatch order. The Midwest ISO also provides the current TTC, TRM and CBM values for Midwest ISO flowgates to other Transmission Providers for use in their AFC/ATC calculations.

3. Consistency between planning criteria and the attributes of AFC/ATC calculations – The Midwest ISO supports the link between planning criteria and the AFC/ATC calculation. Applicable TTC and TRM values should be applied in the process. The same assumptions used in the calculation of CBM should be and are applied to the planning process. All flowgates used in the AFC/ATC process should be and are studied in the planning process.

D. The Most Expeditious Way to Obtain Industry-Wide Standards

The Midwest ISO believes that the Standard Authorization Request (“SAR”) drafting team, as recommended in the NERC LTATF Final Report, should be allowed to develop standards for obtaining these standards. The drafting team will allow each participant to have input to the final standards. The Midwest ISO will participate in the SAR effort.

III. CONCLUSION

The Midwest ISO supports the efforts to build on the recommendations of the NERC LTATF. The Midwest ISO also supports the development of standards through the SAR process, and will participate in that process. The Midwest ISO also will keep its stakeholders updated and seek input through this effort to increase consistency in the calculation of AFC/ATC.

Respectfully submitted,

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Dated: August 15, 2005