



FEDERAL ENERGY REGULATORY COMMISSION

March 27, 2008
Midwest Independent Transmission System Operator
Docket No. ER08-394-000

MEDIA CONTACT
Mary O'Driscoll – 202.502.8680

FERC Accepts Midwest ISO Resource Adequacy Plan

The Federal Energy Regulatory Commission (FERC) yesterday approved tariff changes for the Midwest Independent Transmission System Operator (Midwest ISO) that will allow it to comprehensively address long-term resource adequacy requirements.

Background and Order

FERC conditionally accepts Phase II of the Midwest ISO's permanent resource adequacy program. On Feb. 25, 2008, the Commission conditionally accepted Phase I in its order on the Midwest ISO's ancillary services market proposal.

Phase II of the program contains mandatory requirements for any market participant serving load in the Midwest ISO region to have and maintain access to sufficient planning resources. These planning resources include all resources used to meet a resource adequacy requirement, including generation capacity and demand response. FERC considers the proposed long-term resource adequacy provisions in this filing to be an important step in establishing the framework for efficient and reliable energy and reserves markets in the future.

The order states that federal and state jurisdiction over various aspects of resource adequacy can be harmonized, and can result in an effective resource adequacy program that benefits all states and all stakeholders. FERC recognizes that the Organization of Midwest ISO States, which represents regulators from the 15 states in the Midwest ISO footprint, and stakeholders have been developing this proposal over the past two years, and acknowledges the challenge of developing a resource adequacy plan that spans 15 states.

The order explains that it is FERC's intent to build on the efforts of the states and stakeholders in the Midwest ISO region and thereby continue the momentum developed in this process. To facilitate these efforts and to move the proposal forward, FERC conditionally accepts the Midwest ISO's filing, subject to completion of certain provisions that are still being considered by stakeholders.