

150 FERC ¶ 61,045
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Cheryl A. LaFleur, Chairman;
Philip D. Moeller, Tony Clark,
Norman C. Bay, and Colette D. Honorable.

Midcontinent Independent System Operator, Inc.	Docket Nos. ER13-1923-000
Duke Energy Carolinas, LLC Duke Energy Progress, Inc.	ER13-1928-000
Louisville Gas and Electric Company	ER13-1930-000
Ohio Valley Electric Corporation	ER13-1940-000
Alabama Power Company	ER13-1941-000
Midcontinent Independent System Operator, Inc.	ER13-1945-000
Entergy Services, Inc.	ER13-1955-000
Cleco Power LLC	ER13-1956-000
	(not consolidated)

ORDER ON COMPLIANCE FILINGS

(Issued January 23, 2015)

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1. On July 10, 2013, Duke Energy Carolinas, LLC and Duke Energy Progress, Inc. (together, Duke Carolinas);¹ Louisville Gas and Electric Company and Kentucky Utilities Company (LG&E/KU);² Southern Company Services, Inc., acting as agent for Alabama Power Company, Georgia Power Company, Gulf Power Company, and Mississippi Power Company (collectively, Southern Companies);³ and Ohio Valley Electric Corporation (OVEC)⁴ (collectively, SERTP Filing Parties)⁵ separately submitted, pursuant to section 206 of the Federal Power Act (FPA),⁶ revisions to each of their respective Open Access Transmission Tariffs (OATTs)⁷ to comply with the interregional transmission coordination and cost allocation requirements of Order No. 1000,⁸ with respect to the public utility transmission providers in Midcontinent Independent System

¹ Docket No. ER13-1928-000 (Duke Carolinas Compliance Filing).

² Docket No. ER13-1930-000 (LG&E/KU Compliance Filing).

³ Docket No. ER13-1941-000 (Southern Companies Compliance Filing).

⁴ Docket No. ER13-1940-000 (OVEC Compliance Filing).

⁵ SERTP Filing Parties are the public utility transmission providers that sponsor the Southeastern Regional Transmission Planning Process (SERTP).

⁶ 16 U.S.C. § 824e (2012).

⁷ Southern Companies, FERC Electric Tariff, Attachment K, Exhibit K-5, Interregional Transmission Coordination - SERTP/MISO (0.0.0); LG&E/KU, Joint Pro Forma Open Access Transmission Tariff, Attachment K (Transmission Planning Process), Appendix 7, (1.0.0); OVEC, FERC Electric Tariff, Attachment M-2, ITC Between SERTP and MISO (0.0.0); Duke Carolinas, FERC Electric Tariff, Attachment N-1, MISO, Transmission Planning Process (SERTP-MISO Seam) (0.0.0). We are addressing only those parts of the filing that relate to SERTP Filing Parties' interregional compliance with MISO.

⁸ *Transmission Planning and Cost Allocation by Transmission Owning and Operating Public Utilities*, Order No. 1000, FERC Stats. & Regs. ¶ 31,323 (2011), *order on reh'g*, Order No. 1000-A, 139 FERC ¶ 61,132, *order on reh'g and clarification*, Order No. 1000-B, 141 FERC ¶ 61,044 (2012) *aff'd sub nom. South Carolina Pub. Serv. Auth. v. FERC*, No. 12-1232, 2014 WL 3973116 (D.C. Cir. Aug. 15, 2014).

Operator, Inc. (MISO).⁹ SERTP Filing Parties are the public utility transmission providers and non-jurisdictional transmission owners and service providers that have enrolled in the SERTP region.¹⁰

2. On July 10, 2013, MISO submitted, pursuant to section 206 of the FPA, in Docket No. ER13-1923-000 (MISO Compliance Filing) revisions to Attachment FF of MISO's Open Access Transmission, Energy and Operating Reserve Markets Tariff (OATT)¹¹ to comply with the interregional coordination and cost allocation requirements of Order No. 1000, with respect to the public utility transmission providers in SERTP.

3. On July 10, 2013, MISO submitted, pursuant to section 206 of the FPA, in Docket No. ER13-1945-000 (MISO Attachment FF Filing) revisions to Attachment FF of MISO's OATT¹² to identify the interregional coordination and cost allocation arrangements MISO is concurrently filing in compliance with Order No. 1000.

⁹ Each of the SERTP Filing Parties submitted in a single compliance filing separate tariff records to comply with the Order No. 1000 interregional transmission coordination and cost allocation requirements with respect to the public utility transmission providers in all five of the SERTP region's neighboring transmission planning regions: MISO; PJM Interconnection, L.L.C. (PJM); Southwest Power Pool, Inc. (SPP); South Carolina Regional Transmission Planning (SCRTP); and Florida Reliability Coordinating Council, Inc. (FRCC). In this order, we address the SERTP Filing Parties' tariff records related to the MISO region. We will address the SERTP Filing Parties' tariff records related to the PJM, SPP, SCRTP and FRCC regions in separate orders.

¹⁰ See *Louisville Gas and Electric Co. and Kentucky Utilities Co.*, 144 FERC ¶ 61,054, at P 5 (2013) (SERTP First Regional Compliance Order).

¹¹ MISO, FERC Electric Tariff, Attachment FF, § X (13.0.0). For ease of reference, we refer to all the open access transmission tariffs at issue in this proceeding as OATTs.

¹² MISO, FERC Electric Tariff, Attachment FF, § X (13.0.0).

4. On July 10, 2013, pursuant to section 206 of the FPA, Entergy Services, Inc. (Entergy), on behalf of the Entergy Operating Companies,¹³ submitted in Docket No. ER13-1955-000 revisions to Attachment K of its OATT (Entergy Tariff) to comply with the interregional transmission coordination and cost allocation requirements of Order No. 1000 (Entergy Compliance Filing).

5. On July 10, 2013, pursuant to section 206 of the FPA, Cleco Power LLC (Cleco) submitted in Docket No. ER13-1956-000 its proposal to comply with the interregional transmission coordination and cost allocation requirements of Order No. 1000 (Cleco Compliance Filing).

6. In this order, the Commission accepts the SERTP Filing Parties Compliance Filing and MISO Compliance Filing, subject to further compliance filings, as discussed below. Additionally, we reject as moot the Entergy Compliance Filing and Cleco Compliance Filing, as discussed below.

I. Background

7. In Order No. 1000, the Commission adopted a package of reforms addressing transmission planning and cost allocation that, taken together, are designed to ensure that Commission-jurisdictional services are provided at just and reasonable rates and on a basis that is just and reasonable and not unduly discriminatory or preferential. In particular, the Commission determined that the transmission planning requirements of Order No. 890¹⁴ were too narrowly focused geographically and failed to provide for adequate analysis of the benefits associated with interregional transmission facilities in neighboring transmission planning regions.¹⁵ The Commission concluded that interregional transmission coordination reforms were necessary.¹⁶ Thus, the Commission

¹³ The Entergy Operating Companies consist of: Entergy Arkansas, Inc.; Entergy Gulf States Louisiana, L.L.C.; Entergy Louisiana, LLC; Entergy Mississippi, Inc.; Entergy New Orleans, Inc.; and Entergy Texas, Inc.

¹⁴ *Preventing Undue Discrimination and Preference in Transmission Service*, Order No. 890, FERC Stats. & Regs. ¶ 31,241, *order on reh'g*, Order No. 890-A, FERC Stats. & Regs. ¶ 31,261 (2007), *order on reh'g*, Order No. 890-B, 123 FERC ¶ 61,299 (2008), *order on reh'g*, Order No. 890-C, 126 FERC ¶ 61,228, *order on clarification*, Order No. 890-D, 129 FERC ¶ 61,126 (2009).

¹⁵ Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 369.

¹⁶ *Id.*

required each public utility transmission provider to establish further procedures with each of its neighboring transmission planning regions for the purpose of: (1) coordinating and sharing the results of the respective regional transmission plans to identify possible interregional transmission facilities that could address regional transmission needs more efficiently or cost-effectively than separate regional transmission facilities;¹⁷ and (2) jointly evaluating those interregional transmission facilities that the pair of neighboring transmission planning regions identify, including those proposed by transmission developers and stakeholders.¹⁸ The Commission defined an interregional transmission facility as “one that is located in two or more transmission planning regions.”¹⁹ Furthermore, the Commission required each public utility

¹⁷ While the Commission required public utility transmission providers to establish further procedures with each of its neighboring transmission planning regions to coordinate and share the results of their respective regional transmission plans to identify possible interregional transmission facilities that could address regional transmission needs more efficiently or cost-effectively than separate regional transmission facilities, the Commission neither required nor precluded public utility transmission providers from conducting interregional transmission planning. *See, e.g., id.* P 399 (clarifying that “the interregional transmission coordination requirements that [the Commission] adopt[s] do not require formation of interregional transmission planning entities or creation of a distinct interregional transmission planning process to produce an interregional transmission plan” and, “[t]o the extent that public utility transmission providers wish to participate in processes that lead to the development of interregional transmission plans, they may do so and, as relevant, rely on such processes to comply with the requirements of this Final Rule.”). The Commission also required that “the developer of an interregional transmission project to first propose its transmission project in the regional transmission planning processes of each of the neighboring regions in which the transmission facility is proposed to be located.” *Id.* P 436.

¹⁸ Order No. 1000-A, 139 FERC ¶ 61,132 at P 493 (citing Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 396). The Commission clarified that “the requirement to coordinate with neighboring regions applies to public utility transmission providers within a region as a group, not to each individual public utility transmission provider acting on its own. For example, within an [Regional Transmission Organization (RTO)] or [Independent System Operator (ISO)], the RTO or ISO would develop an interregional cost allocation method or methods with its neighboring regions on behalf of its public utility transmission owning members.” Order No. 1000-A, 139 FERC ¶ 61,132 at P 630 (citing Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 584).

¹⁹ Order No. 1000-A, 139 FERC ¶ 61,132 at P 494 (citing Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 482 n.374).

transmission provider to describe the methods by which it will identify and evaluate interregional transmission facilities and to include a description of the type of transmission studies that will be conducted to evaluate conditions on neighboring systems for the purpose of determining whether interregional transmission facilities are more efficient or cost-effective than regional transmission facilities.²⁰ Consistent with the requirement that public utility transmission providers must describe the methods by which they will identify and evaluate interregional transmission facilities, the Commission explained that “each public utility transmission provider must explain in its OATT how stakeholders and transmission developers can propose interregional transmission facilities for the public utility transmission providers in neighboring transmission planning regions to evaluate jointly.”²¹

8. In addition, in Order No. 1000, the Commission required that each public utility transmission provider in a transmission planning region have, together with the public utility transmission providers in its own transmission planning region and a neighboring transmission planning region, a common method or methods for allocating the costs of a new interregional transmission facility among the beneficiaries of that transmission facility in the two neighboring transmission planning regions in which the transmission facility is located.²² The Commission also required that each public utility transmission provider’s interregional cost allocation method or methods satisfy six interregional cost allocation principles.²³ To be eligible for interregional cost allocation, an interregional transmission facility must be selected in the relevant transmission planning regions’ regional transmission plans for purposes of cost allocation.²⁴

²⁰ *Id.* P 493 (citing Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 398).

²¹ *Id.* P 522.

²² Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at PP 578, 582; Order No. 1000-A, 139 FERC ¶ 61,132 at P 626.

²³ Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 603.

²⁴ *Id.* P 400.

II. Compliance Filings

A. MISO Compliance Filing and SERTP Filing Parties Compliance Filings (Docket Nos. ER13-1923-000, ER13-1928-000, ER13-1930-000, ER13-1940-000, and ER13-1941-000)

9. SERTP Filing Parties and MISO submitted separate but coordinated compliance filings in which they propose to revise their respective OATTs to comply with the interregional transmission coordination and cost allocation requirements of Order No. 1000. SERTP Filing Parties and MISO state that they worked with stakeholders to develop the proposed tariff language and have agreed to a common approach and parallel tariff language in their respective OATTs to satisfy Order No. 1000's interregional transmission coordination and cost allocation requirements for their collective seam.²⁵ SERTP Filing Parties state that their individual filings each contain a common transmittal letter and common tariff language, with each SERTP Filing Party individually submitting the relevant common tariff language to its respective OATT.²⁶ MISO states that it has agreed with SERTP Filing Parties to use parallel tariff language in MISO's OATT and will use substantially the same language (with minor adjustments to reflect that the discussion is being provided from MISO's perspective) as the SERTP Filing Parties to describe the interregional transmission coordination arrangements and proposed cost allocation proposal.²⁷ MISO also proposes additional changes. In their proposal, SERTP Filing Parties and MISO addressed interregional transmission coordination, data exchange, joint evaluation, transparency, and cost allocation issues pursuant to directives

²⁵ MISO Compliance Filing, Docket No. ER13-1923-000, at 3-4. *See* Southern Companies Compliance Filing, Docket No. ER13-1941-000, at 7-8, 21.

²⁶ *See* Southern Companies Compliance Filing, Docket No. ER13-1941-000, at 3. Given this uniformity, the Commission will cite to the Southern Companies transmittal letter and OATT when referencing SERTP Filing Parties' proposal. However, SERTP Filing Parties note that the common tariff language will not be absolutely identical across all four of their compliance filings as they reflect slight variations in terminology used in the corresponding OATTs. *See id.* at 5. Where differences between or among the filings are addressed, we cite to that individual filing party's compliance filing or OATT, as appropriate.

²⁷ MISO Compliance Filing, Docket No. ER13-1923-000, at 3-4. MISO notes that there is not a joint operating agreement between SERTP and the MISO region and, therefore, SERTP Filing Parties and MISO are proposing parallel revisions to the SERTP Filing Parties and MISO's OATTs. *Id.* at 3.

from Order No. 1000. Among other things, SERTP Filing Parties and MISO state that their proposed revisions provide that SERTP Filing Parties and MISO will meet to facilitate the implementation of the interregional transmission coordination procedures they are adopting, including a biennial review of each other's regional plans. SERTP Filing Parties and MISO also address the coordination of the assumptions to be used in joint evaluation.²⁸

B. MISO Attachment FF Filing (Docket No. ER13-1945-000)

10. In the MISO Attachment FF Filing, MISO proposes revisions to Attachment FF of MISO's Tariff, which MISO states addresses the requirement in Order No. 1000 that its tariff identify MISO's interregional arrangements that are in the form of agreements. MISO specifies that its revisions to Attachment FF of its Tariff identify the newly proposed procedures established for interregional coordination and cost allocation between MISO and its neighboring transmission planning regions (i.e., PJM, SPP, and SERTP).²⁹ MISO requests an effective date of January 1, 2014, for its proposed revisions to reflect that MISO has already reached agreements regarding interregional coordination and cost allocation with PJM, SPP, and SERTP.³⁰ MISO notes that the agreements themselves may have different effective dates.³¹

C. Entergy Compliance Filing (Docket No. ER13-1955-000) and Cleco Compliance Filing (Docket No. ER13-1956-000)

11. Entergy and Cleco propose to comply with the interregional transmission coordination and cost allocation requirements of Order No. 1000 through their participation in the MISO Transmission Expansion Planning (Regional Planning) process.³² Entergy and Cleco note that, due to their then-pending integration into MISO, the Commission accepted their participation in the MISO Regional Planning process as a

²⁸ See Southern Companies Compliance Filing, Docket No. ER13-1941-000 at 22-26; MISO Compliance Filing, Docket No. ER13-1923-000 at 9-13.

²⁹ MISO Attachment FF Filing, Docket No. ER13-1945-000 at 2.

³⁰ *Id.*

³¹ *Id.*

³² See Entergy Compliance Filing, Docket No. ER13-1955-000, at 1-2; Cleco Compliance Filing, Docket No. ER13-1956-000 at 1.

means for them to comply with the regional transmission planning and cost allocation requirements of Order No. 1000.³³

III. Notice of Filings and Responsive Pleadings

A. MISO Compliance Filing (Docket No. ER13-1923-000)

12. Notice of the MISO Compliance Filing was published in the *Federal Register*, 78 Fed. Reg. 43,192 (2013), with interventions and protests due on or before August 26, 2013, which the Commission subsequently extended to September 9, 2013. Notices of intervention and timely-filed motions to intervene were filed by the entities listed in Appendix A to this order.³⁴ Protests and comments were filed by the entities listed in Appendix B to this order and are addressed below. On September 24, 2013, Wind Parties submitted a comment out-of-time.

13. Answers to the MISO Compliance Filing were filed by the entities noted in Appendix C to this order and are addressed below.

B. Duke Carolinas Compliance Filing (Docket No. ER13-1928-000)

14. Notice of the Duke Carolinas Compliance Filing was published in the *Federal Register*, 78 Fed. Reg. 43,192 (2013), with interventions and protests due on or before August 26, 2013, which the Commission subsequently extended to September 9, 2013. Notices of intervention and timely-filed motions to intervene were filed by the entities listed in Appendix A to this order. On September 10, 2013, PPL Electric Utilities submitted a motion to intervene out-of-time. Protests and comments were filed by the entities listed in Appendix B to this order and are addressed below. On September 24, 2013, Wind Parties submitted a comment out-of-time.

15. Answers to the Duke Carolinas Compliance Filing were filed by the entities noted in Appendix C to this order and are addressed below.

³³ Entergy Compliance Filing, Docket No. ER13-1955-000, at 2; Cleco Compliance Filing, Docket No. ER13-1956-000, at 1-3 (citing *Midwest Indep. Transmission Sys. Operator, Inc.*, 142 FERC ¶ 61,215 (2013) (MISO First Regional Compliance Order)).

³⁴ The entity abbreviations listed in Appendices A, B, and C are used throughout this order.

C. LG&E/KU Compliance Filing (Docket No. ER13-1930-000)

16. Notice of the LG&E/KU Compliance Filing was published in the *Federal Register*, 78 Fed. Reg. 43,192 (2013), with interventions and protests due on or before August 26, 2013, which the Commission subsequently extended to September 9, 2013. Notices of intervention and timely-filed motions to intervene were filed by the entities listed in Appendix A to this order. On September 10, 2013, PPL Electric Utilities submitted a motion to intervene out-of-time. Protests and comments were filed by the entities listed in Appendix B to this order and are addressed below. On September 24, 2013, Wind Parties submitted a comment out-of-time.

17. Answers to the LG&E/KU Compliance Filing were filed by the entities noted in Appendix C to this order and are addressed below.

D. OVEC Compliance Filing (Docket No. ER13-1940-000)

18. Notice of the OVEC Compliance Filing was published in the *Federal Register*, 78 Fed. Reg. 43,192 (2013), with interventions and protests due on or before August 26, 2013, which the Commission subsequently extended to September 9, 2013. Notices of intervention and timely-filed motions to intervene were filed by the entities listed in Appendix A to this order. On September 10, 2013, PPL Electric Utilities submitted a motion to intervene out-of-time. Protests and comments were filed by the entities listed in Appendix B to this order and are addressed below. On September 24, 2013, Wind Parties submitted a comment out-of-time.

19. Answers to the OVEC Compliance Filing were filed by the entities noted in Appendix C to this order and are addressed below.

E. Southern Companies Compliance Filing (Docket No. ER13-1941-000)

20. Notice of the Southern Companies Compliance Filing was published in the *Federal Register*, 78 Fed. Reg. 43,192 (2013), with interventions and protests due on or before August 26, 2013, which the Commission subsequently extended to September 9, 2013. Notices of intervention and timely-filed motions to intervene were filed by the entities listed in Appendix A to this order. On September 10, 2013, PPL Electric Utilities submitted a motion to intervene out-of-time. Protests and comments were filed by the entities listed in Appendix B to this order and are addressed below. On September 24, 2013, Wind Parties submitted a comment out-of-time.

21. Answers to the Southern Companies Compliance Filing were filed by the entities noted in Appendix C to this order and are addressed below.

F. MISO Attachment FF Filing (Docket No. ER13-1945-000)

22. Notice of the MISO Attachment FF Filing was published in the *Federal Register*, 78 Fed. Reg. 43,192 (2013), with interventions and protests due on or before August 26, 2013, which the Commission subsequently extended to September 9, 2013. Notices of intervention and timely-filed motions to intervene were filed by the entities listed in Appendix A to this order. On September 10, 2013, PPL Electric Utilities submitted a motion to intervene out-of-time. Protests and comments were filed by the entities listed in Appendix B to this order and are addressed below.³⁵ On September 24, 2013, Wind Parties submitted a comment out-of-time.

23. Answers to the MISO Attachment FF Filing were filed by the entities noted in Appendix C to this order and are addressed below.

G. Entergy Compliance Filing (Docket No. ER13-1955-000)

24. Notice of the Entergy Compliance Filing was published in the *Federal Register*, 78 Fed. Reg. 43,192 (2013), with interventions and protests due on or before August 26, 2013, which the Commission subsequently extended to September 9, 2013. Notices of intervention and timely motions to intervene were filed by the entities noted in the Appendix A to this order. No protests, comments, or answers were filed.

H. Cleco Compliance Filing (Docket No. ER13-1956-000)

25. Notice of the Cleco Compliance Filing was published in the *Federal Register*, 78 Fed. Reg. 43,192 (2013), with interventions and protests due on or before August 26, 2013, which the Commission subsequently extended to September 9, 2013. Notices of intervention and timely motions to intervene were filed by the entities noted in the Appendix A to this order. No protests, comments, or answers were filed.

IV. Discussion**A. Procedural Matters**

26. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2014), the notices of intervention and timely, unopposed motions to

³⁵ We are addressing only those parts of the protests and comments that relate to the SERTP Filing Parties' interregional compliance with MISO. Other parts of the protests and comments that are related to MISO's interregional compliance with regions other than SERTP will be addressed in separate orders.

intervene serve to make the entities that filed them parties to these proceedings. In addition, given the early stage of these proceedings and the absence of undue prejudice or delay, we grant PPL Electric Utilities' late-filed motions to intervene in the Duke Carolinas, LG&E/KU, OVEC, and Southern Companies Compliance Filings and in the MISO Filing.

27. Rule 213(a)(2) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.213(a)(2) (2014), prohibits an answer to a protest or an answer unless otherwise ordered by the decisional authority. We accept the answers filed in these proceedings,³⁶ because they have provided information that assisted us in our decision-making process.

28. We reject the Entergy Compliance Filing and Cleco Compliance Filing as unnecessary to meet the requirements of Order No. 1000. Because Entergy's and Cleco's integration into MISO occurred on December 19, 2013, we find that Entergy and Cleco should rely on MISO's compliance with the interregional transmission coordination and cost allocation requirements of Order No. 1000. Accordingly, we find that the Entergy Compliance Filing and Cleco Compliance Filing are moot and reject them.

B. Substantive Matters

29. We find that SERTP Filing Parties and MISO's compliance filings partially comply with the interregional transmission coordination and cost allocation requirements adopted in Order No. 1000. Accordingly, we conditionally accept SERTP Filing Parties and MISO's compliance filings to be effective January 1, 2015, subject to further compliance filings as discussed below. We direct SERTP Filing Parties and MISO to submit the further compliance filings within 60 days of the date of this order.

1. Interregional Transmission Coordination Requirements

a. General Requirements

30. The Commission required each public utility transmission provider through its regional transmission planning process to coordinate with the public utility transmission providers in each of its neighboring transmission planning regions within its interconnection to implement the interregional transmission coordination requirements adopted in Order No. 1000.³⁷ The Commission also required public utility transmission

³⁶ See Appendix C for a list of parties that have filed answers in each of the dockets that are addressed in this order.

³⁷ Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 415.

providers in each pair of neighboring transmission planning regions to develop the same language to be included in each public utility transmission provider's OATT that describes the interregional transmission coordination procedures for that particular pair of regions.³⁸ Alternatively, if the public utility transmission providers so choose, the Commission allowed these procedures to be reflected in an interregional transmission coordination agreement among the public utility transmission providers within neighboring transmission planning regions that is filed with the Commission.³⁹

i. Compliance Filings

31. SERTP Filing Parties explain that they have five neighboring planning regions, which include MISO.⁴⁰ SERTP Filing Parties explain that they are the public utility transmission providers that sponsor the SERTP region.⁴¹ SERTP Filing Parties state that the non-public utility transmission providers that sponsor the SERTP region⁴² support the SERTP Filing Parties' interregional compliance filings.⁴³ SERTP Filing Parties state that the SERTP Filing Parties and the non-public utility transmission providers that sponsor the SERTP region are referred to collectively as the SERTP Sponsors.⁴⁴ SERTP Filing Parties and MISO state that they have agreed to a common approach and parallel tariff language in their respective tariffs to comply with the interregional transmission

³⁸ *Id.* P 475; *see also id.* P 346; Order No. 1000-A, 139 FERC ¶ 61,132 at P 223.

³⁹ Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at PP 346, 475; Order No. 1000-A, 139 FERC ¶ 61,132 at P 223.

⁴⁰ Southern Companies Compliance Filing, Docket No. ER13-1941-000, at 2.

⁴¹ *Id.*

⁴² These entities are the Associated Electric Cooperative Inc., Dalton Utilities, Georgia Transmission Corporation, the Municipal Electric Authority of Georgia, PowerSouth Energy Cooperative, the South Mississippi Electric Power Association, and the Tennessee Valley Authority.

⁴³ Southern Companies Compliance Filing, Docket No. ER13-1941-000, at 3.

⁴⁴ *Id.* at 2.

coordination and cost allocation requirements of Order No. 1000.⁴⁵ MISO notes that there is not a joint operating agreement between the SERTP and MISO regions.⁴⁶

32. SERTP Filing Parties and MISO propose that their proposed tariff revisions apply to an interregional transmission facility that is proposed to be located in both transmission planning regions.⁴⁷ They also state that in order for an interregional transmission project to be eligible for interregional cost allocation within SERTP and MISO, the interregional transmission project must: (1) interconnect to the transmission facilities of one or more transmission owners in MISO and the transmission facilities of one or more sponsors in SERTP; (2) have a combined benefit to cost ratio of 1.25 or higher to the SERTP and MISO regions; and (3) meet the criteria for transmission projects potentially eligible to be included in the respective regional transmission plans for purposes of cost allocation in MISO, as a Market Efficiency Project,⁴⁸ and SERTP, pursuant to their respective regional transmission planning processes.⁴⁹

33. SERTP Filing Parties and MISO propose that their respective OATT revisions be made effective on January 1, 2015.⁵⁰

⁴⁵ *Id.* at 21-22; MISO Compliance Filing, Docket No. ER13-1923-000, at 9.

⁴⁶ MISO Compliance Filing, Docket No. ER13-1923-000, at 3.

⁴⁷ MISO, Tariff, Attachment FF, (13.0.0); Southern Companies, OATT, Ex. K-5 (0.0.0).

⁴⁸ Market Efficiency Projects are defined in the MISO OATT as “Network Upgrades proposed by the Transmission Provider, Transmission Owner(s), ITC(s), Market Participant(s), or regulatory authorities as providing market efficiency benefits to one or more Market Participant(s), but not determined by the Transmission Provider to be Multi Value Projects and provide sufficient market efficiency benefits as determined by the Transmission Provider to justify inclusion into the MTEP [MISO Transmission Expansion Plan].” *See* MISO, Tariff, Attachment FF, § II.B (37.0.0).

⁴⁹ *Id.* § X.D.1.a (13.0.0); Southern Companies, OATT, Ex. K-5, § 4.1 (0.0.0).

⁵⁰ Southern Companies Compliance Filing, Docket No. ER13-1941-000, at 49; MISO Compliance Filing, Docket No. ER13-1923-000, at 14.

ii. Commission Determination

34. We find that SERTP Filing Parties and MISO have partially complied with the general interregional transmission coordination requirements of Order No. 1000. Specifically, as discussed below, we require further revisions to SERTP Filing Parties and MISO's proposal to describe an interregional transmission facility eligible for interregional cost allocation using the criteria that: (1) the transmission facility must interconnect to the transmission facilities of one or more SERTP Sponsors and the transmission facilities of one or more MISO transmission owners, and (2) the transmission facility must be eligible to be included in the MISO regional transmission plan for purposes of cost allocation as a Market Efficiency Project.

35. We find that SERTP Filing Parties and MISO comply with the requirement to coordinate with the neighboring public utility transmission providers within their interconnection to implement the interregional transmission coordination requirements adopted in Order No. 1000. Specifically, we find that SERTP and MISO are neighboring transmission planning regions in the eastern interconnection with interconnections along the SERTP/MISO seam. SERTP and MISO are both transmission planning regions that have proposed procedures to coordinate with each neighboring transmission planning region, including each other.

36. We find that SERTP Filing Parties and MISO comply with the requirement to develop the same language in each public utility transmission provider's OATT as SERTP Filing Parties and MISO propose parallel tariff language in their respective OATTs. While SERTP Filing Parties and MISO do not propose identical language, any differences are merely ministerial in nature.

37. However, we find that SERTP Filing Parties and MISO's description of an interregional transmission facility that is eligible for interregional cost allocation is overly limiting and inconsistent with Order No. 1000's definition of an interregional transmission facility as one that is located in two or more transmission planning regions.⁵¹ While SERTP Filing Parties and MISO's proposal to allow only interconnecting interregional transmission facilities to be eligible for interregional cost allocation is consistent with the requirements of Order No. 1000, limiting this interconnection to only interregional transmission facilities that interconnect to the transmission facilities of one or more SERTP Sponsors and one or more MISO transmission owners is unduly limiting. Order No. 1000 did not limit stakeholders and transmission developers to proposing only interregional transmission facilities that would

⁵¹ Order No. 1000-A, 139 FERC ¶ 61,132 at P 494 (citing Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 482 n.374).

interconnect to *existing* transmission facilities of *an existing* transmission owner, or a transmission owner *enrolled* in the respective transmission planning regions.⁵² SERTP Filing Parties and MISO's proposed language would preclude interregional transmission facilities from interconnecting with transmission facilities that are selected in the regional plan for purposes of cost allocation but that are currently under development by a transmission developer who has not yet become a sponsor in SERTP or a transmission owner in MISO. Thus, we find that this proposed definition does not comply with Order No. 1000.⁵³

38. In addition, the proposed description also requires that an interregional transmission project be eligible to be included in the MISO regional transmission plan for purposes of cost allocation as a Market Efficiency Project. As discussed below in the Cost Allocation section of this order, SERTP Filing Parties and MISO's proposed definition does not comply with Interregional Cost Allocation Principles 1 and 6 and limits the universe of potential interregional transmission projects to only those transmission projects that will interconnect to sponsors of the SERTP transmission planning region or a MISO transmission owner and those that qualify as a Market Efficiency Project in MISO.⁵⁴ There is no such limitation in Order No. 1000.

⁵² In its orders on compliance with the regional transmission and cost allocation requirements of Order No. 1000, the Commission required regions to remove or clarify proposals that required a transmission provider to own, control, or provide service over transmission facilities with the respective regions in order to enroll in the respective region, finding that this logic appears circular in nature. *See Louisville Gas & Elec. Co.*, 147 FERC ¶ 61,241, at P 53 (2014) (SERTP Regional Rehearing and Compliance Order); *Tampa Elec. Co.*, 148 FERC ¶ 61,172, at P 43 (2014).

⁵³ We note that the Commission found other definitions of an interregional transmission facility to comply with Order No. 1000. For example, in its December 2014 order, the Commission found Western Filing Parties' proposal to define an interregional transmission project as a proposed new transmission project that would directly interconnect electrically to existing or planned transmission facilities in two or more planning regions, and that would be submitted into the regional transmission planning process of all such planning regions consistent with Order No. 1000. *Public Service Co. of New Mexico*, 149 FERC ¶ 61,247, at P 24 (2014).

⁵⁴ As discussed in the Cost Allocation section of this order, through the Commission's requirement that each public utility transmission provider identify interregional transmission facilities that may be more efficient or cost-effective than regional transmission facilities using its regional transmission planning process, the Commission required public utility transmission providers to consider all types of

(continued...)

39. Further, although SERTP Filing Parties and MISO propose tariff revisions that apply to an interregional transmission facility that is proposed to be located in both transmission planning regions, they do not define an interregional transmission facility as such. Accordingly, we direct SERTP Filing Parties and MISO to submit, within 60 days of the date of issuance of this order, further compliance filings to: (1) include a definition of an interregional transmission facility that is consistent with Order No. 1000, which defines an interregional transmission facility as one that is located in two or more transmission planning regions, and (2) remove from the description of interregional transmission facilities that are eligible for interregional cost allocation the criteria that the transmission facility must interconnect to the transmission facilities of one or more SERTP Sponsors and the transmission facilities of one or more MISO transmission owners and that the transmission facility must qualify as a Market Efficiency Project in MISO.

40. We find SERTP Filing Parties and MISO's requested January 1, 2015 effective date to be reasonable. This date corresponds to the transmission planning cycle subsequent to SERTP Filing Parties' effective date for their regional compliance filings.⁵⁵

**b. Implementation of the Interregional Transmission
Coordination Requirements**

**i. Data Exchange and Identifying Interregional
Transmission Facilities**

41. In Order No. 1000, the Commission required each public utility transmission provider to establish procedures with each of its neighboring transmission planning regions to coordinate and share the results of their respective regional transmission plans to identify interregional transmission facilities.⁵⁶ As part of this requirement, the Commission required the public utility transmission providers to enhance their existing

regional transmission needs, including regional reliability, economic and public policy related transmission needs. Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 368.

⁵⁵ See, e.g., *Duke Energy Carolinas, LLC*, 145 FERC ¶ 61,059, at P 6 (2013). In the order, the Commission accepted the SERTP Public Utility Sponsors' proposal to adopt a June 1, 2014 effective date for implementation of their revised Order No. 1000 regional transmission planning and cost allocation processes.

⁵⁶ Order No. 1000-A, 139 FERC ¶ 61,132 at P 493 (citing Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 396). See also Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at PP 399, 436.

regional transmission planning process to provide for the identification of interregional transmission facilities that may be more efficient or cost-effective solutions to their respective regional transmission needs.⁵⁷ The Commission also required each public utility transmission provider to adopt interregional transmission coordination procedures that provide for the exchange of transmission planning data and information at least annually.⁵⁸ The Commission found that the interregional transmission coordination procedures must include the specific obligations for sharing transmission planning data and information rather than only an agreement to do so.⁵⁹ However, the Commission did not dictate the specific procedures or the level of detail for the procedures pursuant to which transmission planning data and information must be exchanged. The Commission allowed each public utility transmission provider to develop procedures to exchange transmission planning data and information, which the Commission anticipated would reflect the type and frequency of meetings that are appropriate for each pair of regions and will accommodate each pair of region's transmission planning cycles.⁶⁰

42. In addition, the Commission required the developer of an interregional transmission project to first propose its transmission project in the regional transmission planning processes of each of the neighboring regions in which the transmission facility is proposed to be located.⁶¹ Thus, the Commission required that each public utility transmission provider explain in its OATT how stakeholders and transmission developers can propose interregional transmission facilities for joint evaluation.⁶²

(a) Compliance Filings

43. SERTP Filing Parties and MISO propose revisions that are intended to meet the model and data exchange requirements of Order No. 1000.⁶³ SERTP Filing Parties and

⁵⁷ Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 396. *See also id.* P 398.

⁵⁸ *Id.* P 454.

⁵⁹ *Id.* P 455.

⁶⁰ *Id.*

⁶¹ Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 436; Order No. 1000-A, 139 FERC ¶ 61,132 at P 506.

⁶² Order No. 1000-A, 139 FERC ¶ 61,132 at P 522.

⁶³ MISO Compliance Filing, Docket No. ER13-1923-000, at 10; Southern Companies Compliance Filing, Docket No. ER13-1941-000, at 23.

MISO propose that, at least annually, each transmission provider shall exchange its then-current regional transmission plans, including power-flow models and associated data used in the regional transmission planning processes to develop such transmission plan(s).⁶⁴ SERTP Filing Parties and MISO propose that this exchange will occur when such data is available in each of the regional transmission planning processes, typically during the first calendar quarter of each year.⁶⁵ SERTP Filing Parties and MISO propose that additional transmission-based models and data may be exchanged between each transmission provider, as necessary and if requested.⁶⁶ SERTP Filing Parties and MISO propose that, for purposes of their interregional transmission coordination activities, each transmission provider will exchange only data and models used in the development of SERTP Filing Parties and MISO's then-current regional transmission process and transmission plans.⁶⁷

44. SERTP Filing Parties and MISO propose to post data and models used in the development of SERTP Filing Parties and MISO's then-current regional transmission process and transmission plans on the pertinent regional transmission planning process' websites, consistent with the posting requirements of the respective regional transmission planning processes.⁶⁸ SERTP Filing Parties and MISO propose that each transmission provider will notify the other of such posting.⁶⁹

45. Regarding the identification of interregional transmission projects, SERTP Filing Parties and MISO propose that at least biennially, the transmission providers shall meet to review the respective regional transmission plans. SERTP Filing Parties and MISO's

⁶⁴ MISO, Tariff, Attachment FF, § X.B (13.0.0); Southern Companies, OATT, Ex. K-5, § 2 (0.0.0).

⁶⁵ MISO, Tariff, Attachment FF, § X.B (13.0.0); Southern Companies, OATT, Ex. K-5, § 2 (0.0.0).

⁶⁶ MISO, Tariff, Attachment FF, § X.B (13.0.0); Southern Companies, OATT, Ex. K-5, § 2 (0.0.0).

⁶⁷ MISO, Tariff, Attachment FF, § X.B (13.0.0); Southern Companies, OATT, Ex. K-5, § 2 (0.0.0).

⁶⁸ MISO, Tariff, Attachment FF, § X.B (13.0.0); Southern Companies, OATT, Ex. K-5, § 2 (0.0.0).

⁶⁹ MISO, Tariff, Attachment FF, § X.B (13.0.0); Southern Companies, Ex. K-5, § 2 (0.0.0).

proposal states that such transmission plans include each region's transmission needs as prescribed by each region's transmission planning process. SERTP Filing Parties and MISO propose that this review shall occur on a mutually agreeable timetable, taking into account each region's regional transmission planning process timeline. SERTP Filing Parties and MISO propose that if through this review, the transmission providers identify a potential interregional transmission project that may be more efficient or cost-effective than regional transmission projects, the transmission providers shall jointly evaluate the potential interregional transmission project.⁷⁰ SERTP Filing Parties and MISO also propose that stakeholders and transmission developers may propose interregional transmission projects that may be more efficient or cost-effective than regional transmission projects pursuant to the procedures in each region's regional transmission planning processes.⁷¹

(b) Protests/Comments

46. Four Public Interest Organizations argue that SERTP Filing Parties and MISO's compliance filings limit the type of data they propose to share to power-flow models, associated data, and "additional transmission-based models and data...as necessary and if requested."⁷² They state that the phrase "as necessary and if requested" is open to interpretation, and does not ensure data necessary for joint identification and evaluation will be shared between regions absent criteria around which to base related decisions.

47. Four Public Interest Organizations request that the Commission require SERTP Filing Parties and MISO to include stability models and other models in the regions' transmission planning process as part of Order No. 1000's requirement for the identification of interregional transmission facilities that may be more efficient or cost-effective transmission solutions than existing regional transmission planning needs. Four Public Interest Organizations argue that these clarifications are necessary to ensure a

⁷⁰ MISO, Tariff, Attachment FF, § X.C.1 (13.0.0); Southern Companies, OATT, Ex. K-5, § 3.1 (0.0.0).

⁷¹ MISO, Tariff, Attachment FF, § X.C.2 (13.0.0); Southern Companies, Ex. K-5, § 3.2 (0.0.0).

⁷² Four Public Interest Organizations RTO Protest, Docket Nos. ER13-1923-000, ER13-1928-000, ER13-1930-000, ER13-1940-000, and ER13-1941-000, at 13 (filed Sept. 9, 2013).

comprehensive data exchange so the transmission planning regions can effectively identify and evaluate more cost-effective interregional transmission solutions.⁷³

(c) Answers

48. SERTP Filing Parties argue that their data exchange proposal meets the requirements of Order No. 1000 and that Four Public Interest Organizations do not identify any additional Order No. 1000 requirement that the parties exchange stability models and other models used in the respective regional transmission planning process.⁷⁴ SERTP Filing Parties assert that Order No. 1000 requires parties to exchange data sufficient to make neighboring regions aware of each other's transmission plans and the assumption and analysis that support those plans, which their proposal achieves through the exchange of power-flow models and associated data that supports each regional transmission plan.⁷⁵ Moreover, SERTP Filing Parties state that, while power-flow models and associated data will be provided automatically each year, their proposal provides SERTP and its neighboring regions with the means to request additional information if needed, and the regions are free to make such requests.⁷⁶

49. MISO states that Four Public Interest Organizations inaccurately argue that the compliance proposals' interregional transmission coordination provisions do not provide details for data exchange procedures and may arbitrarily limit exchange of data.⁷⁷ MISO contends that the proposed tariff provisions appropriately provide for data sharing and harmonization procedures.⁷⁸

⁷³ *Id.* at 13-14.

⁷⁴ SERTP Filing Parties Answer, Docket Nos. ER13-1928-000, ER13-1930-000, ER13-1940-000, and ER13-1941-000, at 15 (filed Oct. 9, 2013).

⁷⁵ *Id.*

⁷⁶ *Id.*

⁷⁷ MISO Answer, Docket No. ER13-1923-000, at 4 (filed Oct. 21, 2013) (citing Four Public Interest Organizations Protest, Docket Nos. ER13-1923-000, ER13-1928-000, ER13-1930-000, ER13-1940-000, and ER13-1941-000, at 13-14 (filed Sept. 9, 2013)).

⁷⁸ *Id.* at 5-6.

50. SERTP Filing Parties state that Order No. 1000 did not require that regions exchange all information and every data point used or considered in developing their annual transmission plan.⁷⁹ SERTP Filing Parties further argue that, depending on the type of analysis included in the power-flow models, the “associated data” will likely include the type of stability information that Four Public Interest Organizations claim is lacking.⁸⁰

51. In addition, SERTP Filing Parties state that the regions exchange transmission-related data and planning information regularly through the SERC Reliability Corporation (SERC), the Eastern Interconnection Reliability Assessment Group, the Multi-Regional Modeling Working Group, and other reliability-related processes.⁸¹ SERTP Filing Parties contend that these pre-existing activities will not be diminished or eliminated, but rather complemented by data exchanges pursuant to Order No. 1000’s interregional transmission coordination requirements.⁸² SERTP Filing Parties argue that regions will not disregard data received through other means when reviewing their neighbors’ regional transmission plans, as such actions are generally required in order for utilities to effectively comply with “duty to serve” requirements.⁸³

52. SERTP Filing Parties state that each region must share data with several other neighboring regions; by starting with the power-flow models and associated data, and then providing additional information as needed, the initial data being shared between and among the regions will be consistent, while providing needed flexibility to conform data produced to the individual needs of each neighboring region.⁸⁴ Therefore, SERTP Filing Parties state that there is no basis to Four Public Interest Organizations’ assertion that neighboring transmission planners will not cooperate with their interregional counterparts in providing useful and necessary data. SERTP Filing Parties argue that assuming transmission planning is an inherently litigious process is counter to the interregional transmission coordination policies of Order Nos. 890 and 1000, as well as

⁷⁹ SERTP Filing Parties Answer, Docket Nos. ER13-1928-000, ER13-1930-000, ER13-1940-000, and ER13-1941-000, at 16 (filed Oct. 9, 2013).

⁸⁰ *Id.*

⁸¹ *Id.*

⁸² *Id.*

⁸³ *Id.* at 16-17.

⁸⁴ *Id.* at 17.

inconsistent with the cooperative nature of transmission planning in the Southeast, which operates in accordance with duty to serve obligations.⁸⁵

53. SERTP Filing Parties argue that Four Public Interest Organizations' desire for a joint identification mandate exceeds the requirements of Order No. 1000. SERTP Filing Parties assert that Order No. 1000 only requires joint evaluation, not joint identification.⁸⁶ SERTP Filing Parties argue that their commitment to engage in identification of potential interregional transmission projects fully satisfies the Order No. 1000 requirement.⁸⁷

54. Moreover, SERTP Filing Parties contend that although Order No. 1000 requires "transmission planning" on a regional level, it only requires "transmission coordination" on an interregional level. SERTP Filing Parties assert that Four Public Interest Organizations' request appears to call for top-down, interregional transmission planning, where identification of transmission projects must be a joint effort.⁸⁸

55. SERTP Filing Parties and MISO explain that consistent with Order No. 1000's requirements that a formal process be included, they committed to perform a biennial review for the purpose of identifying interregional transmission projects.⁸⁹ SERTP Filing Parties further explain that, in conjunction with that formal process, each transmission planning region, with input from their stakeholders, can identify interregional transmission projects at any time and bring them to the attention of the other region.⁹⁰ SERTP Filing Parties argue that the "identification process" itself is not described beyond the general timeframe and procedure because it is no different than the process for identifying regional transmission projects, local projects, or any sort of project.⁹¹ SERTP Filing Parties explain that, in SERTP, transmission planners review their transmission needs – which are transmission capacity requirements required to reliably satisfy long-

⁸⁵ *Id.* at 19-20.

⁸⁶ *Id.* at 4-5.

⁸⁷ *Id.* at 5.

⁸⁸ *Id.*

⁸⁹ *Id.*; MISO Answer, Docket No. ER13-1923-000, at 4 (filed Oct. 21, 2013).

⁹⁰ SERTP Filing Parties Answer, Docket Nos. ER13-1928-000, ER13-1930-000, ER13-1940-000, and ER13-1941-000, at 5-6 (filed Oct. 9, 2013).

⁹¹ *Id.* at 6.

term transmission commitments, such as network resource designations, firm long-term point-to-point reservations, generation commitments, and native load service – using models to analyze how such demands can best be met.⁹² SERTP Filing Parties argue that the existing OATTs already detail how transmission projects are identified through their bottom-up transmission planning processes⁹³ with the additional interregional transmission coordination required by Order No. 1000-A providing potentially another stimulus for the identification of new transmission projects.⁹⁴ SERTP Filing Parties assert that, in addition to the identification of transmission projects by the transmission providers, the SERTP processes also allow for stakeholders and transmission developers to identify transmission projects for consideration.⁹⁵

56. SERTP Filing Parties argue that requiring the inclusion in their respective OATTs of an even more prescriptive, detailed description of exactly how transmission planning must be performed would limit the flexibility that transmission planners need to address specific circumstances, thereby harming SERTP Filing Parties’ (who are all load serving entities) ability to plan and expand the transmission system to satisfy their load serving needs.⁹⁶

57. In response to Four Public Interest Organizations’ protest, SERTP Filing Parties assert that the term “as necessary and if requested”⁹⁷ provides SERTP and its neighboring regions with the flexibility to determine the type and quantity of additional information to be provided under a given set of circumstances without having to determine in advance what those circumstances are or the type of data to be exchanged.

(d) Commission Determination

58. We find that the interregional transmission coordination data and information exchange process specified in SERTP Filing Parties and MISO’s compliance filings partially complies with Order No. 1000.

⁹² *Id.* at 6-7.

⁹³ *Id.* at 7 (citing Southern Companies, OATT, Ex. K-5, §§ 6.6.2, 6.6.3 (0.0.0)).

⁹⁴ *Id.*

⁹⁵ *Id.*

⁹⁶ *Id.*

⁹⁷ *Id.* at 20 (citing Southern Companies, OATT, Ex. K-5, § 2.1 (0.0.0)).

59. SERTP Filing Parties and MISO provide for the exchange of the power-flow models and associated data used in the regional transmission planning process, along with additional transmission-based models and data biennially or as requested. In addition, SERTP Filing Parties and MISO propose that for purposes of their interregional transmission coordination activities, the transmission planning regions will post their own regional transmission plans on their respective regional transmission planning websites. SERTP Filing Parties and MISO propose to coordinate between public utility transmission providers in neighboring transmission planning regions for transmission facilities that are proposed to be located in both regions, as well as interregional transmission facilities that are not proposed but which could address transmission needs more efficiently or cost-effectively than separate intraregional transmission facilities. Furthermore, if transmission providers in the SERTP or MISO regions identify a potential interregional transmission project that could be more efficient or cost-effective than those transmission projects included in their respective regional transmission plans, the neighboring transmission planning regions will jointly evaluate the potential transmission project. We note that while Order No. 1000 required each public utility transmission provider to explain in its OATT how stakeholders and transmission developers can propose interregional transmission facilities for joint evaluation,⁹⁸ Order No. 1000 did not require public utility transmission providers to independently identify interregional transmission facilities. Thus, SERTP Filing Parties and MISO have proposed to go beyond this requirement of Order No. 1000. We find that SERTP Filing Parties and MISO's procedures for the exchange of data and information so that neighboring transmission planning regions are aware of and are able to utilize each other's regional transmission plans, including underlying assumptions and analysis, comply with Order No. 1000.

60. We dismiss Four Public Interest Organizations' concerns related to SERTP Filing Parties and MISO's proposed process for identification of interregional transmission facilities that may be more efficient or cost-effective transmission solutions to their respective regional transmission needs. Specifically, we reject Four Public Interest Organizations' argument that SERTP Filing Parties and MISO's regional transmission planning processes fail to ensure that sufficient interregional coordination can occur. SERTP Filing Parties and MISO's proposal provides that at least annually, SERTP transmission providers and MISO will exchange power-flow models and associated data used in their regional transmission planning processes to develop their respective then-current regional transmission plans.⁹⁹ SERTP Filing Parties and MISO's proposal also

⁹⁸ Order No. 1000-A, 139 FERC ¶ 61,132 at P 522.

⁹⁹ MISO, Tariff, Attachment FF, § X.B (13.0.0); Southern Companies, OATT, Ex. K-5, § 2 (0.0.0).

enables transmission providers to request additional transmission-based models and data if needed. As to Four Public Interest Organizations' argument that SERTP Filing Parties and MISO's proposal fails to call for the exchange of stability models and other modeling used in their respective regional transmission planning processes, we disagree. SERTP Filing Parties' OATT provides that during its first quarter meeting the transmission provider will present and explain its transmission study methods, which may include the following types of studies: (1) steady state thermal analysis; (2) steady state voltage analysis; (3) stability analysis; (4) short-circuit analysis; (5) nuclear plant off-site requirements; and (6) interface analysis (i.e., import and export capability).¹⁰⁰ Further, SERTP Filing Parties explain that the regions routinely exchange transmission-related data and planning information on a regular basis through SERC, the Eastern Interconnection Reliability Assessment Group, the Multi-Regional Modeling Working Group, and other reliability-related processes.¹⁰¹ For the above reasons, we dismiss Four Public Interest Organizations' argument that the SERTP Filing Parties and MISO's proposal fails to ensure that sufficient interregional coordination can occur.

61. We dismiss Four Public Interest Organizations' concern that the proposed phrase "as necessary and if requested" for data exchange to occur between transmission providers¹⁰² is open to interpretation and does not ensure data necessary for joint identification and evaluation will be shared between regions absent criteria around which to base related decisions. We agree with SERTP Filing Parties that this phrase allows neighboring regions the flexibility to determine the type and quantity of additional information to be provided under a given set of circumstances without having to determine in advance what those circumstances are or the type of data to be exchanged.

62. Consistent with Order No. 1000's requirement to identify interregional transmission facilities, we accept the provisions in SERTP Filing Parties and MISO's OATTs that provide the ability for stakeholders and transmission developers to propose interregional transmission facilities and for the public utility transmission providers to use those proposals, along with their own professional judgment, to identify possible

¹⁰⁰ *E.g.*, Southern Companies, OATT, Ex. K-5, § 3.5.1.2 (0.0.0).

¹⁰¹ *E.g.*, *id.* § 6 (0.0.0). Southern Companies notes that in accordance with Order No. 1000, this planning principle only applies to the transmission provider's local transmission planning process.

¹⁰² Four Public Interest Organizations RTO Protest, Docket Nos. ER13-1923-000, ER13-1928-000, ER13-1930-000, ER13-1940-000, and ER13-1941-000, at 12 (filed Sept. 9, 2013) (citing MISO, Tariff, Attachment FF, § X.C.5 (13.0.0); Southern Companies, OATT, Ex. K-5, § 3.5 (0.0.0)).

interregional transmission facilities that could address transmission needs more efficiently or cost-effectively than separate intraregional transmission facilities. However, the Commission required the developer of an interregional transmission facility to first propose its interregional transmission facility in the regional transmission planning processes of each of the neighboring regions in which the transmission facility is proposed to be located, which will trigger the procedure under which the public utility transmission providers, acting through their regional transmission planning processes, will jointly evaluate the proposed interregional transmission project. While we accept the proposal to rely on the regional transmission planning processes as the forum for stakeholders and transmission developers to propose interregional transmission facilities for joint evaluation, SERTP Filing Parties and MISO have not explained how a proponent of an interregional transmission facility may seek to have its interregional transmission facility jointly evaluated by SERTP Filing Parties and MISO by submitting the interregional transmission facility into SERTP Filing Parties and MISO's regional transmission planning processes. Accordingly, we direct SERTP Filing Parties and MISO to submit, within 60 days of the date of issuance of this order, further compliance filings with proposed revisions to their tariffs that satisfy these requirements.

ii. Procedure for Joint Evaluation

63. In Order No. 1000, the Commission required each public utility transmission provider to establish procedures with each of its neighboring transmission planning regions in its interconnection to jointly evaluate interregional transmission facilities.¹⁰³ The submission of an interregional transmission project in each regional transmission planning process will trigger the procedure under which the public utility transmission providers, acting through their regional transmission planning processes, will jointly evaluate the proposed transmission project.¹⁰⁴

64. The Commission required that joint evaluation be conducted in the same general timeframe as, rather than subsequent to, each transmission planning region's individual

¹⁰³ Order No. 1000-A, 139 FERC ¶ 61,132 at P 493 (citing Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 396). *See also*, Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 435. As explained in the previous section of this order, a developer must first propose an interregional transmission project in each regional transmission planning processes in which the transmission facility is proposed to be located.

¹⁰⁴ Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 436; Order No. 1000-A, 139 FERC ¶ 61,132 at P 506.

consideration of the proposed interregional transmission project.¹⁰⁵ The Commission explained that, to meet the requirement to conduct the joint evaluation in the same general time frame, it expected public utility transmission providers to develop a timeline that provides a meaningful opportunity to review and evaluate through the interregional transmission coordination procedures information developed through the regional transmission planning process and, similarly, provides a meaningful opportunity to review and use in the regional transmission planning process information developed in the interregional transmission coordination procedures.¹⁰⁶

65. In addition, the Commission required that the compliance filing by public utility transmission providers in neighboring transmission planning regions include a description of the types of transmission studies that will be conducted to evaluate conditions on their neighboring transmission systems for the purpose of determining whether interregional transmission facilities are more efficient or cost-effective than regional transmission facilities.¹⁰⁷ Additionally, the Commission directed each public utility transmission provider to develop procedures by which differences in the data, models, assumptions, transmission planning horizons, and criteria used to study a proposed interregional transmission project can be identified and resolved for purposes of jointly evaluating a proposed interregional transmission facility.¹⁰⁸

(a) Compliance Filings

66. SERTP Filing Parties and MISO propose that representatives of SERTP and the staff of MISO will meet no less than once per year to facilitate the interregional

¹⁰⁵ Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 436; Order No. 1000-A, 139 FERC ¶ 61,132 at P 506 (citing Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 439).

¹⁰⁶ Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 439. Order No. 1000 does not require that interregional transmission projects be evaluated simultaneously by both regions or in joint sessions of both regions' stakeholders. *Id.* P 438.

¹⁰⁷ *Id.* P 398; Order No. 1000-A, 139 FERC ¶ 61,132 at P 493. The Commission did not require any particular type of studies be conducted. *Id.*; *see also, e.g.*, SERTP First Regional Compliance Order, 144 FERC ¶ 61,054 at P 198; *Pub. Serv. Co. of Colo.*, 142 FERC ¶ 61,206, at P 283 (2013) (WestConnect First Regional Compliance Order); *N.Y. Indep. Sys. Operator, Inc.*, 148 FERC ¶ 61,044, at P 257 (2014).

¹⁰⁸ Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 437; Order No. 1000-A, 139 FERC ¶ 61,132 at PP 506, 510.

transmission coordination procedures. SERTP Filing Parties and MISO also propose that representatives of SERTP and MISO staff may meet more frequently during the evaluation of interregional transmission project(s) proposed for purposes of interregional cost allocation between the SERTP and MISO transmission planning regions.¹⁰⁹

67. SERTP Filing Parties and MISO propose that the transmission providers shall act through their respective regional transmission planning processes in the joint evaluation of identified potential interregional transmission projects to determine whether the inclusion of any potential interregional transmission projects in each region's regional transmission plan would be more efficient or cost-effective than regional transmission projects. SERTP Filing Parties and MISO propose that such analysis shall be consistent with the accepted transmission planning practices of the respective regions and the methods utilized to produce each region's respective regional transmission plan(s).¹¹⁰

68. SERTP Filing Parties and MISO also propose that initial coordination activities regarding potential interregional transmission projects will typically begin during the third quarter of each calendar year. SERTP Filing Parties and MISO propose that the transmission providers will exchange status updates regarding interregional transmission projects that are newly proposed or that are currently under consideration as needed. Under the proposal, these status updates will generally include, if applicable: (i) an update of the region's evaluation of the proposal(s), (ii) the latest calculation of benefits, and (iii) the anticipated timeline for future assessments.¹¹¹

69. SERTP Filing Parties and MISO propose to coordinate assumptions and data used in joint evaluations, as necessary, including items such as: (i) expected timelines and milestones associated with the joint evaluation, (ii) study assumptions, (iii) models, and (iv) benefit calculations.¹¹²

¹⁰⁹ MISO, Tariff, Attachment FF, § X.A.1 (13.0.0); Southern Companies, OATT, Ex. K-5, § 1.1 (0.0.0).

¹¹⁰ MISO, Tariff, Attachment FF, § X.C.3 (13.0.0); Southern Companies, OATT, Ex. K-5, § 3.3 (0.0.0).

¹¹¹ MISO, Tariff, Attachment FF, § X.C.4 (13.0.0); Southern Companies, OATT, Ex. K-5, § 3.4 (0.0.0).

¹¹² MISO, Tariff, Attachment FF, § X.C.5 (13.0.0); Southern Companies, OATT, Ex. K-5, § 3.5 (0.0.0).

70. SERTP Filing Parties and MISO's proposal also provides specific circumstances under which an interregional transmission project may be removed from the MISO or SERTP regional transmission plans for purposes of cost allocation. These circumstances include: (i) if the developer fails to meet developmental milestones; (ii) pursuant to the reevaluation procedures specified in the respective regional transmission planning processes; or (iii) if the project is removed from one of the region's regional transmission plans pursuant to the requirements of its regional transmission planning process.¹¹³ SERTP Filing Parties and MISO's proposal specifies that SERTP and MISO Transmission Providers shall notify each other if an interregional transmission project or a portion thereof is likely to be, and/or is removed from its regional transmission plan.¹¹⁴

(b) Protests/Comments

71. Four Public Interest Organizations state that joint evaluation is a central tenet of Order No. 1000's interregional coordination requirements, but they contend that SERTP Filing Parties and MISO's proposal does not include a formal procedure for joint identification and evaluation.¹¹⁵ Wind Parties concur that SERTP Filing Parties and MISO's proposal does not contain a formal procedure for joint identification and evaluation.¹¹⁶

72. Moreover, Four Public Interest Organizations maintain that aside from slightly varying commitments to coordinate assumptions and modeling, the proposed procedures do not appear to include any joint evaluation process.¹¹⁷ In their view, the proposed joint

¹¹³ MISO, Tariff, Attachment FF, § X.D.8 (13.0.0); Southern Companies, OATT, Ex. K-5, § 4.8 (0.0.0).

¹¹⁴ MISO, Tariff, Attachment FF, § X.D.8.a (13.0.0); Southern Companies, OATT, Ex. K-5, § 4.8.A (0.0.0).

¹¹⁵ Four Public Interest Organizations RTO Protest, Docket Nos. ER13-1923-000, ER13-1928-000, ER13-1930-000, ER13-1940-000, and ER13-1941-000, at 7-8 (filed Sept. 9, 2013).

¹¹⁶ Wind Parties Comments, Docket Nos. ER13-1923-000, ER13-1928-000, ER13-1930-000, ER13-1940-000, and ER13-1941-000, at 4 (filed Sept. 24, 2013).

¹¹⁷ Four Public Interest Organizations RTO Protest, Docket Nos. ER13-1923-000, ER13-1928-000, ER13-1930-000, ER13-1940-000, and ER13-1941-000, at 9 (filed Sept. 9, 2013).

evaluation involves the regions engaging in their own regional transmission planning process using assumptions that may be coordinated with the other relevant regions.¹¹⁸

73. In addition, Four Public Interest Organizations and Wind Parties are concerned that the compliance proposals lack procedures for identifying and resolving differences in data.¹¹⁹ Wind Parties and Four Public Interest Organizations state that Order No. 1000 requires transmission providers to “develop procedures by which such differences can be identified and resolved for purposes of jointly evaluating the proposed interregional transmission facility.”¹²⁰ Four Public Interest Organizations similarly argue that, besides language stating that assumptions and modeling will be coordinated the proposal contains no additional specifics about how differences in data will be handled as part of joint evaluation and interregional transmission coordination.¹²¹ For example, Four Public Interest Organizations assert that the proposal contains no reference to potential disputes over differences in preferred inputs or assumptions or the potential implications of such differences on joint evaluation.¹²² Four Public Interest Organizations also contend that the proposal lacks criteria by which decisions to coordinate data differences will be made, and it contains no steps for dispute resolution specific to disagreements over coordinating data.¹²³ Thus, Four Public Interest Organizations argue, the proposal fails “to ensure some minimum level of coordination for purposes of joint evaluation and therefore fail[s] to comply with the reconciliation of data process obligations in paragraph 437 of Order No. 1000.”¹²⁴ Four Public Interest Organizations contend that SERTP Filing Parties and

¹¹⁸ *Id.*

¹¹⁹ *Id.* at 12; Wind Parties Comments, Docket Nos. ER13-1923-000, ER13-1928-000, ER13-1930-000, ER13-1940-000, and ER13-1941-000, at 4 (filed Sept. 24, 2013).

¹²⁰ Four Public Interest Organizations RTO Protest, Docket Nos. ER13-1923-000, ER13-1928-000, ER13-1930-000, ER13-1940-000, and ER13-1941-000, at 11 (filed Sept. 9, 2013); Wind Parties Comments, Docket Nos. ER13-1923-000, ER13-1928-000, ER13-1930-000, ER13-1940-000, and ER13-1941-000, at 6 (filed Sept. 24, 2013) (citing Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 437).

¹²¹ Four Public Interest Organizations RTO Protest, Docket Nos. ER13-1923-000, ER13-1928-000, ER13-1930-000, ER13-1940-000, and ER13-1941-000, at 12 (filed Sept. 9, 2013).

¹²² *Id.*

¹²³ *Id.*

¹²⁴ *Id.* at 13.

MISO's proposal stating that assumptions and models will be coordinated "[t]o the extent possible and as necessary,"¹²⁵ is too vague and fails to ensure a minimum level of coordination for purpose of joint evaluation.

74. Wind Parties maintain that there is no backstop provision in the case that regions do not agree on which potential interregional transmission solutions warrant study as an interregional transmission project.¹²⁶ They contend that it is critical to include such a provision, so that a single region might initiate a coordinated system plan. Moreover, in Wind Parties' view, such a provision should not include a requirement that two years pass without agreement between the regions before the backstop mechanism applies; this requirement would mean a two-year delay for the study of potentially beneficial transmission projects.¹²⁷ Wind Parties also state that they "see no clear path for stakeholders like [themselves], or merchant transmission owners to propose an interregional transmission issue or project for study."¹²⁸ Wind Parties request that the Commission require a backstop provision that would allow one party to initiate an interregional study after one year of disagreement and which would provide a way for third parties to initiate a study.¹²⁹ Finally, with respect to harmonizing, Wind Parties ask the Commission to direct SERTP and the RTOs to provide details on the procedures they will use to resolve any differences in models, data, and scenarios to be used for interregional planning studies.¹³⁰

¹²⁵ *Id.* at 12 (citing MISO, Tariff, Attachment FF, § X.C.5 (13.0.0); Southern Companies, OATT, Ex. K-5, § 3.5 (0.0.0)). While Four Public Interest Organizations protest the language in §§ 3.5 and X.C.5 of SERTP Filing Parties and MISO's proposed tariff language, the actual language of both tariff sections state "[t]he Transmission Provider and MISO will coordinate assumptions and data used in joint evaluations, as necessary." MISO, Tariff, Attachment FF, § X.C.5 (13.0.0); Southern Companies, OATT, Ex. K-5, § 3.5 (0.0.0).

¹²⁶ Wind Parties Comments, Docket Nos. ER13-1923-000, ER13-1928-000, ER13-1930-000, ER13-1940-000, and ER13-1941-000, at 5 (filed Sept. 24, 2013).

¹²⁷ *Id.*

¹²⁸ *Id.* at 6.

¹²⁹ *Id.*

¹³⁰ *Id.*

(c) Answers

75. In response to Four Public Interest Organizations’ concerns, SERTP Filing Parties and MISO argue that the Commission did not define joint evaluation as a single evaluation with one set of evaluation criteria and one outcome applicable to both regions. Rather, SERTP Filing Parties and MISO argue that Order No. 1000 in no way requires that the process for jointly identifying and evaluating potential interregional transmission projects be entirely separate from the project identification and evaluation procedures already in place at the regional level, and actually requires the utilization of the regional transmission planning process.¹³¹

76. MISO contends that the fact that the SERTP Filing Parties and MISO’s proposal leverages each region’s existing regional transmission planning processes to facilitate the joint evaluation of potential interregional transmission projects is appropriate and consistent with the directives of Order No. 1000.¹³² SERTP Filing Parties further contend that the approach proposed by Four Public Interest Organizations is not efficient, arguing that even if there were a joint evaluation with one set of criteria, such joint evaluation would have to be repeated by each region evaluating the transmission project utilizing its own criteria to determine whether to proceed with the transmission project.¹³³

77. SERTP Filing Parties and MISO contend that their proposed tariff provisions include a process pursuant to which the applicable regions will coordinate the assumptions and data that will be used when jointly evaluating an interregional transmission project. SERTP Filing Parties and MISO state that they will include coordination of expected milestones and timelines associated with the evaluation, study

¹³¹ SERTP Filing Parties and MISO assert that the Commission explained that “[t]he submission of the interregional transmission project in each regional transmission planning process will trigger the procedure under which the public utility transmission providers acting through their regional transmission planning process will jointly evaluate the proposed transmission project.” SERTP Filing Parties Answer, Docket Nos. ER13-1928-000, ER13-1930-000, ER13-1940-000, and ER13-1941-000, at 8-9 (filed Oct. 9, 2013) (citing Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 436); MISO Answer, Docket No. 1923-000, at 5 (filed Oct. 21, 2013) (citing Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 436).

¹³² MISO Answer, Docket No. ER13-1923-000, at 5 (filed Oct. 21, 2013).

¹³³ SERTP Filing Parties Answer, Docket Nos. ER13-1928-000, ER13-1930-000, ER13-1940-000, and ER13-1941-000, at 9 (filed Oct. 9, 2013).

assumptions, models, and benefit calculations.¹³⁴ MISO contends that this allows for data used in the joint interregional transmission project evaluation process to be mutually shared and reconciled as necessary consistent with Order No. 1000's directive.¹³⁵

78. Additionally, SERTP Filing Parties argue that Four Public Interest Organizations fail to recognize that the proposal's use of terms such as "as necessary" and "as needed" with regard to data coordination provides SERTP and neighboring regions with flexibility to coordinate joint evaluation activities as circumstances dictate. SERTP Filing Parties assert that their proposal allows a workable and efficient process that ensures a coordinated approach to selecting interregional transmission projects for purposes of cost allocation.¹³⁶

79. SERTP Filing Parties argue that Four Public Interest Organizations incorrectly claim that there are no procedures for identifying and resolving differences in data. SERTP Filing Parties assert that they and neighboring regions have taken a proactive approach to harmonization of data that will be used in joint evaluation, and will use coordinated data and assumptions, making any need to resolve any differences of data unlikely.¹³⁷

80. Finally, SERTP Filing Parties state that Order No. 1000 does not require a dispute resolution procedure specifically for disputes regarding data and assumptions used in interregional transmission project evaluation, as requested by Four Public Interest Organizations. SERTP Filing Parties claim that if such a dispute should occur, each region already has dispute resolution procedures, which can be deployed if necessary.¹³⁸

81. In response to Wind Parties' claim that there is no clear path for stakeholders and merchant transmission developers to propose transmission projects for study, SERTP Filing Parties and MISO state that stakeholders and transmission developers may also

¹³⁴ *Id.* at 18 (citing SERTP-MISO Proposal at §3.5); MISO Answer, Docket No. ER13-1923-000, at 4-5 (filed Oct. 21, 2013).

¹³⁵ MISO Answer, Docket No. ER13-1923-000, at 6 (filed Oct. 21, 2013) (citing Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 437).

¹³⁶ SERTP Filing Parties Answer, Docket Nos. ER13-1928-000, ER13-1930-000, ER13-1940-000, and ER13-1941-000, at 20 (filed Oct. 9, 2013).

¹³⁷ *Id.* at 19.

¹³⁸ *Id.* at 20.

propose interregional transmission projects through their respective regional transmission planning processes, which will in turn be considered through the coordinated biennial review.¹³⁹ SERTP Filing Parties also assert that stakeholder identification is also not bound by any timing requirements, although there are typically formal deadlines relating to the cost allocation project proposal process.¹⁴⁰

82. In response to Wind Parties' call for a backstop provision in the case that regions do not agree on which potential interregional transmission solutions warrant study as an interregional transmission project, SERTP Filing Parties state that Wind Parties misunderstand the SERTP Filing Parties' proposals and existing Attachment K provisions. SERTP Filing Parties assert that section 3.2 of their interregional proposals provides for identification of interregional transmission projects by stakeholders and section 3.3 provides for their evaluation.¹⁴¹ SERTP Filing Parties argue that Wind Parties seem to demand that each region be compelled to evaluate interregional transmission projects that are impractical, unnecessary, or otherwise non-viable, but that Order No. 1000 does not demand such an evaluation.¹⁴² They contend that the Wind Parties do not appear to understand the role of merchant transmission providers and projects. They further argue that merchant transmission projects are not directly subject to all of Order No. 1000's requirements because they do not seek cost recovery under the OATT; rather, interconnection requests to implement such projects would trigger detailed studies and evaluations in accordance with FPA requirements.¹⁴³

(d) Commission Determination

83. We find that SERTP Filing Parties and MISO's proposals partially comply with the joint evaluation requirements of Order No. 1000, as discussed below.

¹³⁹ MISO Answer, Docket No. ER13-1923-000, at 3-4 (filed Oct. 21, 2013); SERTP Filing Parties Answer, Docket Nos. ER13-1928-000, ER13-1930-000, ER13-1940-000, and ER13-1941-000, at 13 (filed Oct. 9, 2013) (citing Southern Companies, OATT, Ex. K-5, §§ 3.5.3.3, 15 (0.0.0)).

¹⁴⁰ SERTP Filing Parties Answer, Docket Nos. ER13-1928-000, ER13-1930-000, ER13-1940-000, and ER13-1941-000, at 6 (filed Oct. 9, 2013).

¹⁴¹ *Id.* at 13.

¹⁴² *Id.*

¹⁴³ *Id.* at 13-14.

84. SERTP Filing Parties and MISO propose to review one another's transmission plans, and if potentially more efficient or cost-effective interregional transmission projects are identified through this review, then the regions will engage in joint evaluation of such transmission projects.¹⁴⁴ After coordinating the assumptions that they will use in their respective regional evaluations, the public utility transmission providers in the two regions will evaluate through their respective regional transmission planning processes whether the proposed interregional transmission project would be a more efficient or cost-effective transmission project than transmission projects included in their existing transmission plans. Thus, we find that SERTP Filing Parties and MISO's established procedures to jointly evaluate interregional transmission facilities comply with, and go beyond, this requirement of Order No. 1000.¹⁴⁵

85. We find that SERTP Filing Parties and MISO have developed a timeline to ensure that neighboring regions conduct joint evaluation of a proposed interregional transmission project, in the same general timeframe as each transmission planning region's individual consideration of a proposed interregional transmission project, as required by Order No. 1000.¹⁴⁶ Specifically, we find that by memorializing that (1) initial coordination activities regarding new interregional transmission project proposals will typically begin during the third calendar quarter; and (2) SERTP Filing Parties and MISO will exchange status updates regarding interregional transmission facilities that are newly proposed or that are currently under consideration or as needed, satisfy the Commission's expectation provided in Order No. 1000 that in developing a timeline to conduct joint evaluations, such timeline will provide a meaningful opportunity to review and evaluate through the interregional transmission coordination procedures information developed through the regional transmission planning process.¹⁴⁷ Moreover, updates to SERTP and MISO stakeholders will also allow for evaluation of information developed through the regional transmission planning process, as the updates will include

¹⁴⁴ MISO, Tariff, Attachment FF, § X.C.1 (13.0.0); Southern Companies, OATT, Ex. K-5, § 3.1 (0.0.0).

¹⁴⁵ As the Commission discussed in the Data Exchange and Identifying Interregional Transmission Facilities section of this order, the SERTP Filing Parties and MISO have proposed to go beyond the requirement of Order No. 1000 to independently identify interregional transmission facilities.

¹⁴⁶ Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 439. Order No. 1000 does not require that interregional transmission projects be evaluated simultaneously by both regions or in joint sessions of both regions' stakeholders. *Id.* P 438.

information regarding the interregional transmission facilities to be evaluated, analyses performed, and the results of such analyses.¹⁴⁸

86. We find, however, that SERTP Filing Parties and MISO do not indicate the type of transmission studies that will be conducted to evaluate conditions on neighboring transmission systems for the purpose of determining whether interregional transmission facilities are more efficient or cost-effective than regional transmission facilities, as required by Order No. 1000.¹⁴⁹ Although SERTP Filing Parties and MISO generally cross reference the relevant regional transmission planning processes throughout their compliance filings, there is no description of the type of transmission studies that will be conducted. While the Commission does not require any particular type of study to be conducted, it does require public utility transmission providers to, at a minimum, indicate the type of transmission studies that will be conducted to evaluate conditions on neighboring transmission systems for the purpose of determining whether interregional transmission facilities are more efficient or cost-effective than regional transmission facilities. We therefore direct SERTP Filing Parties and MISO to submit further compliance filings within 60 days of the date of issuance of this order listing either the type of transmission studies that will be conducted or cross references to the specific provisions in the respective tariffs that reference such studies at the regional transmission planning level.

87. In addition, we find that SERTP Filing Parties and MISO have not proposed to consider regional reliability needs or transmission needs driven by public policy requirements in both transmission planning regions as part of the evaluation of an interregional transmission facility. In Order No. 1000-A, the Commission explained that

[i]n Order No. 1000, the Commission determined that interregional transmission coordination neither requires nor precludes longer-term interregional transmission planning, including consideration of transmission needs driven by Public Policy Requirements.¹⁵⁰ Order No. 1000 stated that

¹⁴⁷ *Id.* P 439.

¹⁴⁸ MISO, Tariff, Attachment FF, § X.E.1 (13.0.0); Southern Companies, OATT, Ex. K-5, § 5.2 (0.0.0).

¹⁴⁹ Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 398.

¹⁵⁰ Order No. 1000 defined Public Policy Requirements as requirements established by local, state or federal laws or regulations (i.e., enacted statutes passed by the legislature and signed by the executive and regulations promulgated by a relevant

(continued...)

whether and how to address this issue with regard to interregional transmission facilities is a matter for public utility transmission providers, through their regional transmission planning processes, to resolve in the development of compliance proposals. We clarify that Order No. 1000 does not require or prohibit consideration of transmission needs driven by Public Policy Requirements as part of interregional transmission coordination. However, such considerations are required through the regional transmission planning process, which is an integral part of interregional transmission coordination because all interregional transmission projects must be selected in both of the relevant regional transmission planning processes in order to receive interregional cost allocation. Therefore, consideration of transmission needs driven by Public Policy Requirements is an essential part of the evaluation of an interregional transmission project, not as part of interregional transmission coordination, but rather as part of the relevant regional transmission planning processes. As such, we continue to believe that the decision of whether and how to address these issues with regard to interregional transmission facilities in the regional transmission planning processes is a matter for public utility transmission providers to work out with their stakeholders in the development of compliance proposals.^{151]}

88. In their compliance proposal, SERTP Filing Parties and MISO propose to determine the benefits used to establish the cost allocation of a transmission project in part through considering the transmission costs each region is projected to avoid; however, the proposed OATT language limits the transmission costs that will be considered by MISO to those associated with Market Efficiency Projects.¹⁵² While this

jurisdiction, whether within a state or at the federal level). *Id.* P 2. Order No. 1000-A clarified that Public Policy Requirements included local laws and regulations passed by a local governmental entity, such as a municipal or county government. Order No. 1000-A, 139 FERC ¶ 61,132 at P 319.

¹⁵¹ Order No. 1000-A, 139 FERC ¶ 61,132 at P 500.

¹⁵² In contrast, SERTP Filing Parties will consider the total avoided costs of all transmission projects included in the then-current regional transmission plan that would

(continued...)

may account for MISO's economic needs, we find that the proposal to limit the avoided costs to those associated with MISO Market Efficiency Projects does not comply with the evaluation requirements of Order No. 1000 because SERTP Filing Parties and MISO do not have a way in their respective regional transmission process to evaluate proposed interregional transmission facilities that address both transmission planning region's regional reliability needs or transmission needs driven by public policy requirements.¹⁵³ Accordingly, we direct SERTP Filing Parties and MISO to submit, within 60 days of the date of the issuance of this order, further compliance filings that revise their proposed interregional transmission coordination procedures so that an interregional transmission facility that may resolve regional reliability needs and transmission needs driven by public policy requirements can be considered by each respective regional transmission planning process.

89. We find that SERTP Filing Parties and MISO's proposed procedures by which differences in the data, models, assumptions, planning horizons, and criteria used to study a proposed interregional transmission project can be identified and resolved for purposes of jointly evaluating a proposed interregional transmission facility comply with Order No. 1000. We find that both interregional proposals explain that SERTP Filing Parties and MISO will coordinate assumptions used in joint evaluations, as necessary, including expected timelines/milestones associated with the joint evaluation, study assumptions, and regional benefit calculations.¹⁵⁴ The proposals also state that, at least annually, SERTP Filing Parties and MISO will exchange power-flow models and associated data used in their regional transmission planning processes.¹⁵⁵ In addition, they may exchange additional transmission-based models and data as necessary and if requested.

be displaced if the proposed interregional transmission project was included. MISO, Tariff, Attachment FF, § X.D.2.b (13.0.0); Southern Companies, OATT, Ex. K-5, § 4.2 (0.0.0).

¹⁵³ MISO further proposes that the total avoided costs for Market Efficiency Projects that it will consider are limited to those that are "identified, but not approved in the then-current regional transmission plan that would be displaced if the proposed interregional transmission project was included." MISO, Tariff, Attachment FF, § X.D.2.b (13.0.0); Southern Companies, OATT, Ex. K-5, § 4.2 (0.0.0). We address this aspect of the proposal below in the Cost Allocation section of this order.

¹⁵⁴ MISO, Tariff, Attachment FF, § X.C.5 (13.0.0); Southern Companies, OATT, Ex. K-5, § 3.5 (0.0.0).

¹⁵⁵ MISO, Tariff, Attachment FF, § X.B (13.0.0); Southern Companies, OATT, Ex. K-5, § 2 (0.0.0).

90. We dismiss Four Public Interest Organizations' and Wind Parties' argument that the provisions regarding data exchange and identification of interregional transmission facilities proposed by SERTP Filing Parties and MISO lack procedures for identifying and resolving differences in data, models, assumptions, planning horizons and criteria. The Commission directed each public utility transmission provider, through its transmission planning region, to develop procedures by which such differences can be identified and resolved for purposes of jointly evaluating the proposed interregional transmission facility; however, it left each pair of neighboring regions discretion in the way this requirement was designed and implemented, and did not require that any particular planning horizons or criteria be used.¹⁵⁶

91. We dismiss Four Public Interest Organizations' and Wind Parties' argument that SERTP Filing Parties and MISO's proposal lacks specific procedures for dispute resolution relating to coordination. Disputes concerning interregional transmission planning issues may be resolved consistent with the dispute resolution process contained in the SERTP Filing Parties and MISO's respective OATTs. We find this information provides a sufficient process to identify and resolve disputes in implementing the interregional transmission coordination requirements for data exchange.

92. Additionally, we disagree with Four Public Interest Organizations' argument that the proposal submitted by SERTP Filing Parties and MISO that states that assumptions and models will be coordinated "as necessary" is too vague and possibly limits the coordination of joint evaluation. We agree with SERTP Filing Parties' response that this provision provides flexibility to coordinate joint evaluation activities as circumstances dictate, and does not limit coordination for joint evaluation.

93. We also decline to require Wind Parties' suggestion that SERTP Filing Parties and MISO adopt a backstop provision in cases where regions do not agree on which potential interregional transmission solutions warrant study as an interregional transmission project, as Order No. 1000 does not require this measure. While it may be worthwhile to investigate all potential interregional transmission solutions more fully, Order No. 1000 did not require such an evaluation process and did not require interregional transmission planning.

iii. Transparency and Stakeholder Participation

94. The Commission required public utility transmission providers, either individually or through their transmission planning region, to maintain a website or e-mail list for the communication of information related to interregional transmission coordination

¹⁵⁶ Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 437.

procedures.¹⁵⁷ While public utility transmission providers may maintain such information on an existing public utility transmission provider's website or a regional transmission planning website, the information must be posted in a way that enables stakeholders to distinguish between information related to interregional transmission coordination and information related to regional transmission planning.¹⁵⁸

95. In order to facilitate stakeholder involvement, the Commission required public utility transmission providers, "subject to appropriate confidentiality protections and [Critical Energy Infrastructure Information] requirements," to "make transparent the analyses undertaken and determinations reached by neighboring transmission planning regions in the identification and evaluation of interregional transmission facilities."¹⁵⁹ The Commission also required that each public utility transmission provider describe in its OATT how the regional transmission planning process will enable stakeholders to provide meaningful and timely input with respect to the consideration of interregional transmission facilities.¹⁶⁰

(a) Compliance Filings

96. SERTP Filing Parties and MISO assert that they propose revisions that are intended to meet the transparency and stakeholder participation requirements of Order No. 1000.¹⁶¹ SERTP Filing Parties and MISO propose that each transmission provider will utilize the regional transmission planning website for communication of information related to the coordinated interregional transmission coordination procedures.¹⁶² SERTP Filing Parties and MISO propose that the transmission providers shall coordinate with respect to posting to the regional transmission planning website materials related to the interregional coordination procedures between the SERTP and MISO transmission

¹⁵⁷ *Id.* P 458.

¹⁵⁸ *Id.*

¹⁵⁹ Order No. 1000-A, 139 FERC ¶ 61,132 at P 520 (citing Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 465 n.365).

¹⁶⁰ Order No. 1000-A, 139 FERC ¶ 61,132 at P 522.

¹⁶¹ MISO Compliance Filing, Docket No. ER13-1923-000, at 11; Southern Companies Compliance Filing, Docket No. ER13-1941-000, at 24.

¹⁶² MISO, Tariff, Attachment FF, § X.A.2 (13.0.0); Southern Companies, OATT, Ex. K-5, § 1.2 (0.0.0).

planning regions.¹⁶³ SERTP Filing Parties and MISO propose that transmission providers shall provide, at a minimum, the following information on the regional transmission planning website: (1) interregional coordination and cost allocation procedures between SERTP and MISO; (2) links to where stakeholders can register for the stakeholder committees or distribution lists of SERTP and MISO; (3) documents related to joint evaluation of interregional transmission projects; and (4) status reports on interregional transmission projects selected for purposes of interregional cost allocation between SERTP and MISO.¹⁶⁴

97. In addition, SERTP Filing Parties and MISO propose to post data and models used in the development of SERTP Filing Parties and MISO's then-current regional transmission process and plans on the pertinent regional transmission planning process' websites, consistent with the posting requirements of the respective regional transmission planning processes, and subject to the applicable treatment of confidential data and Critical Energy Infrastructure Information (CEII).¹⁶⁵

98. SERTP Filing Parties and MISO propose that stakeholders will have an opportunity to provide input and feedback within the respective SERTP and MISO regional transmission planning processes related to interregional transmission projects identified, analysis performed, and any determinations/results. They also propose that stakeholders may participate in either or both regions' regional transmission planning processes to provide their input and feedback regarding the interregional transmission coordination between SERTP and MISO.¹⁶⁶

99. SERTP Filing Parties and MISO propose to provide status updates of proposed interregional transmission projects to stakeholders.¹⁶⁷ Specifically, MISO proposes to

¹⁶³ MISO, Tariff, Attachment FF, § X.A.2 (13.0.0); Southern Companies, OATT, Ex. K-5, § 1.2 (0.0.0).

¹⁶⁴ MISO, Tariff, Attachment FF, § X.A.2 (13.0.0); Southern Companies, OATT, Ex. K-5, § 1.2 (0.0.0).

¹⁶⁵ MISO, Tariff, Attachment FF, § X.B (13.0.0); Southern Companies, OATT, Ex. K-5, § 2 (0.0.0).

¹⁶⁶ MISO, Tariff, Attachment FF, § X.E.1 (13.0.0); Southern Companies, OATT, Ex. K-5, § 5.1 (0.0.0).

¹⁶⁷ MISO Compliance Filing, Docket No. ER13-1923-000, at 11; Southern Companies Compliance Filing, Docket No. ER13-1941-000, at 24.

use its existing transmission planning stakeholder forums, such as the Planning Advisory Committee and Sub-regional Planning Meetings, to review with stakeholders the interregional activities associated with the SERTP.¹⁶⁸ SERTP Filing Parties propose that, at the fourth quarter SERTP Summit, or as necessary due to current activity of proposed interregional transmission projects, SERTP transmission providers will provide status updates of interregional activities including transmission facilities to be evaluated, analysis performed, and determinations/results.¹⁶⁹

(b) Protests/Comments

100. Four Public Interest Organizations note that while the SERTP Filing Parties' proposal states that updates will describe: "(i) Facilities to be evaluated; (ii) Analysis performed; and (iii) Determinations/results,"¹⁷⁰ the MISO proposal lacks specifics. Four Public Interest Organizations believe that the transparency aspects of the compliance proposals are insufficient to comply with Order No. 1000's obligations and should be strengthened. They propose that: (1) each region should be required to post all studies and documents (subject to CEII and other confidentiality requirements) related to interregional transmission projects, along with rationales for decisions not to jointly evaluate them; (2) status updates should be provided on interregional transmission projects under consideration when there is new information, including those transmission projects that are no longer under evaluation and why; and (3) summaries of status updates provided at the stakeholder meetings should be posted on all of the regions' websites.¹⁷¹ Four Public Interest Organizations argue that to require any less will allow for varying interpretations of the language provided from each set of regions, which may not ensure sufficient transparency to satisfy Order No. 1000's obligations. Four Public Interest Organizations also note that some of the status report language refers to status reports only for transmission projects already selected for purposes of cost allocation. Four Public Interest Organizations argue that to ensure transparency, the regions should

¹⁶⁸ MISO, Tariff, Attachment FF, § X.E.2 (13.0.0)).

¹⁶⁹ Southern Companies, OATT, Ex. K-5, § 5.2 (0.0.0).

¹⁷⁰ Four Public Interest Organizations Protest, Docket Nos. ER13-1923-000, ER13-1928-000, ER13-1930-000, ER13-1940-000, and ER13-1941-000, at 15 (filed Sept. 9, 2013) (citing Southern Companies, OATT, Ex. K-5, § 5.2 (0.0.0)).

¹⁷¹ *Id.* at 14-15.

commit to providing status updates about all interregional transmission projects identified and under consideration, not just those that have already been chosen.¹⁷²

(c) Answers

101. SERTP Filing Parties explain that SERTP's implementation of the requirements of Order No. 1000 will be made in accordance with SERTP's existing transmission planning processes that have been found to comply with Order No. 890's open, transparent, and coordination planning principles.¹⁷³

102. SERTP Filing Parties state that, while the proposal references an annual update, there will be other opportunities to provide and receive information regarding potential interregional transmission projects through the regional transmission planning processes and updates may be more frequent if circumstances dictate. SERTP Filing Parties note that SERTP and its neighbors have had several years of experience under Order No. 890 and other transmission planning requirements without complaints regarding insufficient data or explanation. SERTP Filing Parties assert that Four Public Interest Organizations have provided no reason to believe that SERTP or its neighbors will not be open and transparent with regard to interregional evaluation of transmission projects.¹⁷⁴

103. In addition, SERTP Filing Parties state that it is not necessary to share all data or documentation in order for regions to understand and assess each other's transmission plans; or for stakeholders to understand analysis performed and determinations made during the interregional evaluation process. SERTP Filing Parties argue that Four Public Interest Organizations overlook provisions in their proposal for posting of data regarding interregional evaluations on the regional websites. In addition, SERTP Filing Parties claim that posting all interregional documents is unreasonable; would serve no purpose; and would potentially confuse stakeholders by commingling relevant materials with extraneous information. Finally, SERTP Filing Parties state that Four Public Interest Organizations can point to no provision of Order No. 1000 that requires such a level of transparency.¹⁷⁵

¹⁷² *Id.* at 15-16.

¹⁷³ SERTP Filing Parties Answer, Docket Nos. ER13-1928-000, ER13-1930-000, ER13-1940-000, and ER13-1941-000, at 18-19 (filed Oct. 9, 2013).

¹⁷⁴ *Id.* at 23.

¹⁷⁵ *Id.* at 24.

104. MISO states that SERTP Filing Parties and MISO's proposed interregional transmission coordination provisions provide for adequate transparency as required by Order No. 1000. MISO explains that its OATT provides that MISO will use its regional transmission planning websites to communicate information related to SERTP Filing Parties and MISO's coordinated interregional transmission planning processes.¹⁷⁶ MISO states that, at a minimum, the regional transmission planning website will post the interregional transmission coordination and cost allocation procedures between SERTP and MISO; links to where stakeholders can register (if applicable/available) for the stakeholder committees or distribution lists of SERTP and MISO; documents related to joint evaluation of interregional transmission projects; and status reports on interregional transmission projects selected for purposes of interregional cost allocation between SERTP and MISO.¹⁷⁷

(d) Commission Determination

105. We find that the proposed revisions to SERTP Filing Parties and MISO's proposals comply with the relevant transparency and stakeholder participation requirements of Order No. 1000. We find that SERTP Filing Parties and MISO's respective regional transmission planning websites are an adequate means to post communication of information related to interregional transmission coordination procedures. We further find that, as a result of posting on their respective regional transmission planning websites information regarding interregional transmission coordination and cost allocation procedures, documents related to joint evaluation of interregional transmission projects, and status reports on interregional transmission projects selected for purposes of interregional cost allocation, stakeholders should be able to distinguish between information related to interregional transmission coordination and information related to regional transmission planning.

106. SERTP Filing Parties and MISO propose that data and models used in the development of SERTP Filing Parties and MISO's then-current regional transmission processes and plans will be posted on the pertinent regional transmission planning process' website, consistent with the posting requirements of the respective regional transmission planning processes and subject to the applicable treatment of confidential data and CEII. We find that these provisions also meet the transparency requirements of Order No. 1000, by allowing transmission providers to communicate information related to the interregional transmission coordination procedures.

¹⁷⁶ MISO, Tariff, Attachment FF, § X.A.2 (13.0.0).

¹⁷⁷ MISO Answer, Docket No. ER13-1923-000, at 6-7 (filed Oct. 21, 2013).

107. We also find that SERTP Filing Parties and MISO provide sufficient transparency with respect to disclosing the analyses undertaken and determinations reached in identifying and evaluating interregional transmission facilities. In addition to posting on their respective regional transmission planning websites information related to interregional transmission coordination procedures, SERTP Filing Parties and MISO propose to provide stakeholders an opportunity, within the respective SERTP and MISO regional transmission planning processes, to provide input and feedback related to interregional transmission projects identified, analysis performed, and any determinations made from the interregional transmission coordination between SERTP and MISO. SERTP Filing Parties and MISO also propose to provide stakeholders with status updates of proposed interregional transmission projects during those regional transmission planning processes. We find that these proposals to meet the requirements set forth in Order No. 1000 regarding transparency.

108. Furthermore, we find that SERTP Filing Parties and MISO adequately describe in their respective OATTs each region's regional transmission planning process that will allow stakeholders to provide input and feedback with respect to the consideration of interregional transmission facilities. Further, stakeholders may participate in either or both regions' regional transmission planning processes to provide input and feedback regarding the interregional transmission coordination between SERTP and MISO.

109. We disagree with Four Public Interest Organizations that the transparency aspects of the compliance proposals are insufficient to comply with Order No. 1000 and should be strengthened. As stated above, we find that SERTP Filing Parties and MISO provide sufficient transparency with respect to disclosing the analyses undertaken and determinations reached in identifying and evaluating interregional transmission facilities and that requiring additional transparency, as suggested by Four Public Interest Organizations, goes beyond the requirements of Order No. 1000. We agree with SERTP Filing Parties that it is not necessary to share all data or documentation for regions to understand and assess each other's transmission plans, or for stakeholders to understand analyses performed and determinations made during the process of evaluating interregional transmission facilities. Additionally, Four Public Interest Organizations point to no provision of Order No. 1000 that requires the suggested level of transparency. Therefore, we find Four Public Interest Organizations' protest on this issue unpersuasive.

110. We disagree with Four Public Interest Organizations that, to ensure transparency, the regions should commit to providing status updates about all interregional transmission facilities identified and under consideration, not just those that have already been chosen. Order No. 1000 requires "public utility transmission providers to make transparent the analyses undertaken and determinations reached by neighboring

transmission planning regions in the identification and evaluation of interregional transmission facilities.”¹⁷⁸ Providing the level of transparency proposed by Four Public Interest Organizations is therefore not required under Order No. 1000.

2. Cost Allocation

111. In Order No. 1000, the Commission required each public utility transmission provider in a transmission planning region to have, together with the public utility transmission providers in its own transmission planning region and a neighboring transmission planning region in its interconnection, a common method or methods for allocating the costs of a new interregional transmission facility among the beneficiaries of that transmission facility in the two neighboring transmission planning regions in which the transmission facility is located.¹⁷⁹ The Commission found that the method or methods for interregional transmission cost allocation used by two transmission planning regions may be different from the method or methods used by either of them for regional transmission cost allocation.¹⁸⁰ The Commission added that the method or methods for allocating a region’s share of the cost of an interregional transmission facility may differ from the method or methods for allocating the cost of a regional facility within that region.¹⁸¹ The Commission clarified that it would not require each transmission planning region to have the same interregional cost allocation method or methods with each of its neighbors, but rather that each pair of transmission planning regions could develop its own approach to interregional cost allocation that satisfied both transmission planning regions’ transmission needs and concerns, as long as that approach satisfied the interregional cost allocation principles.¹⁸²

112. The Commission required that, for an interregional transmission facility to be eligible to receive interregional cost allocation, each of the neighboring transmission planning regions in which the interregional transmission facility is proposed to be located

¹⁷⁸ Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 465.

¹⁷⁹ *Id.* P 578; Order No. 1000-A, 139 FERC ¶ 61,132 at PP 626, 634.

¹⁸⁰ Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 733; Order No. 1000-A, 139 FERC ¶ 61,132 at P 626.

¹⁸¹ Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 733; Order No. 1000-A, 139 FERC ¶ 61,132 at P 626.

¹⁸² Order No. 1000-A, 139 FERC ¶ 61,132 at P 627 (citing Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 580).

must select the facility in its regional transmission plan for purposes of cost allocation.¹⁸³ The Commission clarified that, if one of the regional transmission planning processes does not select the interregional transmission facility to receive interregional cost allocation, neither the transmission developer nor the other transmission planning region may allocate the costs of that interregional transmission facility under the provisions of Order No. 1000 to the region that did not select the interregional transmission facility.¹⁸⁴

113. The Commission required each public utility transmission provider to show on compliance that its cost allocation method or methods for interregional cost allocation are just and reasonable and not unduly discriminatory or preferential by demonstrating that each method satisfies the six interregional cost allocation principles described in Order No. 1000.¹⁸⁵ The Commission took a principles-based approach because it recognized that regional differences may warrant distinctions in cost allocation methods among transmission planning regions.¹⁸⁶ The Commission recognized that a variety of methods for cost allocation, including postage stamp cost allocation, may satisfy the set of general principles.¹⁸⁷ The Commission stated that the cost allocation principles do not apply to other new, non-Order No. 1000 transmission facilities and therefore did not foreclose the opportunity for a developer or individual customer to voluntarily assume the costs of a new transmission facility.¹⁸⁸ The Commission also explained that Order No. 1000 permits participant funding but not as an interregional cost allocation method.¹⁸⁹

¹⁸³ *Id.* PP 628, 635 (citing Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 436).

¹⁸⁴ *Id.* P 635.

¹⁸⁵ Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 603; Order No. 1000-A, 139 FERC ¶ 61,132 at P 638.

¹⁸⁶ Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 604; Order No. 1000-A, 139 FERC ¶ 61,132 at P 638.

¹⁸⁷ Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 605; Order No. 1000-A, 139 FERC ¶ 61,132 at P 683.

¹⁸⁸ Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 603; Order No. 1000-A, 139 FERC ¶ 61,132 at P 638.

¹⁸⁹ Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at PP 723-729; Order No. 1000-A, 139 FERC ¶ 61,132 at PP 718, 726-737.

114. The Commission stated that, in an RTO or ISO transmission planning region, the cost allocation method or methods must be filed in the RTO or ISO OATT; while, in a non-RTO/ISO transmission planning region, the method or methods must be filed in the OATT of each public utility transmission provider in the transmission planning region.¹⁹⁰ The Commission stated that, in either instance, such cost allocation method or methods must be consistent with the interregional cost allocation principles in Order No. 1000.¹⁹¹ The Commission noted that, if public utility transmission providers in a region or pair of regions could not agree, the Commission would use the record in the relevant compliance filing proceeding(s) as a basis to develop a cost allocation method or methods that meets the Commission's requirements.¹⁹²

115. Interregional Cost Allocation Principle 1 specifies that the costs of a new interregional transmission facility must be allocated to each transmission planning region in which that transmission facility is located in a manner that is at least roughly commensurate with the estimated benefits of that transmission facility in each of the transmission planning regions. In determining the beneficiaries of interregional transmission facilities, transmission planning regions may consider benefits including, but not limited to, those associated with maintaining reliability and sharing reserves, production cost savings and congestion relief and/or meeting Public Policy Requirements.¹⁹³ Interregional Cost Allocation Principle 1 precludes an allocation where the benefits received are trivial in relation to the costs to be borne.¹⁹⁴

116. Order No. 1000 does not prescribe a particular definition of "benefits" or "beneficiaries."¹⁹⁵ The Commission stated in Order No. 1000-A that, "while Order No. 1000 does not define benefits and beneficiaries, it does require the public utility

¹⁹⁰ Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 578; Order No. 1000-A, 139 FERC ¶ 61,132 at P 626.

¹⁹¹ Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 578; Order No. 1000-A, 139 FERC ¶ 61,132 at P 626.

¹⁹² Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 607; Order No. 1000-B, 141 FERC ¶ 61,044 at P 66.

¹⁹³ Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 622; Order No. 1000-A, 139 FERC ¶ 61,132 at PP 654, 681-682, 691.

¹⁹⁴ Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 639.

¹⁹⁵ *Id.* P 624; Order No. 1000-A, 139 FERC ¶ 61,132 at PP 655, 674, 676-679.

transmission providers in each transmission planning region to be definite about benefits and beneficiaries for purposes of their cost allocation methods.”¹⁹⁶ In addition, for a cost allocation method or methods to be accepted by the Commission as Order No. 1000-compliant, the method will have to specify clearly and definitively the benefits and the class of beneficiaries.¹⁹⁷ A benefit used by public utility transmission providers in an interregional cost allocation method or methods must be an identifiable benefit, and the transmission facility cost allocated must be roughly commensurate with that benefit.¹⁹⁸ The Commission stated that, once beneficiaries are identified, public utility transmission providers would then be able to identify what is the more efficient or cost-effective transmission solution or assess whether costs are being allocated at least roughly commensurate with benefits.¹⁹⁹ Each regional transmission planning process must provide entities who will receive interregional cost allocation an understanding of the identified benefits on which the cost allocation is based.²⁰⁰ Order No. 1000-A stated that public utility transmission providers in each transmission planning region, in consultation with their stakeholders, may consider proposals to allocate costs directly to generators as beneficiaries that could be subject to interregional cost allocation, but any such allocation must not be inconsistent with the generator interconnection process under Order No. 2003.²⁰¹

117. Interregional Cost Allocation Principle 2 specifies that a transmission planning region that receives no benefit from an interregional transmission facility that is located in that region, either at present or in a likely future scenario, must not be involuntarily allocated any of the costs of that transmission facility.²⁰² All cost allocation methods must provide for allocation of the entire prudently incurred cost of a transmission project

¹⁹⁶ Order No. 1000-A, 139 FERC ¶ 61,132 at P 679.

¹⁹⁷ *Id.* P 678.

¹⁹⁸ Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 625.

¹⁹⁹ Order No. 1000-A, 139 FERC ¶ 61,132 at P 679.

²⁰⁰ *Id.* P 746 (noting that it would occur prior to the recovery of such costs through a formula rate).

²⁰¹ Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 760; Order No. 1000-A, 139 FERC ¶ 61,132 at P 680.

²⁰² Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 637; Order No. 1000-A, 139 FERC ¶ 61,132 at PP 684, 689, 691.

to prevent stranded costs.²⁰³ To the extent that public utility transmission providers propose a cost allocation method or methods that consider the benefits and costs of a group of new transmission facilities and adequately support their proposal, Interregional Cost Allocation Principle 2 would not require a showing that every individual transmission facility in the group of transmission facilities provides benefits to every beneficiary allocated a share of costs of that group of transmission facilities.²⁰⁴

118. The Commission clarified in Order No. 1000-A that public utility transmission providers may rely on scenario analyses in the preparation of a regional transmission plan and the selection of new transmission facilities for cost allocation.²⁰⁵ Interregional Cost Allocation Principle 2 would be satisfied if a project or group of projects is shown to have benefits in one or more of the transmission planning scenarios identified by public utility transmission providers in their Commission-approved Order No. 1000-compliant cost allocation methods.²⁰⁶ The Commission clarified in Order No. 1000-B that, when it made this finding, it did not intend to remove the “likely future scenarios” concept from transmission planning and that likely future scenarios can be an important factor in public utility transmission providers’ consideration of transmission projects and in the identification of beneficiaries consistent with the cost causation principle.²⁰⁷

119. Interregional Cost Allocation Principle 3 specifies that, if a benefit-to-cost threshold ratio is used to determine whether an interregional transmission facility has sufficient net benefits to qualify for interregional cost allocation, the ratio must not be so large as to exclude a transmission facility with significant positive net benefits from cost allocation.²⁰⁸ Public utility transmission providers located in the neighboring transmission planning regions may choose to use such a threshold to account for

²⁰³ Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 640; Order No. 1000-A, 139 FERC ¶ 61,132 at P 685; Order No. 1000-B, 141 FERC ¶ 61,044 at P 68.

²⁰⁴ Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 641.

²⁰⁵ Order No. 1000-A, 139 FERC ¶ 61,132 at P 690; Order No. 1000-B, 141 FERC ¶ 61,044 at P 70.

²⁰⁶ Order No. 1000-A, 139 FERC ¶ 61,132 at P 690; Order No. 1000-B, 141 FERC ¶ 61,044 at P 70.

²⁰⁷ Order No. 1000-B, 141 FERC ¶ 61,044 at P 72.

²⁰⁸ Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 646; Order No. 1000-A, 139 FERC ¶ 61,132 at P 692.

uncertainty in the calculation of benefits and costs.²⁰⁹ If adopted, such a threshold may not include a ratio of benefits to costs that exceeds 1.25 unless the pair of regions justify and the Commission approves a higher ratio.²¹⁰

120. The Commission stated that Interregional Cost Allocation Principle 3 did not require the use of a benefit-to-cost ratio threshold.²¹¹ The Commission did not specify whether or how an interregional benefit-cost threshold should be applied when selecting a project in the regional transmission plan for purposes of cost allocation or which costs should be included when calculating a benefit-cost threshold to use in this selection process.²¹² However, if a transmission planning region chooses to have such a threshold, Interregional Cost Allocation Principle 3 limited the threshold to one that is not so high as to block inclusion of many worthwhile transmission projects in the regional transmission plan.²¹³ The Commission allowed public utility transmission providers in a transmission planning region to use a lower ratio without a separate showing and to use a higher threshold if they justify it and the Commission approves a greater ratio.²¹⁴ The Commission stated that, if the issue of whether any benefit-to-cost ratio threshold for an interregional transmission facility may supersede the ratio for a transmission planning region's regional transmission cost allocation should be presented on compliance, the Commission would address it then based on the specific facts in that filing.²¹⁵

121. Interregional Cost Allocation Principle 4 specifies that costs allocated for an interregional transmission facility must assign costs only to the transmission planning

²⁰⁹ Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 646; Order No. 1000-A, 139 FERC ¶ 61,132 at P 692.

²¹⁰ Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 646; Order No. 1000-A, 139 FERC ¶ 61,132 at P 692.

²¹¹ Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 647; Order No. 1000-A, 139 FERC ¶ 61,132 at P 693.

²¹² Order No. 1000-B, 141 FERC ¶ 61,044 at P 64.

²¹³ Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 647; Order No. 1000-A, 139 FERC ¶ 61,132 at P 693.

²¹⁴ Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 647; Order No. 1000-A, 139 FERC ¶ 61,132 at P 693.

²¹⁵ Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 650.

regions in which the interregional transmission facility is located.²¹⁶ Costs cannot be assigned involuntarily to a transmission planning region in which that interregional transmission facility is not located.²¹⁷ However, interregional transmission coordination must identify consequences for other transmission planning regions, such as upgrades that may be required in a third transmission planning region and, if the transmission providers in the regions in which the interregional transmission facility is located agree to bear costs associated with such upgrades, then the interregional cost allocation method must include provisions for allocating the costs of such upgrades among the beneficiaries in the transmission planning regions in which the interregional transmission facility is located.²¹⁸ The Commission noted that, given the option for a transmission planning region in which an interregional transmission facility is not located to voluntarily be assigned costs, regions are free to negotiate interregional transmission arrangements that allow for the allocation of costs to beneficiaries that are not located in the same transmission planning region as any given interregional transmission facility.²¹⁹

122. Interregional Cost Allocation Principle 5 specifies that the cost allocation method and data requirements for determining benefits and identifying beneficiaries for an interregional transmission facility must be transparent with adequate documentation to allow a stakeholder to determine how they were applied to a proposed interregional transmission facility.²²⁰

123. Interregional Cost Allocation Principle 6 specifies that the public utility transmission providers located in neighboring transmission planning regions may choose to use a different cost allocation method for different types of interregional transmission facilities, such as interregional transmission facilities needed for reliability, congestion relief, or to achieve Public Policy Requirements.²²¹ Each cost allocation method must be

²¹⁶ *Id.* P 657; Order No. 1000-A, 139 FERC ¶ 61,132 at P 696.

²¹⁷ Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 657; Order No. 1000-A, 139 FERC ¶ 61,132 at P 696.

²¹⁸ Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 657; Order No. 1000-A, 139 FERC ¶ 61,132 at P 696.

²¹⁹ Order No. Order No. 1000-A, 139 FERC ¶ 61,132 at P 629 (citing Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 582).

²²⁰ Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 668.

²²¹ *Id.* P 685.

set out clearly and explained in detail in the compliance filing.²²² If public utility transmission providers choose to have a different cost allocation method for each type of transmission facility, there can be only one cost allocation method for each type.²²³

a. Compliance Filing

124. SERTP Filing Parties and MISO have agreed on an interregional cost allocation method based on the ratio of each region's displaced or avoided costs compared to the total displaced or avoided costs for both regions where the transmission facility would be located, allocating a proposed interregional transmission project's costs between the regions on a *pro rata* basis.²²⁴

125. SERTP Filing Parties and MISO state that in order for an interregional transmission project to be eligible for interregional cost allocation within SERTP and MISO, the interregional transmission project must: (1) interconnect to the transmission facilities of one or more transmission owners in MISO and the transmission facilities of one or more sponsors in SERTP; (2) have a combined benefit-to-cost ratio of 1.25 or higher to the SERTP and MISO regions; and (3) meet the criteria for transmission projects potentially eligible to be included in the respective regional transmission plans for purposes of cost allocation in MISO, as a Market Efficiency Project, and SERTP, pursuant to their respective regional transmission planning processes.²²⁵

126. SERTP Filing Parties and MISO propose that, on a case-by-case basis, the transmission providers may consider an interregional transmission project that does not satisfy all the criteria specified above if the transmission project: (1) meets the threshold criteria for a transmission project proposed to be included in the regional transmission plan for purposes of cost allocation in only one of the two regions and (2) would be interconnected to the transmission facilities of one or more transmission owners in the

²²² *Id.*

²²³ *Id.* P 686; Order No. 1000-A, 139 FERC ¶ 61,132 at P 628. *See also* Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 581.

²²⁴ MISO Compliance Filing, Docket No. ER13-1923-000, at 5. *See* MISO, Tariff, Attachment FF, § X.D (13.0.0); Southern Companies, OATT, Ex. K-5, § 4 (0.0.0).

²²⁵ MISO, Tariff, Attachment FF, § X.D.1.a (13.0.0); Southern Companies, OATT, Ex. K-5, § 4.1 (0.0.0).

MISO transmission planning region and the transmission facilities of one or more transmission owners in the SERTP transmission planning region.²²⁶

127. SERTP Filing Parties and MISO propose that the transmission project must be proposed for purposes of cost allocation in both SERTP and MISO and that the transmission project submittal must satisfy all criteria specified in the respective regional transmission processes, including the respective timeframes for submittals proposed for cost allocation purposes. SERTP Filing Parties and MISO propose that if a transmission project is proposed by a transmission developer, the transmission developer must also satisfy the criteria specified by each region.²²⁷

128. SERTP Filing Parties and MISO propose that prior to any regional benefit-to-cost ratio calculation pursuant to either regional transmission planning process, the combined interregional benefit-to-cost ratio is calculated for an interregional transmission project proposed for interregional cost allocation purposes. SERTP Filing Parties and MISO explain that this calculation is performed by dividing the sum of the present value of the avoided transmission project cost determined by each region by the present value of the proposed interregional transmission project's total project cost. SERTP Filing Parties and MISO propose that the present values used in the cost calculations shall be based on a common date, comparable cost components, and the latest cost estimates used in the evaluation of the interregional transmission project. Moreover, SERTP Filing Parties and MISO propose that the combined interregional benefit-to-cost ratio will be assessed in addition to, not in place of, each respective regional benefit-to-cost ratio assessment(s) (if applicable) as specified in the respective regional transmission planning processes.²²⁸

129. SERTP Filing Parties and MISO propose that the benefits used to establish the cost allocation of a transmission project proposed for interregional cost allocation purposes is determined as follows: (1) each transmission planning region, through its own regional transmission planning process, will evaluate proposals to determine whether the proposed transmission project(s) addresses transmission needs that are currently being addressed with transmission projects in its regional transmission plan and,

²²⁶ Southern Companies Compliance Filing, Docket No. ER13-1941-000, at 25; MISO, Tariff, Attachment FF, § X.D.1.b (13.0.0); Southern Companies, OATT, Ex. K-5, § 4.1.B (0.0.0).

²²⁷ MISO, Tariff, Attachment FF, § X.D.1.c (13.0.0); Southern Companies, OATT, Ex. K-5, § 4.1.C (0.0.0).

²²⁸ MISO, Tariff, Attachment FF, § X.D.3 (13.0.0); Southern Companies, OATT, Ex. K-5, § 4.3 (0.0.0).

if so, which transmission projects in the regional transmission plan could be displaced by the proposed transmission project(s); (2) based upon its evaluation, each region will quantify its benefits based upon the transmission costs that each region is projected to avoid due to its transmission projects being displaced by the proposed interregional transmission project as follows: (i) for SERTP, the total avoided costs of transmission projects included in the then-current regional transmission plan that would be displaced if the proposed interregional transmission project was included; and (ii) for MISO, the total avoided costs of Market Efficiency Projects identified, but not approved, in the then-current regional transmission plan that would be displaced if the proposed interregional transmission project was included.²²⁹ Under the proposal, the benefits calculated for purposes of interregional cost allocation are not necessarily the same as the benefits used for purposes of regional cost allocation.²³⁰

130. SERTP Filing Parties and MISO propose that an interregional transmission project proposed for interregional cost allocation purposes will be included in the respective regional transmission plans for purposes of cost allocation after each region has both performed all necessary evaluations and obtained all approvals, as prescribed in its regional transmission planning process, that are necessary for a transmission project to be included in its regional transmission plan for purposes of cost allocation, including any regional benefit-to-cost ratio calculations.²³¹

131. SERTP Filing Parties and MISO specify that the actual allocation of the interregional transmission project's costs to the regions will be based on each region's benefits to the sum of the benefits identified for both regions. SERTP Filing Parties and MISO propose that costs allocated to each region shall be further allocated within each region pursuant to the cost allocation method contained in its regional transmission planning process.²³²

²²⁹ MISO, Tariff, Attachment FF, § X.2 (13.0.0); Southern Companies, OATT, Ex. K-5, § 4.2 (0.0.0).

²³⁰ MISO, Tariff, Attachment FF, § X.2 (13.0.0); Southern Companies, OATT, Ex. K-5, § 4.2 (0.0.0).

²³¹ MISO, Tariff, Attachment FF, § X.D.4 (13.0.0); Southern Companies, OATT, Ex. K-5, § 4.4 (0.0.0).

²³² MISO, Tariff, Attachment FF, § X.D.5 (13.0.0); Southern Companies, OATT, Ex. K-5, § 4.5 (0.0.0).

132. SERTP Filing Parties and MISO propose that once an interregional transmission project is selected in the respective regional transmission plans for purposes of cost allocation, MISO, the transmission owners in the SERTP region that will be allocated costs of the interregional transmission project, and the transmission developer(s), must mutually agree on an acceptable development schedule including milestones by which the necessary steps to develop and construct the interregional transmission project must occur. Under the proposal, these milestones may include (to the extent not already accomplished) obtaining all necessary rights of way and requisite environmental, state, and other governmental approvals and executing a mutually-agreed upon contract(s) between MISO, the applicable SERTP transmission owner, and the transmission developer. SERTP Filing Parties and MISO propose that if such critical steps are not met by the specified milestones and maintained throughout development of the transmission project, then the transmission projects may be removed from the selected category in the regional transmission plans for purposes of cost allocation.²³³

133. SERTP Filing Parties and MISO propose that the referenced contracts will address terms and conditions associated with the development of the proposed interregional transmission project included in the regional transmission plans for purposes of cost allocation, including but not limited to: (1) engineering, procurement, construction, maintenance, and operation of the proposed transmission project, including coordination responsibilities of the parties; (2) emergency restoration repair; (3) the specific financial terms and specific total amounts to be charged by the transmission developer of the transmission project to each beneficiary as agreed to by the parties; (4) creditworthiness and project security requirements; (5) milestone reporting, including schedule of projected expenditures; (6) reevaluation of the transmission project; and (7) non-performance or abandonment.²³⁴

134. Regarding the six interregional cost allocation principles, SERTP Filing Parties and MISO state that the proposed avoided cost-only method meets Cost Allocation Principle 1 because this method satisfies the requirement that costs must be allocated in a manner roughly commensurate with the estimated benefits to each region by allocating costs in proportion to the quantifiable benefits of avoided or displaced transmission.²³⁵

²³³ MISO, Tariff, Attachment FF, § X.D.6 (13.0.0); Southern Companies, OATT, Ex. K-5, § 4.6 (0.0.0).

²³⁴ MISO, Tariff, Attachment FF, § X.D.7 (13.0.0); Southern Companies, OATT, Ex. K-5, § 4.7 (0.0.0).

²³⁵ MISO Compliance Filing, Docket No. ER13-1923-000, at 6; Southern Companies Compliance Filing, Docket No. ER13-1941-000, at 12.

SERTP Filing Parties and MISO note that in the context of cost allocation within a transmission planning region, the Commission has found that a cost allocation that includes avoided costs “could be a reasonable approach for allocating costs in a manner that is roughly commensurate with benefits.”²³⁶ SERTP Filing Parties and MISO state that the Commission specifically approved an avoided cost-only approach for allocating the cost of reliability projects within a region, finding that it “reasonably captures the benefits of such projects.”²³⁷ SERTP Filing Parties and MISO state that utilizing an avoided cost-only allocation metric facilitates the comparison of the costs of an interregional transmission project with a transmission project(s) which has already been determined to provide benefits to the transmission planning region. Therefore, according to SERTP Filing Parties and MISO, replacing an already existing transmission project with a comparable, or more cost efficient, interregional transmission project ensures that the cost and benefits are roughly commensurate in a manner that identifies cost-effective and efficient transmission solutions to address transmission needs.²³⁸

135. SERTP Filing Parties and MISO assert that an avoided cost-only approach to interregional cost allocation is particularly appropriate in light of the purpose of interregional transmission coordination under Order No. 1000. SERTP Filing Parties and MISO note that under Order No. 1000-A, the Commission’s interregional coordination reforms do not require the establishment of interregional planning processes to develop integrated interregional transmission plans, but rather call upon public utility transmission providers to consider “whether the local and regional transmission planning processes result in transmission plans that meet local and regional transmission needs more efficiently and cost-effectively, after considering opportunities for collaborating with public utility transmission providers in neighboring transmission planning

²³⁶ MISO Compliance Filing, Docket No. ER13-1923-000, at 6; Southern Companies Compliance Filing, Docket No. ER13-1941-000, at 12 (citing *Avista Corp.*, 143 FERC ¶ 61,255, at P 300 (2013); WestConnect First Regional Compliance Order, 142 FERC ¶ 61,206 at P 312)).

²³⁷ MISO Compliance Filing, Docket No. ER13-1923-000, at 6; Southern Companies Compliance Filing, Docket No. ER13-1941-000, at 12 (citing WestConnect First Regional Compliance Order, 142 FERC ¶ 61, 206 at P 312).

²³⁸ MISO Compliance Filing, Docket No. ER13-1923-000, at 7; Southern Companies Compliance Filing, Docket No. ER13-1941-000, at 12.

regions.”²³⁹ SERTP Filing Parties and MISO conclude that an avoided cost-only method, which allocates the costs of an interregional transmission project in proportion to costs of the displaced regional transmission project(s), accounts for the voluntary nature of interregional coordination and results in a close “alignment of transmission planning and cost allocation,” which they assert was a “central underpinning” of Order No. 1000’s interregional coordination reforms.²⁴⁰

136. SERTP Filing Parties state that they recognize that the Commission has found that an avoided cost-only method does not comply with the six regional cost allocation principles because the Commission found it does not account for economic needs or transmission needs driven by public policy requirements.²⁴¹ However, they argue that these findings are not determinative or relevant to their interregional filing because the avoided cost method captures transmission needs driven by public policy requirements and economic criteria assessed in the regional transmission planning processes. They argue that Order No. 1000 does not require the consideration of transmission needs driven by public policy requirements or economic needs to be repeated at the interregional level, since it requires only interregional transmission coordination, and that the Commission explained that it does not “require ... interregional transmission planning, including the ... consideration of transmission needs driven by Public Policy Requirements, or the evaluation of economic considerations.”²⁴² Consequently, according to SERTP Filing Parties, the sole use of an avoided cost-only method is appropriate at the interregional level.²⁴³

137. SERTP Filing Parties and MISO state that measuring the benefits of interregional transmission projects for cost allocation purposes through the avoided cost-only approach

²³⁹ MISO Compliance Filing, Docket No. ER13-1923-000, at 7; Southern Companies Compliance Filing, Docket No. ER13-1941-000, at 12 (citing Order No. 1000-A, 139 FERC ¶ 61,132 at P 511).

²⁴⁰ MISO Compliance Filing, Docket No. ER13-1923-000, at 7 (citing Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 582); Southern Companies Compliance Filing, Docket No. ER13-1941-000, at 13-14 (citing Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 582).

²⁴¹ Southern Companies Compliance Filing, Docket No. ER13-1941-000, at 13 (citing *S.C. Elec. & Gas Co.*, 143 FERC ¶ 61,058 at P 226).

²⁴² *Id.* (citing Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 401).

²⁴³ *Id.*

is also appropriate in light of the ability of each region to decline to select an interregional transmission project in its regional transmission plan for cost allocation purposes if the transmission project is not cost-effective for that region.²⁴⁴ SERTP Filing Parties and MISO state that allocating an interregional transmission project's cost in proportion to the costs of the regional transmission project or projects that it would displace takes into account the voluntary nature of interregional transmission coordination and results in a close alignment of transmission planning and cost allocation, which they state was a central underpinning of the Commission's interregional transmission coordination reforms.²⁴⁵

138. SERTP Filing Parties and MISO state that the avoided cost-only approach complies with Interregional Cost Allocation Principle 2 because only a transmission provider or transmission owner in the regions in which the interregional transmission facility would be located that avoids transmission costs would be allocated the cost of the transmission project.²⁴⁶ MISO also states that any MISO Transmission Owner that withdraws from MISO will remain responsible for its share of the cost of any interregional transmission project that is approved before the effective date of such Transmission Owner's withdrawal.²⁴⁷

139. SERTP Filing Parties and MISO state that the avoided cost-only method satisfies Interregional Cost Allocation Principle 3 because the MISO-SERTP seam applies an interregional cost-benefit analysis in which a transmission project must meet or exceed a

²⁴⁴ MISO Compliance Filing, Docket No. ER13-1923-000, at 7; Southern Companies Compliance Filing, Docket No. ER13-1941-000, at 13 (citing Order No. 1000-A, 139 FERC ¶ 61,132 at P 512).

²⁴⁵ MISO Compliance Filing, Docket No. ER13-1923-000, at 7; Southern Companies Compliance Filing, Docket No. ER13-1941-000, at 13-14 (citing Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 158).

²⁴⁶ MISO Compliance Filing, Docket No. ER13-1923-000, at 7-8 (citing Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at PP 637, 657); *see also* MISO, Tariff, Attachment FF, §§ 4.2 & 4.5 (13.0.0); Southern Companies Compliance Filing, Docket No. ER13-1941-000, at 14 (citing Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at PP 637, 657); *see also* Southern Companies, OATT, Ex. K-5, §§ X.D.2, X.D.5 (0.0.0).

²⁴⁷ MISO Compliance Filing, Docket No. ER13-1923-000, at 8 (citing Order No. 1000-A, 139 FERC ¶ 61,132 at P 714; MISO Transmission Owners Agreement at Art.5, § II; MISO, Tariff, Attachment FF, § III.A.2.f (13.0.0)).

1.25 to 1 benefit-to-cost ratio.²⁴⁸ SERTP Filing Parties and MISO state that their proposal provides that proposed interregional transmission projects must be accepted in the respective regional transmission planning processes, meaning that if a regional transmission planning process requires a benefit-to-cost ratio threshold, the portion of the transmission project allocated to such region would be required to satisfy such threshold.²⁴⁹

140. SERTP Filing Parties and MISO state that the avoided cost-only approach complies with Interregional Cost Allocation Principle 4 because only a transmission provider or transmission owner in the regions in which the transmission facility would be located that avoids transmission costs would be allocated the cost of the transmission project.²⁵⁰ In response to Interregional Cost Allocation Principle 4, which requires that if there is an agreement to share the costs of upgrades caused in other regions by an interregional transmission project, then the cost allocation method must address those costs, SERTP Filing Parties state that the cost allocation approach adopted by the SERTP region with its neighboring transmission planning regions does not provide for the sharing of costs of upgrades that might be required in a region in which an interregional transmission facility is not located.²⁵¹

141. SERTP Filing Parties and MISO state that the proposed avoided cost-only method also complies with Interregional Cost Allocation Principle 5 because the benefits that form the basis of cost allocation under the avoided cost-only approach are readily quantifiable, and therefore the cost allocation under the avoided cost-only method and data requirements for determining benefits and identifying beneficiaries would be transparent. In addition, SERTP Filing Parties and MISO assert that there would be

²⁴⁸ *Id.*; Southern Companies Compliance Filing, Docket No. ER13-1941-000, at 14.

²⁴⁹ MISO Compliance Filing, Docket No. ER13-1923-000, at 8; Southern Companies Compliance Filing, Docket No. ER13-1941-000, at 14.

²⁵⁰ MISO Compliance Filing, Docket No. ER13-1923-000, at 7-8 (citing Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at PP 637, 657); *see also* MISO, Tariff, Attachment FF, §§ X.D.2, X.D.5 (13.0.0); Southern Companies Compliance Filing, Docket No. ER13-1941-000, at 14 (citing Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at PP 637, 657); *see also* Southern Companies, OATT, Ex.K-5, §§ 4.2, 4.5 (0.0.0).

²⁵¹ Southern Companies Compliance Filing, Docket No. ER13-1941-000, at 14 (citing Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 657).

sufficient documentation to allow stakeholders to determine how the cost allocation method was applied to a proposed transmission facility.²⁵²

142. Finally, SERTP Filing Parties and MISO state that the proposed avoided cost-only method complies with Interregional Cost Allocation Principle 6 because it would apply to all types of transmission facilities proposed for interregional cost allocation.²⁵³

b. Protests/Comments

143. Four Public Interest Organizations, Wind Parties and Wisconsin Electric protest SERTP Filing Parties and MISO's proposed cost allocation method. Specifically, Four Public Interest Organizations assert that SERTP Filing Parties and MISO's proposal fails to meet the requirements of Order No. 1000 because (1) it does not include an actual interregional cost allocation method, and (2) the proposed avoided cost-only method fails to satisfy the first cost allocation principle of Order No. 1000, namely, that costs must be allocated in a manner roughly commensurate with benefits.²⁵⁴

144. Regarding their assertion that SERTP Filing Parties and MISO's proposal fails to include an actual interregional cost allocation method, Four Public Interest Organizations state that the SERTP Filing Parties and MISO's proposal is "missing the Order No. 1000-required step in which a clearly defined interregional method is applied in the same manner by the involved regions before each region then divides its regional share according to its chosen Order No. 1000-compliance method." They assert that, without an interregional cost allocation method, the benefits and beneficiaries of a proposed interregional transmission project will be not captured fully.²⁵⁵ Four Public Interest Organizations state that the SERTP-MISO proposal explicitly refers to a "combined

²⁵² MISO Compliance Filing, Docket No. ER13-1923-000, at 8; Southern Companies Compliance Filing, Docket No. ER13-1941-000, at 14-15.

²⁵³ MISO Compliance Filing, Docket No. ER13-1923-000, at 9 (citing Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 685); *see also* MISO, Tariff, Attachment FF, § X.D (13.0.0); Southern Companies Compliance Filing, Docket No. ER13-1941-000, at 15 (citing Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 685); *see also* Southern Companies, OATT, Ex. K-5, § 4 (0.0.0).

²⁵⁴ Four Public Interest Organizations RTO Protest, Docket Nos. ER13-1923-000, ER13-1928-000, ER13-1930-000, ER13-1940-000, and ER13-1941-000, at 6, 17 (filed Sept. 9, 2013).

²⁵⁵ *Id.* at 19.

interregional benefit-to-cost ratio,” that is determined as a threshold to interregional cost allocation, but even the combined ratio is derived using the avoided cost determinations put forth separately by each region.²⁵⁶ Four Public Interest Organizations further assert that, while the proposal includes the “use of ‘a common date, comparable cost components and the latest cost estimates’ in cost determinations,” the meaning of these terms is unclear, and “in any case, the use of a common date and comparable cost components does not constitute an interregional method for initial interregional cost allocation.”²⁵⁷ They contend that allowing each region to determine its own *pro rata* share of the costs and benefits of an interregional transmission project, instead of utilizing a shared mechanism to allocate costs roughly commensurate with benefits among the regions, may not account for all benefits and costs, fails to satisfy Order No. 1000’s obligation, and will not result in just and reasonable rates and the avoidance of undue discrimination.²⁵⁸

145. Four Public Interest Organizations and Wind Parties argue that the SERTP Filing Parties and MISO’s cost allocation proposal fails to sufficiently consider all of the benefits that may accrue from an interregional transmission project, and therefore does not comply with Interregional Cost Allocation Principle 1.²⁵⁹ In Four Public Interest Organizations’ view, focusing only on the avoided costs of regional transmission projects oversimplifies the analysis of benefits, ignoring the fact that the selected interregional transmission project may address regional transmission needs but have “different attributes, functions, and even location than the displaced regional [transmission] projects” and, therefore, a different benefit profile than the displaced regional transmission projects. They note that the proposed cost allocation method does not consider the public policy benefits of regional transmission projects when estimating avoided costs of an interregional transmission project.²⁶⁰ Wind Parties add that, in their

²⁵⁶ *Id.* at 20 (citing MISO, Tariff, Attachment FF, § X.D.3 (13.0.0); Southern Companies, OATT, Ex. K-5, § 4.3 (0.0.0)).

²⁵⁷ Four Public Interest Organizations RTO Protest, Docket Nos. ER13-1923-000, ER13-1928-000, ER13-1930-000, ER13-1940-000, and ER13-1941-000, at 20 (filed Sept. 9, 2013).

²⁵⁸ *Id.*

²⁵⁹ *Id.* at 21; Wind Parties Comments, Docket Nos. ER13-1923-000, ER13-1928-000, ER13-1930-000, ER13-1940-000, ER13-1941-000, at 7 (filed Sept. 24, 2013).

²⁶⁰ Four Public Interest Organizations RTO Protest, Docket Nos. ER13-1923-000, ER13-1928-000, ER13-1930-000, ER13-1940-000, and ER13-1941-000, at 21 (filed Sept. 9, 2013).

view, an avoided cost-only method oversimplifies the identification of beneficiaries, and assert that Order No. 1000 clearly required cost allocation to consider those who expect to benefit from a new transmission facility but did not necessarily cause the need for the new transmission facility. Wind Parties request that the Commission require SERTP Filing Parties and its neighbors to consider benefits that may accrue to transmission providers in addition to those from avoided regional transmission projects.²⁶¹

146. Additionally, Four Public Interest Organizations, Wind Parties and Wisconsin Electric assert that the Commission has rejected an avoided cost-only approach in several regional compliance filings, including those of SERTP Filing Parties, because such an approach does not allocate costs in a manner that is roughly commensurate with benefits.²⁶² Therefore, Wind Parties and Wisconsin Electric ask the Commission to reject the interregional cost allocation proposals between SERTP Filing Parties and MISO, determine an approach to interregional cost allocation that meets the requirements of Order No. 1000, and direct SERTP Filing Parties and MISO to include this approach in their tariffs.²⁶³ Four Public Interest Organizations further assert that, while an avoided cost-only method may be appropriate when applied to reliability-driven transmission projects under certain circumstances, it is not appropriate to address all potential drivers of transmission needs at the interregional level because some benefits of the more cost-effective or efficient interregional transmission solution will not be allocated to

²⁶¹ Wind Parties Comments, Docket Nos. ER13-1923-000, ER13-1928-000, ER13-1930-000, ER13-1940-000, and ER13-1941-000, at 7-8 (filed Sept. 24, 2013) (citing Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at PP 535, 536, 537).

²⁶² Four Public Interest Organizations Protest, Docket Nos. ER13-1923-000, ER13-1928-000, ER13-1930-000, ER13-1940-000, and ER13-1941-000, at 22 (filed Sept. 9, 2013) (citing SERTP First Regional Compliance Order, 144 FERC ¶ 61,054); Wind Parties Comments, Docket Nos. ER13-1923-000, ER13-1928-000, ER13-1930-000, ER13-1940-000, and ER13-1941-000, at 7 (filed Sept. 24, 2013) (citing WestConnect First Regional Compliance Order, 142 FERC ¶ 61,206 at P 312; SERTP First Regional Compliance Order, 144 FERC ¶ 61,054 at P 254; *NorthWestern Corp.*, 143 FERC ¶ 61,056, at P 157 (2013)); Wisconsin Electric Comments, Docket Nos. ER13-1923-000 and ER13-1930-000, at 3 (filed Sept. 9, 2013) (citing SERTP First Regional Compliance Order, 144 FERC ¶ 61,054).

²⁶³ Wind Parties Comments, Docket Nos. ER13-1923-000, ER13-1928-000, ER13-1930-000, ER13-1940-000, and ER13-1941-000 at 10 (filed Sept. 24, 2013); Wisconsin Electric Comments, Docket Nos. ER13-1923-000 and ER13-1930-000, at 6 (filed Sept. 9, 2013).

beneficiaries. They conclude that arguing that Cost Allocation Principle 1 should be applied differently at the interregional level “amounts to a *post hoc* disagreement with [Order No. 1000’s] requirements for interregional cost allocation.”²⁶⁴

147. In response to SERTP Filing Parties and MISO’s assertion that Order No. 1000 does not require the consideration of public policy or economic benefits at the interregional level, Four Public Interest Organizations and Wind Parties claim that Order No. 1000 does not limit the consideration of benefits at the interregional level to meeting regional reliability needs.²⁶⁵ Rather, Four Public Interest Organizations states that the Commission’s intention for interregional transmission coordination “is to ensure that transmission providers can ‘identify more efficient or cost-effective solutions *to the individual needs* identified in their respective local and regional transmission planning processes.’”²⁶⁶ Wind Parties join Four Public Interest Organizations in concluding that if regional transmission planning processes consider transmission needs driven by economic and public policy requirements, the interregional cost allocation method must be appropriate to apply to potential interregional transmission solutions that can more efficiently and cost-effectively meet regional transmission needs (i.e., it must reasonably consider these types of benefits). Wind Parties and Four Public Interest Organizations argue that otherwise, Order No. 1000’s first cost allocation principle is violated and the Commission’s intent in requiring a default interregional cost allocation method—to ensure that the most cost-effective and efficient transmission solutions to grid needs are the ones chosen in regional transmission plans—is undermined.²⁶⁷

²⁶⁴ Four Public Interest Organizations RTO Protest, Docket Nos. ER13-1923-000, ER13-1928-000, ER13-1930-000, ER13-1940-000, and ER13-1941-000, at 22-23 (filed Sept. 9, 2013) (citing WestConnect First Regional Compliance Order, 142 FERC ¶ 61,206 at P 312).

²⁶⁵ *Id.* at 23 (citing SERTP Transmittal Letter at 13; Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 368); Wind Parties Comments, Docket Nos. ER13-1923-000, ER13-1928-000, ER13-1930-000, ER13-1940-000, and ER13-1941-000, at 9 (filed Sept. 24, 2013).

²⁶⁶ Four Public Interest Organizations RTO Protest, Docket Nos. ER13-1923-000, ER13-1928-000, ER13-1930-000, ER13-1940-000, and ER13-1941-000, at 23 (quoting Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 368 (emphasis added)).

²⁶⁷ Four Public Interest Organizations RTO Protest, Docket Nos. ER13-1923-000, ER13-1928-000, ER13-1930-000, ER13-1940-000, and ER13-1941-000, at 23-24 (filed Sept. 9, 2013); Wind Parties Comments, Docket Nos. ER13-1923-000, ER13-1928-000, ER13-1930-000, ER13-1940-000, and ER13-1941-000, at 9 (filed Sept. 24, 2013).

148. Four Public Interest Organizations and Wind Parties assert that the Commission's statement that, in the regional context, accounting for the costs avoided by replacing a local transmission project with a regional transmission project fails to ensure that all the benefits of the regional transmission project are captured, applies equally in the context of interregional transmission projects replacing a planned regional transmission project.²⁶⁸ Specifically, Four Public Interest Organizations and Wind Parties state that the fact that interregional transmission projects chosen for purposes of cost allocation end up in separate regional transmission plans instead of a distinct interregional plan has no bearing on the reality of the transmission project's benefits.²⁶⁹ Four Public Interest Organizations also contend that the proposals appear to only envision consideration of interregional transmission projects that replace specific regional transmission projects and effectively prohibit consideration of interregional transmission projects that would address other regional system transmission needs for which "local or regional" transmission projects are not currently planned.²⁷⁰

149. Four Public Interest Organizations state that SERTP Filing Parties and MISO's proposal requires that for an interregional transmission project to be selected for interregional cost allocation, it must meet the criteria for regional cost allocation in the relevant regions. They note that SERTP Filing Parties and MISO's proposal provides a case-by-case exception where if a transmission project meets the threshold criteria in one region and interconnects to transmission facilities in both regions then it may be considered for interregional cost allocation. However, Four Public Interest Organizations request that the Commission require SERTP Filing Parties and MISO to adopt SPP's proposed exception (as proposed in the SERTP Filing Parties-SPP compliance filing) in their interregional compliance filing, which, "at the request of either planning region,"

²⁶⁸ Four Public Interest Organizations RTO Protest, Docket Nos. ER13-1923-000, ER13-1928-000, ER13-1930-000, ER13-1940-000, and ER13-1941-000, at 22 (filed Sept. 9, 2013); Wind Parties Comments, Docket Nos. ER13-1923-000, ER13-1928-000, ER13-1930-000, ER13-1940-000, and ER13-1941-000, at 8 (filed Sept. 24, 2013) (referencing SERTP First Regional Compliance Order, 144 FERC ¶ 61,054 at P 254).

²⁶⁹ Four Public Interest Organizations RTO Protest, Docket Nos. ER13-1923-000, ER13-1928-000, ER13-1930-000, ER13-1940-000, and ER13-1941-000, at 24-25 (filed Sept. 9, 2013); Wind Parties Comments, Docket Nos. ER13-1923-000, ER13-1928-000, ER13-1930-000, ER13-1940-000, and ER13-1941-000, at 8-9 (filed Sept. 24, 2013).

²⁷⁰ Four Public Interest Organizations RTO Protest, Docket Nos. ER13-1923-000, ER13-1928-000, ER13-1930-000, ER13-1940-000, and ER13-1941-000, at 9-10 (filed Sept. 9, 2013).

would allow regions to consider a proposed transmission project for interregional cost allocation if it would provide quantifiable interregional benefits, would be located in both regions, and would be interconnected to the transmission facilities of at least one transmission owner in each region.²⁷¹

150. Four Public Interest Organizations contend that, without SPP's proposed exception, there may be no "consequential opportunity to consider all interregional transmission projects that may more efficiently or cost-effectively resolve issues identified in the respective regional [transmission] planning process."²⁷² Four Public Interest Organizations also contend that SERTP Filing Parties and MISO's proposal "do not ensure comprehensive opportunities for identifying and evaluating more cost-effective or efficient interregional solutions to identified needs." Four Public Interest Organizations reason that the proposed exceptions are ambiguous, because it is not clear whether one party can cause an exception to be made or whether both regions need to agree to make an exception. They further explain that there may be transmission projects that come close but do not satisfy either region's criteria and, therefore, could not be considered despite providing substantial interregional benefits and being located in both regions.²⁷³

151. Wind Parties also assert that it is unlikely that the interregional cost allocation method proposed by SERTP Filing Parties and MISO would apply to any interregional transmission projects that are identified in these regions' interregional coordination process due to the removal of Baseline Reliability Projects from MISO's regional

²⁷¹ *Id.* at 17 (referencing SPP Compliance Filing, Docket No. ER13-1939-000, at 26; Southern Companies Compliance Filing, Docket No. ER13-1941-000, at 45). Four Public Interest Organizations note that as part of the SERTP-SPP compliance proposal, SERTP and SPP could not agree on the language for an exception to the requirement. Therefore, while SERTP put forth the same exception contained in the MISO proposal, SPP proposed a broader exception under which "at the request of either planning region," the regions will consider a project for interregional cost allocation so long as the project "(i) provides quantifiable interregional benefits; (ii) would be located in both regions; and (iii) would be interconnected to the transmission facilities of" one or more transmission owners in both regions. *See id.* at 17.

²⁷² *Id.* at 17-18. We note that the SERTP-MISO proposal does not include the exception criteria proposed in the SERTP-SPP proposal.

²⁷³ *Id.* at 18.

transmission planning.²⁷⁴ Wind Parties state that MISO will be unable to consider the avoided cost benefits of a regional Market Efficiency Project because MISO will not consider an alternative to transmission projects that are already approved and in Appendix A of its regional transmission plan and any Market Efficiency Projects that may be included in Appendices B or C of MISO's regional transmission plan are not considered to be approved, and therefore would not have any avoided cost benefits.²⁷⁵

152. Similarly, Indiana Commission asserts that MISO's proposal appears to only allow transmission projects that meet the 1.25 to 1 benefit-to-cost ratio to be approved as interregional transmission projects, indicating that transmission projects essential to reliability across the SERTP and MISO seam will not be built if the transmission project does not meet this criterion.²⁷⁶ As a result, Indiana Commission avers that this failure to

²⁷⁴ Baseline Reliability Projects are defined in the MISO OATT as:

Network Upgrades identified in the MTEP as required to ensure the Transmission System is in compliance with applicable national Electric Reliability Organization reliability standards and reliability standards adopted by Regional Entities and applicable to the Transmission Provider's Transmission Owners' planning criteria filed with federal, state, or local regulatory authorities, and applicable federal, state and local system planning and operating reliability criteria. Baseline Reliability Projects include projects of 100kV voltage class or above needed to maintain reliability while accommodating the ongoing needs of existing Transmission Customers. MISO, Tariff, Attachment FF, § II.A.1 (37.0.0).

In the MISO First Regional Compliance Order, the Commission found that MISO's proposal to assign all Baseline Reliability Project costs to the pricing zone in which the Baseline Reliability Project is located was just and reasonable and not unduly discriminatory or preferential. MISO First Regional Compliance Order, 142 FERC ¶ 61,215 at P 518.

²⁷⁵ Wind Parties Comments, Docket Nos. ER13-1923-000, ER13-1928-000, ER13-1930-000, ER13-1940-000, and ER13-1941-000, at 9 (filed Sept. 24, 2013).

²⁷⁶ Indiana Commission Protest, Docket Nos. ER13-1923-000, ER13-1930-000, and ER13-1940-000, at 3 (filed Sept. 9, 2013).

consider interregional reliability projects that are more efficient or cost-effective than regional reliability projects could result in unjust and unreasonable rates.²⁷⁷

153. Indiana Commission and Organization of MISO States propose that the Commission consider several alternatives in dealing with the Baseline Reliability Projects in MISO. Specifically, Indiana Commission acknowledges that the Commission could approve the changes proposed by SERTP Filing Parties and MISO, but argues that this option would eliminate interregional reliability projects on the MISO-SERTP seam and lead to unjust and unreasonable rates.²⁷⁸ Indiana Commission's second and preferred option is for the Commission to recognize that the change in the MISO Baseline Reliability Project regional cost allocation method makes MISO unique and warrants an adjustment to the Order 1000 requirement that interregional transmission projects must be selected in a regional transmission plan for purposes of cost allocation. Indiana Commission therefore suggests that the Commission adjust the requirement for MISO so that, while interregional transmission projects must still be projects that have been selected in a regional transmission plan, they do not have to be selected "for purposes of cost allocation."²⁷⁹ Third, Indiana Commission suggests the Commission could require MISO to develop an interregional reliability project category with its own cost allocation method, thereby allowing MISO to keep its Baseline Reliability Project regional cost allocation as currently constituted, but solving the unreasonable situation of having no interregional reliability projects on any of the MISO seams. Lastly, Indiana Commission states the Commission could develop an interregional cost allocation method for interregional reliability projects between SERTP and MISO.²⁸⁰ Similarly, Organization of MISO States recommends that the Commission retain the existing language in Section 9.4.3.2.1 (Cost Allocation for Cross-Border Baseline Reliability Projects) of the MISO OATT, but direct MISO to work with its stakeholders and Organization of MISO States to develop a regional cost allocation method for the interregional Baseline Reliability Projects allocated to MISO.²⁸¹

²⁷⁷ *Id.* at 4 (citing Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at PP 393, 495, 622, 637, 646, 657, 668, and 685).

²⁷⁸ *Id.* at 6.

²⁷⁹ *Id.*

²⁸⁰ *Id.* at 7.

²⁸¹ Organization of MISO States Comments, Docket Nos. ER13-1923-000, ER13-1930-000, ER13-1940-000, and ER13-1945-000, at 4, 7 (filed Sept. 9, 2013).

154. Organization of MISO States also argues that the Commission should approve the voluntary approach to cross-border Baseline Reliability Projects cost allocation proposed by MISO in its July 10, 2013 compliance filing in Docket No. ER13-1943-000.²⁸²

Organization of MISO States avers that this approach would provide a consistent cost allocation for both regional and interregional reliability projects, i.e., MISO's regional allocation for its portion of the costs of interregional reliability projects must be the same as MISO's cost allocation for regional reliability projects.²⁸³ Organization of MISO States explains that this option would prevent inappropriate advantages that would likely occur if interregional reliability projects are afforded cost sharing while regional reliability projects are not.²⁸⁴ Organization of MISO States indicates that, under this option, MISO and SERTP utilities could negotiate on interregional transmission projects to solve identified reliability issues and allocate costs on a project-by-project basis, basing cost allocation on benefits and avoiding unnecessary costs.²⁸⁵

155. Organization of MISO States also requests that MISO clarify how the proposed interregional cost allocation with SERTP will be applicable in relation to the

²⁸² *Id.* at 4; MISO Compliance Filing, Docket No. ER13-1943-000, at 1-2. In its compliance filing, MISO proposed revisions to the Joint Operating Agreement between MISO and PJM to address the interregional transmission coordination and cost allocation requirements of Order No. 1000. MISO Compliance Filing, Docket No. ER13-1943-000, at 1-2. Specifically, MISO proposed to include provisions that would allow for cost sharing of cross-border Baseline Reliability Projects that are tie-lines that interconnect to the transmission facilities of a MISO and PJM transmission owner, respectively, as well as potential cost sharing of cross-border Baseline Reliability Projects that are not tie-lines. *Id.* at 29-30. MISO claimed that this proposal was consistent with the Commission-approved treatment of Baseline Reliability Projects under the MISO OATT. *Id.* at 34.

²⁸³ Organization of MISO States Comments, Docket Nos. ER13-1923-000, ER13-1930-000, ER13-1940-000, and ER13-1945-000, at 5 (filed Sept. 9, 2013).

²⁸⁴ *Id.*

²⁸⁵ *See id.* at 5-6. The Organization of MISO States states that MISO's proposal for the SERTP seam is "superior" to creating a new reliability project category because MISO's proposal does not require one utility to build a transmission project for another if it receives no benefit, and it does not require expensive cross-border studies every time a utility needs to replace a minor piece of transmission equipment that serves a reliability function. *Id.*

Commission-approved five-year cost allocation process during the Entergy integration into MISO.²⁸⁶

c. Answers

156. SERTP Filing Parties dispute Four Public Interest Organizations' argument that the avoided cost-only method is not an appropriate interregional cost allocation method. First, SERTP Filing Parties argue that the provisions cited by Four Public Interest Organizations as part of their argument are not part of the section dealing with joint cost allocation.²⁸⁷ Second, SERTP Filing Parties state that the interregional cost allocation is based on total project benefits and costs, and the fact that the individual regions may use different methods to determine their benefits within their region for purposes of regional cost allocation does not undercut the fact that this approach is a common method for interregional cost allocation.²⁸⁸ They explain that an interregional transmission project must have been shown at the regional level to produce benefits for each region; thus, logically, each region's specific provisions addressing the determination of benefits should govern.²⁸⁹ Third, SERTP Filing Parties argue that the proposed interregional cost allocation method does not seek to impose a new definition of benefits or beneficiaries upon an interregional transmission project because to do so would impose interregional transmission planning on top of regional transmission planning, which is not required by Order No. 1000.²⁹⁰ Fourth, SERTP Filing Parties aver that Four Public Interest Organizations recognize that there is no requirement in Order No. 1000 that the interregional cost allocation method must be the same as the participating regions' regional cost allocation methods or that both regions must employ the same regional cost allocation method.²⁹¹ Finally, with respect to Four Public Interest Organizations'

²⁸⁶ *Id.* at 9.

²⁸⁷ SERTP Filing Parties Answer, Docket Nos. ER13-1928-000, ER13-1930-000, ER13-1940-000, and ER13-1941-000, at 25 (filed Oct. 9, 2013).

²⁸⁸ *Id.* at 26.

²⁸⁹ *Id.*

²⁹⁰ *See id.* at 27 (citing Order No. 1000-A, 139 FERC ¶ 61,132 at PP 500, 711); *see also* PJM Transmission Owners Answer, Docket No. ER13-1927-000, at 4 (citing Order No. 1000-A, 139 FERC ¶ 61,132 at P 511) (Order No. 1000 did not require separate interregional planning process unrelated to regional planning processes).

²⁹¹ SERTP Filing Parties Answer, Docket Nos. ER13-1928-000, ER13-1930-000, ER13-1940-000, and ER13-1941-000, at 26 (filed Oct. 9, 2013).

argument that the SERTP Filing Parties-MISO proposal to use a common date, comparable cost components, and the latest cost estimates in cost determinations does not constitute an interregional cost allocation method, SERTP Filing Parties respond that the cited provisions do not contain the proposed cost allocation formula.²⁹²

157. SERTP Filing Parties also challenge Four Public Interest Organizations' and Wind Parties' argument that the avoided cost-only method must be rejected since the Commission previously rejected the avoided cost-only method as the sole regional cost allocation method.²⁹³ SERTP Filing Parties find that this argument ignores crucial differences between Order No. 1000's regional transmission planning obligations and the interregional transmission coordination obligations. They assert that, unlike at the regional level, Order No. 1000 does not require neighboring regions to engage in economic and public policy planning at the interregional level, and there is no obligation placed on transmission providers to identify interregional transmission needs.²⁹⁴

158. Contrary to Four Public Interest Organizations' and Wind Parties' argument that the avoided cost-only method will fail to capture all benefits and therefore will leave some costs unallocated to beneficiaries, SERTP Filing Parties argue that a selected interregional transmission solution will necessarily capture economic and public policy benefits to the extent that it is displacing a regional transmission project that has been identified to meet those transmission needs.²⁹⁵ SERTP Filing Parties also argue that the avoided cost-only method captures all "transmission needs" in that it encompasses all needs driving the physical expansion of the transmission system (i.e., transmission capacity needed to reliably satisfy long-term firm transmission commitments). SERTP Filing Parties argue that "[b]ecause the relevant and measureable benefits are captured, the avoided cost-only method meets the cost causation principle underlying the Commission's first interregional cost allocation principle, which requires the allocation of costs 'in a manner that is at least roughly commensurate with estimated benefits.'"²⁹⁶ SERTP Filing Parties contend that a cost allocation method does not violate the cost causation principle merely because there may be some customers who might receive

²⁹² *Id.* at 27.

²⁹³ *Id.* at 27-28.

²⁹⁴ *Id.* at 28 (citing WestConnect First Regional Compliance Order, 142 FERC ¶ 61,206 at PP 311-313; Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 401).

²⁹⁵ *Id.* at 29.

²⁹⁶ *Id.* at 29-30 (quoting Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 622).

some other, purported benefit from a transmission project and who do not bear a direct cost responsibility. Rather, SERTP Filing Parties argue that a cost allocation method fails this test only if the omission of some other “benefits” or beneficiaries causes the resulting cost allocation not to be “roughly commensurate” with the distribution of benefits. SERTP Filing Parties assert that Four Public Interest Organizations offer no analysis to support a finding that the ancillary benefits that they suggest may exist are so great that they cause the avoided cost-only method to fall short of the “roughly commensurate” standard.²⁹⁷

159. In response to Four Public Interest Organizations’ position that the avoided cost-only method is defective because it does not take into account instances in which a selected interregional transmission project may differ in some respect from the displaced regional transmission projects, SERTP Filing Parties contend that this argument ignores the nature of the interregional transmission coordination process. SERTP Filing Parties explain that the interregional transmission coordination process does not change the locally and regionally identified transmission needs but instead determines whether an interregional transmission project may more efficiently or cost-effectively satisfy the identified regional transmission needs. SERTP Filing Parties contend that neither the transmission needs that interregional transmission projects address nor the benefits have changed; instead, the transmission needs that interregional transmission projects address are being addressed in a more cost-effective or efficient manner.²⁹⁸

160. SERTP Filing Parties disagree with Four Public Interest Organizations’ and Wind Parties’ protests that the avoided cost-only method fails to consider public policy and economic transmission needs. SERTP Filing Parties argue that Order No. 1000 holds that economic and public policy transmission needs need not be addressed at the interregional level because these needs will have already been addressed at the local and regional levels. However, SERTP Filing Parties state that the reason they do not categorize either transmission projects or needs into “the three buckets” (i.e., as economic, public policy, or reliability) is because such buckets do not reflect meaningful categories related to the transmission planning performed for their “physical” transmission markets employed in the Southeast.²⁹⁹ SERTP Filing Parties explain that in these non-RTO markets, resource-related transmission needs are identified and addressed in the underlying integrated resource planning processes, with the long-term transmission

²⁹⁷ SERTP Filing Parties Answer, Docket Nos. ER13-1928-000, ER13-1930-000, ER13-1940-000, and ER13-1941-000, at 30 (filed Oct. 9, 2013).

²⁹⁸ *Id.* at 31.

²⁹⁹ *Id.* at 33-34.

commitments made to effectuate those integrated resource planning determinations then driving the transmission planning performed by the transmission planners in the Southeast. SERTP Filing Parties further explain that as a result, the economic and transmission needs driven by public policy requirements, as well as transmission needs triggered by the requirement to have sufficient generation and demand-side resources to serve load reliably, are first identified in those state-regulated processes, while transmission planning processes then ensure that the transmission system is expanded to reliably deliver the power associated with addressing those needs.³⁰⁰ SERTP Filing Parties argue that this aspect of the non-RTO, physical transmission markets employed in the SERTP region reinforces the use of an avoided cost-only method.

161. Finally, SERTP Filing Parties argue that the protestors rely on a number of assumptions that are without merit, including that the avoided cost-only method will result in interregional transmission projects not being built because they would not qualify in either regional transmission plan.³⁰¹ SERTP Filing Parties contend that any customer can request that a transmission project be built for any reason, subject to the cost allocation rules of the relevant tariffs and/or sections 210-212 of the FPA.³⁰² SERTP Filing Parties further clarify that limits on criteria for transmission projects to potentially be included in the regional transmission plans for purposes of cost allocation relate to transmission projects seeking cost allocation.³⁰³ SERTP Filing Parties state that, as already noted, no interregional transmission project needs to qualify for Order No. 1000 interregional cost allocation to be built. In addition, although not directly protested by the parties, SERTP Filing Parties state that, assuming the criticism was directed at the limited subset of interregional transmission projects referred to as installed capacity projects (ICAP), ICAP projects present a more economic or cost-efficient transmission solution to regionally identified transmission solutions in each region.³⁰⁴

³⁰⁰ *Id.* at 32-33.

³⁰¹ *Id.* at 36 (citing Four Public Interest Organizations Protest, Docket Nos. ER13-1923-000, ER13-1928-000, ER13-1930-000, ER13-1940-000, and ER13-1941-000, at 25 (filed Sept. 9, 2013); Wind Parties Comments, Docket Nos. ER13-1923-000, ER13-1928-000, ER13-1930-000, ER13-1940-000, and ER13-1941-000, at 8-9 (filed Sept. 24, 2013)).

³⁰² 16 U.S.C. §§ 824i-824k (2012).

³⁰³ SERTP Filing Parties Answer, Docket Nos. ER13-1928-000, ER13-1930-000, ER13-1940-000, and ER13-1941-000, at 36-37 (filed Oct. 9, 2013).

³⁰⁴ *Id.* at 37.

162. SERTP Filing Parties argue that requiring MISO's cost allocation for interregional reliability projects be identical to MISO's cost allocation for regional reliability projects conflicts with the real issue before to the Commission. SERTP Filing Parties explain that reliability projects are a concept not relevant to SERTP because it does not categorize projects; however, these "reliability projects" must be eligible to be a cost-allocated interregional project, i.e., an ICAP project. They note that Organization of MISO States' protest focusing on cost allocation for interregional projects that are driven by reliability transmission needs appears to be an attack on MISO's specific regional cost allocation method for reliability projects (including interregional transmission projects identified as reliability projects within MISO) and not on the interregional cost allocation method between SERTP and MISO. As such, SERTP Filing Parties state that it does not opine on this issue.³⁰⁵

163. With respect to Four Public Interest Organizations' protests that the transmission project qualifications for interregional cost allocation are overly limiting, MISO states that the arguments are without merit, because Order No. 1000 requires that the interregional transmission coordination and joint evaluation requirements, and potential interregional transmission solutions, be limited to transmission projects that can be approved by each neighboring transmission planning region's regional transmission planning process, and can be included in their respective transmission plans, for purposes of regional cost allocation.³⁰⁶ MISO explains that since Order No. 1000 itself imposed such a limitation, Four Public Interest Organizations' arguments to the contrary should be rejected as impermissible collateral attacks on Order No. 1000's requirements.³⁰⁷

164. MISO states that while observing the Commission's direction that interregional transmission projects should consist of transmission projects that also meet regional eligibility requirements, SERTP Filing Parties and MISO's proposal further allows for flexibility to consider, on a case-by-case basis, transmission projects that may not satisfy all of the requisite regional threshold criteria, but that otherwise provide significant regional benefits.³⁰⁸ MISO contends that with such an alternative already in place, there is no reason to adopt the broader SPP approach, which does not properly account for the

³⁰⁵ *Id.* at 41.

³⁰⁶ MISO Answer, Docket No. ER13-1923-000, at 8 (filed Oct. 21, 2013) (citing Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 436; Order No. 1000-A, 139 FERC ¶ 61,132 at P 509).

³⁰⁷ *Id.* at 7-8.

³⁰⁸ *Id.* at 8 (citing MISO, Tariff, Attachment FF, § X.D.1.b (13.0.0)).

impact of MISO's regional transmission project eligibility requirements on the interregional transmission projects.³⁰⁹

165. MISO acknowledges Indiana Commission's and Organization of MISO States' concerns about addressing the potential interregional treatment of reliability-related transmission projects; however, MISO states that since the MISO First Regional Compliance Order accepted OATT revisions under which Baseline Reliability Projects in MISO no longer involve regional cost allocation, Baseline Reliability Projects are not eligible for interregional cost allocation, pursuant to Order No. 1000's requirement that eligibility for interregional cost allocation be limited to transmission projects included in regional transmission plans for purposes of regional cost allocation. Conversely, MISO states that if so directed by the Commission as part of a further compliance directive, MISO is willing to initiate discussions with SERTP on the inclusion of a process for reliability projects that is similar to the Cross-Border Baseline Reliability Projects proposal set forth in the MISO-PJM Order No. 1000 interregional compliance filing submitted in Docket No. ER13-1943-000 as suggested by Organization of MISO States under its Option 1.³¹⁰

166. MISO further notes that SERTP Filing Parties and MISO Transmission Owners have coordinated on the development of reliability upgrades between the regions for decades, and none of the tariff provisions proposed as a result of Order No. 1000 will preclude such activities from continuing into the future.

167. MISO maintains that the avoided cost-only method agreed upon by SERTP Filing Parties and MISO satisfies Order No. 1000's six interregional cost allocation principles as articulated in the MISO Compliance Filing. While MISO agrees with the use of an avoided cost-only method to allocate the costs of interregional transmission projects between SERTP and MISO, MISO explains that the regions will continue to explore the development of, or the potential for, additional cost allocation methods that might also be suitable and will file with the Commission such other suitable methods that this process may identify.³¹¹

168. Finally, with respect to Organization of MISO States' request for clarification on how the interregional cost allocation will be considered in relation to the Commission-approved five-year transition and cost allocation process for the integration of the

³⁰⁹ *Id.* at 8-9.

³¹⁰ *Id.* at 10-11.

³¹¹ *Id.* at 11-12.

Entergy Operating Companies into MISO, MISO explains that cost allocation treatment of MISO-SERTP interregional transmission projects during the transition period will depend on the physical location of the transmission project.³¹²

d. Commission Determination

169. We find that the SERTP Filing Parties and MISO's proposed interregional cost allocation method partially complies with the interregional transmission cost allocation requirements of Order No. 1000.

170. We find that SERTP Filing Parties and MISO have complied with Order No. 1000's requirements that neighboring regions propose a common interregional cost allocation method. Both SERTP Filing Parties and MISO have proposed a common avoided cost allocation method which they have included in their respective tariffs. Additionally, as permitted by Order No. 1000, SERTP Filing Parties and MISO propose to apply this avoided cost-only method to all selected interregional transmission projects, rather than having separate interregional cost allocation methods for different types of interregional transmission facilities, including interregional transmission facilities for transmission needs driven by reliability, economic, or public policy requirements. We also find that SERTP Filing Parties and MISO have complied with Order No. 1000's requirement that an interregional transmission facility must be selected in each relevant regional transmission plan to be eligible for the proposed interregional cost allocation method.³¹³

171. As explained in the General Requirements section of this order, SERTP Filing Parties and MISO's proposal specifies certain requirements that an interregional transmission facility must satisfy to be eligible for interregional cost allocation within the SERTP and MISO regions. In the General Requirements section, we find that these three requirements partially comply with the requirements of Order No. 1000. In particular, we find that the first criterion, which limits an interregional transmission facility to one that interconnects with the transmission facilities of one or more *SERTP Sponsors* and one or more *MISO transmission owners*, is not consistent with Order No. 1000 for the same reasons discussed above.³¹⁴ Therefore, consistent with our finding in the General Requirements section of this order, we direct SERTP Filing Parties and MISO to submit,

³¹² *Id.* at 12 (citing MISO, Tariff, Attachment FF-6, § IV.A.2(b) (14.0.0)).

³¹³ MISO, Tariff, Attachment FF, § X.D.1 (13.0.0); Southern Companies, OATT, Ex. K-5, § 4.1 (0.0.0).

³¹⁴ See General Requirements section.

within 60 days of the date of issuance of this order, further compliance filings revising this criterion to remove the requirement that for an interregional transmission facility to be eligible for interregional cost allocation within the SERTP and MISO regions, the transmission facility must interconnect to the transmission facilities of one or more SERTP Sponsors and one or more MISO transmission owners.

172. The second criterion, that an interregional transmission facility must have a combined benefit-to-cost ratio of 1.25 or higher in the SERTP or MISO regions, is consistent with the requirements of Order No. 1000. Order No. 1000 specifies that if public utility transmission providers in the neighboring transmission planning regions choose to adopt a benefit-to-cost threshold to determine whether an interregional transmission facility has sufficient net benefits to qualify for interregional cost allocation, such a threshold may not include a ratio of benefits to costs that exceeds 1.25 unless the pair of transmission planning regions justify, and the Commission approves, a higher ratio.³¹⁵

173. With respect to the third criterion that an interregional transmission facility must meet the criteria for transmission facilities potentially eligible to be selected in the regional transmission plan for purposes of interregional cost allocation in MISO, as a Market Efficiency Project, and SERTP, pursuant to their respective regional transmission planning processes, we find that, to the extent that either SERTP's or MISO's Order No. 1000-compliant regional transmission planning processes contain threshold criteria that a transmission facility must meet in order to be proposed in the regional transmission planning process and be included in the regional transmission plans for purposes of cost allocation,³¹⁶ such a determination is appropriate as a criterion for a transmission facility to be eligible for interregional cost allocation.³¹⁷ However, as discussed below, the specific limitation that MISO will only consider interregional transmission facilities that qualify as a Market Efficiency Projects does not comply with Interregional Cost Allocation Principles 1 and 6.³¹⁸

³¹⁵ Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 646.

³¹⁶ For example, SERTP Filing Parties' existing OATT requires a proposed transmission project to, among other things, operate at a voltage of 300 kV or greater. See SERTP Regional Rehearing and Compliance Order, 147 FERC ¶ 61,241 at P 121.

³¹⁷ MISO, Tariff, Attachment FF, § X.D.1 (13.0.0); Southern Companies, OATT, Ex. K-5, §4.1 (0.0.0).

³¹⁸ See *infra* P 186.

174. Further, consistent with the requirement that public utility transmission providers make transparent the analyses undertaken and determinations reached by neighboring transmission regions in the identification and evaluation of interregional transmission facilities,³¹⁹ SERTP Filing Parties and MISO must allow stakeholders to propose, and must keep a record of, interregional transmission facilities that are found not to meet the minimum threshold criteria for transmission facilities potentially eligible for selection in a regional transmission plan for purposes of cost allocation in both the SERTP and MISO regions. In addition, as part of the information that public utility transmission providers must communicate on their website related to interregional transmission coordination procedures,³²⁰ SERTP Filing Parties and MISO must post a list of all interregional transmission facilities that are proposed for potential selection in the regional transmission plans for purposes of cost allocation but that are found not to meet the relevant thresholds, as well as an explanation of the thresholds the proposed interregional transmission facilities failed to satisfy.

175. With respect to the proposed case-by-case exception, which allows SERTP Filing Parties and MISO to consider an interregional transmission project that does not satisfy all of the three criteria to be eligible for interregional cost allocation, if the transmission facility: (1) meets the threshold criteria for a project proposed to be included in the regional transmission plan for purposes of cost allocation in only one of the two regions; and (2) would be interconnected to the transmission facilities of one or more SERTP Sponsors and the transmission facilities of one or more transmission owners in the MISO transmission planning region, we find that this case-by-case exception partially complies with the requirements of Order No. 1000. First, we decline to require SERTP Filing Parties and MISO to adopt SPP's proposed exception regarding proposed criteria for interregional cost allocation (as proposed in the SERTP Filing Parties-SPP compliance filing) in their interregional compliance filing. Second, we agree with MISO that Order No. 1000 requires that an interregional transmission facility be selected in both regions transmission plans for purposes of regional cost allocation. In addition, Order No. 1000 states that each pair of transmission planning regions can develop its own approach to interregional cost allocation that satisfies both transmission planning regions' transmission needs and concerns, as long as that approach satisfies the interregional cost allocation principles.³²¹ Third, we find that there is nothing in Order No. 1000 that

³¹⁹ Order No. 1000-A, 139 FERC ¶ 61,132 at P 520 (citing Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 465 n.365).

³²⁰ Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 458.

³²¹ Order No. 1000-A, 139 FERC ¶ 61,132 at P 627 (citing Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 580).

requires or precludes a pair of transmission planning regions from proposing an exception to evaluate transmission facilities that do not meet both regions' regional criteria on a case-by-case basis and thus, find this exception acceptable. However, we find the requirement that a transmission facility must be interconnected to the transmission facilities of one or more SERTP Sponsors or one or more transmission owners in MISO, as discussed in the General Requirements section of this order, to be inconsistent with Order No. 1000. Accordingly, we direct SERTP Filing Parties and MISO to submit further compliance filings revising this case-by-case exception to remove the requirement that the transmission facility must be interconnected to the transmission facilities of one or more SERTP Sponsors and the transmission facilities of one or more transmission owners in the MISO transmission planning region.

176. We find that SERTP Filing Parties and MISO's interregional cost allocation proposal partially complies with Order No. 1000's Interregional Cost Allocation Principles, with the exception of Principles 1 and 6, as discussed below.³²² SERTP Filing Parties and MISO propose to quantify the regional benefits of a proposed interregional transmission facility based upon the cost of regional transmission projects in each of their regional transmission plans that could be displaced by the proposed interregional transmission facility. Such a proposal is an "avoided-cost only method," meaning a cost allocation method that relies exclusively on avoided-costs to account for benefits associated with transmission needs driven by reliability, economic, and public policy requirements. The Commission previously concluded that an avoided-cost only method was not permissible as the sole cost allocation method for *regional* transmission projects proposed for selection in the regional transmission plan for purposes of cost allocation. As explained below, we conclude that an avoided-cost only method is permissible as the sole cost allocation methodology for *interregional* transmission projects proposed for interregional cost allocation.

177. As an initial matter, we find that the interplay between the regional transmission planning and interregional coordination requirements of Order No. 1000 address, at the interregional level, the Commission's concerns regarding use of the avoided-cost only method at the regional level. The Commission previously found that an avoided cost-only method for allocating the costs of new regional transmission facilities selected in the regional transmission plan for purposes of cost allocation at the regional level did not comply with Regional Cost Allocation Principle 1.

178. Specifically, the Commission stated that using one regional cost allocation method that relies solely on avoided costs to capture the potential benefits associated with transmission needs driven by regional reliability, economic, and public policy

³²² See *infra* PP 180, 186.

requirements does not allocate costs in a manner that is at least roughly commensurate with estimated benefits because it does not adequately assess the potential benefits provided by that transmission facility. Rather, an avoided cost-only cost allocation method when used at the regional level would consider as benefits only the cost savings that result when a *local* transmission project is avoided due to the selection of a regional transmission facility in the regional transmission plan for purposes of cost allocation, failing to account for benefits that were not identified in the local transmission planning processes but that could be recognized at the regional level through a regional analysis of more efficient or cost-effective solutions to regional transmission needs.³²³ Additionally, in rejecting an avoided cost-only cost allocation method at the regional level, the Commission stated that a regional transmission facility that resulted in a more efficient or cost-effective transmission solution than what was included in the roll-up of local transmission plans would not be eligible for regional cost allocation if there was no transmission facility in the local transmission plans that it would displace.³²⁴ A key consideration in the Commission's finding, therefore, was the interplay between the scope of local and regional transmission planning.

179. However, we conclude that the regional transmission planning and interregional transmission coordination reforms required by Order No. 1000 address these concerns regarding the use of an avoided-cost only method at the interregional level. Through the reforms implemented by Order No. 1000, we expect that the regional transmission planning process will result in the identification of regional transmission facilities that potential interregional transmission facilities may displace. In Order No. 1000, the Commission required reforms to existing transmission planning processes to ensure that public utility transmission providers "adequately assess the potential benefits of alternative transmission solutions at the regional level that may meet the needs of a transmission planning region more efficiently or cost-effectively than solutions identified by individual public utility transmission providers in their local transmission planning process."³²⁵ For instance, the Commission required public utility transmission providers to work within a transmission planning region to create a regional transmission plan that identifies transmission facilities needed to meet reliability, economic, and public policy requirements, and reflects fair consideration of transmission facilities proposed by incumbent and nonincumbent transmission developers, as well as interregional

³²³ SERTP First Regional Compliance Order, 144 FERC ¶ 61,054 at PP 249-250.

³²⁴ *Id.* P 251.

³²⁵ Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 81.

transmission facilities.³²⁶ Thus, in contrast to the concerns that the Commission had with an avoided cost-only cost allocation method when used at the regional level,³²⁷ we expect there will be regional transmission facilities identified in the regional transmission planning process that are needed to meet transmission needs driven by reliability, economic, and/or public policy requirements that potential interregional transmission facilities may displace.

180. As noted above, the relationship between the regional transmission planning and interregional transmission coordination requirements of Order No. 1000 is central to our finding here. Order No. 1000's interregional coordination requirements build upon and complement the reforms required in the regional transmission planning processes; as a result, use of an avoided cost-only cost allocation method at the interregional level would consider as benefits the cost savings that result when a regional transmission project selected in a regional transmission plan for purposes of cost allocation is avoided due to the selection of a more efficient or cost-effective interregional transmission facility. Whereas Order No. 1000 requires public utility transmission providers to evaluate through the regional transmission planning process alternative transmission solutions that might meet the needs of the transmission planning region more efficiently or cost-effectively than transmission solutions identified by individual public utility transmission providers in their local transmission planning process,³²⁸ Order No. 1000 does not require public utility transmission providers to conduct interregional transmission planning, nor does it require public utility transmission providers to produce an interregional transmission plan that considers transmission solutions to meet interregional transmission needs identified separately at the interregional level.³²⁹ Rather, Order No. 1000's interregional transmission coordination requirements obligate public utility transmission providers to identify and jointly evaluate interregional transmission facilities that may more efficiently or cost-effectively address the individual needs identified in their

³²⁶ See *e.g.*, *id.* P 11.

³²⁷ As noted above, in the SERTP First Regional Compliance Order, the Commission stated that a regional transmission facility that resulted in a more efficient or cost-effective transmission solution than what was included in the roll-up of local transmission plans would not be eligible for regional cost allocation if there was no transmission facility in the local transmission plans that it would displace. SERTP First Regional Compliance Order, 144 FERC ¶ 61,054 at P 251.

³²⁸ Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 148.

³²⁹ See *id.* P 399.

respective local and regional transmission planning processes.³³⁰ Since the interregional coordination procedures do not require an interregional analysis of more efficient or cost-effective solutions to interregional transmission needs, but only a joint evaluation of interregional transmission facilities that may more efficiently or cost-effectively address regional transmission needs, the selected interregional transmission facility will address transmission needs driven by regional reliability, economic, and/or public policy requirements that have already been identified and evaluated for potential transmission solutions at the regional level. Thus, an avoided cost-only cost allocation method when used at the interregional level will account for benefits that were identified in the regional transmission planning processes and therefore complies with Interregional Cost Allocation Principle 1.

181. In Order No. 1000, the Commission required that each public utility transmission provider identify interregional transmission facilities that may be more efficient or cost-effective than regional transmission facilities using its regional transmission planning process and expected public utility transmission providers to consider all types of *regional* transmission needs driven by regional reliability, economic and/or public policy requirements.³³¹ Moreover, in Order No. 1000-A, the Commission explained that, “consideration of transmission needs driven by Public Policy Requirements is an essential part of the evaluation of an interregional transmission project; not as part of interregional transmission coordination, but rather as part of the relevant regional transmission planning processes.”³³² Because of this obligation to identify and evaluate interregional transmission projects to the extent that they might be more efficient or cost-effective in addressing *regional* transmission needs driven by reliability, economic, and/or public policy requirements, Interregional Cost Allocation Principle 1 requires that the interregional cost allocation method must account for all benefits that were identified in the regional transmission planning processes. While it is possible that an avoided cost-only method may comply with Interregional Cost Allocation Principle 1, we find, however, that SERTP Filing Parties and MISO’s proposal does not comply with Interregional Cost Allocation Principle 1. The proposal limits the consideration of benefits to economic benefits identified through MISO’s regional transmission plan in the form of Market Efficiency Projects. Thus, the benefits that may accrue from addressing

³³⁰ *Id.* P 393.

³³¹ *Id.* P 368.

³³² Order No. 1000-A, 139 FERC ¶ 61,132 at P 500.

reliability and transmission needs driven by public policy requirements³³³ will not be considered. Therefore, we find that SERTP Filing Parties and MISO's proposed cost allocation method is not compliant with Interregional Cost Allocation Principle 1.

182. We also disagree with Wind Parties' and Four Public Interest Organizations' assertion that an avoided cost-only interregional cost allocation method fails to sufficiently consider all of the benefits that may accrue from an interregional transmission project. While protestors argue that an avoided cost-only method ignores the fact that a selected interregional transmission facility may address regional transmission needs but have different attributes, functions, and location than a displaced regional transmission project, and therefore a different benefit "profile," we agree with SERTP Filing Parties that the interregional transmission coordination process does not change the regional transmission needs that the interregional transmission facility addresses but instead determines whether the interregional transmission facility addresses those regional transmission needs more efficiently or cost-effectively.

183. With respect to Four Public Interest Organizations' argument that SERTP Filing Parties and MISO's proposal to allow each region to determine its own *pro rata* share of the costs and benefits of an interregional transmission project fails to meet Order No. 1000's requirement for a common interregional cost allocation method, we agree with SERTP Filing Parties that allowing each region to use its own method to determine benefits does not undercut the fact that an avoided cost method may constitute a common interregional cost allocation method. We agree that because SERTP Filing Parties and MISO's proposal requires that an interregional transmission project be shown at the regional level to have benefits for each region, it is appropriate that each region's specific provisions addressing the determination of benefits should apply.

184. Furthermore, we find that the proposed avoided cost-only method complies with Interregional Cost Allocation Principles 2 and 4 because the costs of an interregional transmission facility will be allocated between the SERTP and MISO transmission planning regions if that transmission facility is selected for purposes of cost allocation in the regional transmission plans of both SERTP and MISO. SERTP Filing Parties and MISO also specify that its proposed tariff revisions apply to an interregional transmission facility that is proposed to be located in both SERTP and MISO. Thus, a transmission planning region that receives no benefit from an interregional transmission facility located in that region will not be involuntarily allocated costs of that transmission facility. Further, costs of an interregional transmission facility will only be allocated to the transmission planning regions in which that transmission facility is located. We note that

³³³ See SERTP Regional Rehearing and Compliance Order, 147 FERC ¶ 61,241 at PP 449-452.

SERTP Filing Parties and MISO propose that neither MISO nor SERTP will be responsible for compensating another transmission planning region for necessary upgrades or other consequences of interregional transmission projects identified in the interregional coordination process.³³⁴ While we find that SERTP Filing Parties and MISO's proposal complies with Interregional Cost Allocation Principle 4, we encourage SERTP and MISO to work with neighboring regions pursuant to any existing arrangements, and to consider new opportunities that might arise, to address impacts on other regions. Order No. 1000 was not intended to disrupt or impede any such arrangements.

185. In Order No. 1000, the Commission stated that Interregional Cost Allocation Principle 3 specifies that, if a benefit-to-cost threshold ratio is used to determine whether an interregional transmission facility has sufficient net benefits to qualify for interregional cost allocation, such a threshold may not include a benefit-to-cost ratio that exceeds 1.25 unless justified by the regions and approved by the Commission.³³⁵ SERTP Filing Parties and MISO propose an interregional benefit-to-cost threshold of 1.25 for an interregional transmission facility to be eligible for interregional cost allocation within the SERTP and MISO transmission planning regions. Thus, we find that SERTP Filing Parties and MISO's proposed avoided cost-only allocation method complies with Interregional Cost Allocation Principle 3.

186. Moreover, we find that SERTP Filing Parties and MISO's proposed avoided cost-only cost allocation method complies with Interregional Cost Allocation Principle 5. SERTP Filing Parties and MISO argue that because benefits that form the basis of cost allocation are quantifiable, the cost allocation method and data requirements for determining benefits and identifying beneficiaries would be transparent. We agree. SERTP Filing Parties and MISO propose to make the analyses and results which determine regional benefits for purposes of allocating costs available to stakeholders. Similarly, we also find that these proposed tariff revisions regarding transparency will also ensure that stakeholders will have access to adequate documentation that describes how the interregional cost allocation method was applied to a proposed interregional transmission facility.

187. While we find that SERTP Filing Parties and MISO's proposed use of an avoided-cost only cost allocation method complies with Interregional Cost Allocation Principle 6, we agree with commenters that SERTP Filing Parties and MISO's proposal to limit an

³³⁴ Southern Companies Compliance Filing, Docket No. ER13-1941-000, at 14.

³³⁵ Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 646; Order No. 1000-A, 139 FERC ¶ 61,132 at P 692.

interregional transmission facility to those that qualify as a Market Efficiency Project in MISO's regional transmission planning process does not comply with Order No. 1000 because MISO's regional cost allocation method for Market Efficiency Projects only accounts for regional economic benefits.³³⁶ In Order No. 1000, the Commission did not require public utility transmission providers to conduct interregional transmission planning and did not require them to produce an interregional transmission plan.³³⁷ However, through the Commission's requirement that each public utility transmission provider identify interregional transmission facilities that may be more efficient or cost-effective than regional transmission facilities using its regional transmission planning process, the Commission expected public utility transmission providers to consider all types of *regional* transmission needs, including regional reliability, economic and public policy related transmission needs.³³⁸ Moreover, in Order No. 1000-A, the Commission explained that consideration of whether an interregional transmission facility satisfied regional transmission needs driven by public policy requirements is an essential part of the evaluation of an interregional transmission project; not as part of interregional transmission coordination, but as part of the relevant regional transmission planning process.³³⁹ Because of this obligation to identify and evaluate interregional transmission projects to the extent that they might be more efficient or cost-effective in addressing *regional* reliability, economic, and public policy transmission needs, Order No. 1000 requires that the interregional cost allocation method must account for all benefits that were identified in the regional transmission planning processes. We therefore agree with commenters that SERTP Filing Parties and MISO's proposal to only consider Market Efficiency Projects fails to sufficiently consider all of the benefits that may accrue from an interregional transmission project. Similarly, we find that MISO's proposal to not consider a regional transmission project for potential displacement by an interregional transmission project if the regional transmission project has already been approved in the MISO regional transmission plan fails to sufficiently consider all of the benefits that may accrue from an interregional transmission project. Thus, we find that the proposed interregional cost allocation method does not comply with Interregional Cost Allocation

³³⁶ See MISO First Regional Compliance Order, 142 FERC ¶ 61,215 at P 519.

³³⁷ Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 399.

³³⁸ *Id.* P 368.

³³⁹ Order No. 1000-A, 139 FERC ¶ 61,132 at P 500.

Principle 6.³⁴⁰ Accordingly, we direct SERTP Filing Parties and MISO to submit further compliance filings within 60 days of the date of issuance of this order that: (1) allocates the costs of an interregional transmission facility to each transmission planning region in which the interregional transmission facility is located in a manner that is at least roughly commensurate with the estimated benefits of the facility as required by Interregional Cost Allocation Principle 1 and (2) include an interregional cost allocation method that accounts for all types of benefits that were identified in the regional transmission planning processes, as required by Interregional Cost Allocation Principle 6.³⁴¹

188. With respect to Organization of MISO States' request for MISO to clarify how costs will be allocated among the MISO North and MISO South regions, we find MISO's proposal to allocate its share of an interregional transmission project's costs using the current regional cost allocation method during the five-year integration of Entergy Operating Companies and/or utilities adjacent to Entergy into MISO is sufficiently detailed in Attachment FF-6 of MISO's OATT and supported by the record. While Order No. 1000 states that the method for allocating a transmission planning region's share of the cost of an interregional transmission facility may differ from the method for allocating the cost of a regional transmission facility within that region,³⁴² it does not require transmission planning regions to use a different cost allocation method to allocate its costs of an interregional transmission facility. Put another way, Order No. 1000 allows a transmission planning region to use its existing regional cost allocation method for allocating its share of an interregional transmission project, which is what MISO proposes to do.³⁴³ The Commission has already approved the cost allocation mechanism

³⁴⁰ See *PJM Interconnection, L.L.C.*, 149 FERC ¶ 61,250, at P 190 (2014) (finding that MISO's and PJM Transmission Owners' interregional cost allocation proposals for Cross-Border Market Efficiency Projects do not fully comply with Interregional Cost Allocation Principle 6, because to comply with Interregional Cost Allocation Principle 6, MISO and PJM must also have an interregional cost allocation method(s) for regional reliability and transmission needs driven by public policy requirements).

³⁴¹ For instance, SERTP Filing Parties and MISO may revise their proposal such that for a transmission project to be eligible for interregional cost allocation purposes, the project must meet the criteria for transmission projects potentially eligible to be included in the respective regional transmission plans for purposes of cost allocation in the SERTP and MISO regions, pursuant to their respective regional transmission planning processes.

³⁴² Order No. 1000, FERC Stats. & Regs. ¶ 31,323 at P 733.

³⁴³ *Id.* P 734.

in MISO's existing OATT for the five-year transition period of Entergy into MISO.³⁴⁴ Regional and interregional transmission projects that are evaluated and selected during the five-year transition period will be eligible to use the appropriate regional cost allocation method based on the type of the transmission project. Therefore, we accept MISO's clarification, as provided in its answer, as a sufficient response to Organization of MISO States' concerns.

The Commission orders:

(A) SERTP Filing Parties and MISO's compliance filings are hereby accepted, as modified, effective January 1, 2015, subject to a further compliance filing, as discussed in the body of this order.

(B) SERTP Filing Parties and MISO are hereby directed to submit further compliance filings, within 60 days of the date of issuance of this order, as discussed in the body of this order.

(C) Entergy's compliance filing is hereby rejected, as discussed in the body of this order; and

(D) Cleco's compliance filing is hereby rejected, as discussed in the body of this order.

By the Commission. Commissioner Honorable is voting present.

(S E A L)

Nathaniel J. Davis, Sr.,
Deputy Secretary.

³⁴⁴ *Midwest Indep. Transmission Sys. Operator, Inc.*, 139 FERC ¶ 61,056 (2012), *order on reh'g and compliance*, 141 FERC ¶ 61,128 (2012).

Appendix A: Abbreviated Names of Intervenorors

The following tables contain the abbreviated names of intervenors that are used in this Order on Compliance Filings.

**Intervenors
MISO Compliance Filing
Docket No. ER13-1923-000**

Abbreviation	Intervenor(s)
AEP	American Electric Power Service Corporation
Ameren Services Company	Ameren Services Company (on behalf of its affiliated operating companies: Ameren Illinois Company and Union Electric Company d/b/a Ameren Missouri; and on behalf of its affiliated marketing and generating companies: Ameren Energy Marketing Company, Ameren Energy Generating Company and AmerenEnergy Resources Generating Company (collectively, the Ameren Companies))
American Transmission Company	American Transmission Company LLC
Associated Electric Cooperative	Associated Electric Cooperative, Inc.
Consumers Energy Company	Consumers Energy Company
DATC Midwest Holdings	DATC Midwest Holdings, LLC
Dalton Utilities	Dalton Utilities
Duke	Duke Energy Corporation
Duke-American Transmission	Duke-American Transmission Company, LLC
Duke Carolinas	Duke Energy Carolinas, LLC; Duke Energy Florida, Inc.; Duke Energy

	Progress, Inc.
E.ON Climate & Renewables North America	E.ON Climate & Renewables North America LLC
Exelon	Exelon Corporation
Georgia Transmission Corporation	Georgia Transmission Corporation
Indiana Commission	Indiana Utility Regulatory Commission
Indiana Office of Utility Consumer Counselor	Indiana Office of Utility Consumer Counselor
LG&E/KU	Louisville Gas & Electric Company and Kentucky Utilities Company
MEAG Power	Municipal Electric Authority of Georgia
Midwest TDUs	Madison Gas and Electric Company, Missouri Joint Municipal Electric Utility Commission, Missouri River Energy Services, and WPPI Energy
MISO Transmission Owners	Ameren Services Company (as agent for Union Electric Company, Ameren Illinois Company, Ameren Transmission Company of Illinois); City Water, Light & Power (Springfield, IL); Dairyland Power Cooperative; Great River Energy; Hoosier Energy Rural Electric; MidAmerican Energy Company; Minnesota Power (and its subsidiary Superior Water, L&P); Montana-Dakota Utilities Co.; Northern States Power Company (Minnesota and Wisconsin corporations); Otter Tail Power Company; Southern Indiana Gas & Electric Company; Southern Minnesota Municipal Power Agency; and Wabash Valley Power Association, Inc.

North Carolina Utilities Commission	North Carolina Utilities Commission, Public Staff-North Carolina Utilities Commission
Organization of MISO States	Indiana Utility Regulatory Commission; Iowa Utilities Board; Michigan Public Service Commission; Minnesota Public Utilities Commission; Missouri Public Service Commission; Montana Public Service Commission; North Dakota Public Service Commission; South Dakota Public Utilities Commission; Wisconsin Public Service Commission
OVEC	Ohio Valley Electric Corporation
PowerSouth Energy Cooperative	PowerSouth Energy Cooperative
Rockland Electric Company	Rockland Electric Company
South Carolina Office of Regulatory Staff	South Carolina Office of Regulatory Staff
Southern Companies	Southern Company Services, Inc. (on behalf of Alabama Power Company, Georgia Power Company, Gulf Power Company, Mississippi Power Company, and Southern Power Company)
South Mississippi Electric Power Association	South Mississippi Electric Power Association
Tennessee Valley Authority	Tennessee Valley Authority
Transource Energy	Transource Energy, LLC
Wisconsin Electric Power Company	Wisconsin Electric Power Company

Duke Carolinas Filing
Docket No. ER13-1928-000

Abbreviation	Intervenor(s)
AEP	American Electric Power Service Corporation
Associated Electric Cooperative	Associated Electric Cooperative, Inc.
Dalton Utilities	Dalton Utilities
Dominion Resources Services	Dominion Resources Services, Inc.
Exelon	Exelon Corporation
FirstEnergy Transmission Owners	Jersey Central Power & Light Company, Metropolitan Edison Company, Pennsylvania Electric Company, Monongahela Power Company, The Potomac Edison Company, West Penn Power Company, American Transmission Systems, Incorporated, Trans-Allegheny Interstate Line Company
Florida Commission	Florida Public Service Commission
Four Public Interest Organizations	Natural Resources Defense Council, Sierra Club, Southern Environmental Law Center, Sustainable FERC Project
Georgia Transmission Corporation	Georgia Transmission Corporation
LG&E/KU	Louisville Gas & Electric Company and Kentucky Utilities Company
MEAG Power	Municipal Electric Authority of Georgia
Midwest TDUs	Madison Gas and Electric Company, Missouri Joint Municipal Electric Utility Commission, Missouri River Energy Services, and WPPI Energy

MISO	Midcontinent Independent System Operator, Inc.
MISO Transmission Owners	Ameren Services Company (as agent for Union Electric Company, Ameren Illinois Company, Ameren Transmission Company of Illinois); City Water, Light & Power (Springfield, IL); Dairyland Power Cooperative; Great River Energy; Hoosier Energy Rural Electric; MidAmerican Energy Company; Minnesota Power (and its subsidiary Superior Water, L&P); Montana-Dakota Utilities Co.; Northern States Power Company (Minnesota and Wisconsin corporations); Otter Tail Power Company; Southern Indiana Gas & Electric Company; Southern Minnesota Municipal Power Agency; and Wabash Valley Power Association, Inc.
NCEMC	North Carolina Electric Membership Corporation
North Carolina Utilities Commission	North Carolina Utilities Commission, Public Staff-North Carolina Utilities Commission
Old Dominion Electric Cooperative	Old Dominion Electric Cooperative
OVEC	Ohio Valley Electric Corporation
PJM	PJM Interconnection, L.L.C.
PowerSouth Energy Cooperative	PowerSouth Energy Cooperative
PPL Electric Utilities*	PPL Electric Utilities Corporation; PPL EnergyPlus, LLC; PPL Brunner Island, LLC; PPL Holtwood, LLC; PPL Ironwood, LLC; PPL Martins Creek,

	LLC; PPL Montour, LLC; PPL Susquehanna, LLC; Lower Mount Bethel Energy, LLC; PPL New Jersey Solar, LLC; PPL New Jersey Biogas, LLC; and PPL Renewable Energy, LLC
PSEG Companies	Public Service Electric and Gas Company, PSEG Power LLC, and PSEG Energy Resources & Trade LLC
Rockland Electric Company	Rockland Electric Company
South Carolina Office of Regulatory Staff	South Carolina Office of Regulatory Staff
Southern Companies	Southern Company Services, Inc. (on behalf of Alabama Power Company, Georgia Power Company, Gulf Power Company, Mississippi Power Company, and Southern Power Company)
South Mississippi Electric Power Association	South Mississippi Electric Power Association
SPP	Southwest Power Pool, Inc.
Tennessee Valley Authority	Tennessee Valley Authority
* late intervention	

LG&E/KU Compliance Filing
Docket No. ER13-1930-000

Abbreviation	Intervenor(s)
AEP	American Electric Power Service Corporation
Associated Electric Cooperative	Associated Electric Cooperative, Inc.
Dalton Utilities	Dalton Utilities
Dominion Resources Services	Dominion Resources Services, Inc.
Duke Carolinas	Duke Energy Carolinas, LLC; Duke Energy Florida, Inc.; Duke Energy Progress, Inc.
Exelon	Exelon Corporation
FirstEnergy Transmission Owners	Jersey Central Power & Light Company, Metropolitan Edison Company, Pennsylvania Electric Company, Monongahela Power Company, The Potomac Edison Company, West Penn Power Company, American Transmission Systems, Incorporated, Trans-Allegheny Interstate Line Company
Florida Public Service Commission	Florida Public Service Commission
Four Public Interest Organizations	Natural Resources Defense Council, Sierra Club, Southern Environmental Law Center, Sustainable FERC Project
Georgia Transmission Corporation	Georgia Transmission Corporation
Indiana Commission	Indiana Utility Regulatory Commission
Indiana Office of Utility Consumer Counselor	Indiana Office of Utility Consumer Counselor

MEAG Power	Municipal Electric Authority of Georgia
Midwest TDUs	Madison Gas and Electric Company, Missouri Joint Municipal Electric Utility Commission, Missouri River Energy Services, and WPPI Energy
MISO	Midcontinent Independent System Operator, Inc.
MISO Transmission Owners	Ameren Services Company (as agent for Union Electric Company, Ameren Illinois Company, Ameren Transmission Company of Illinois); City Water, Light & Power (Springfield, IL); Dairyland Power Cooperative; Great River Energy; Hoosier Energy Rural Electric; MidAmerican Energy Company; Minnesota Power (and its subsidiary Superior Water, L&P); Montana-Dakota Utilities Co.; Northern States Power Company (Minnesota and Wisconsin corporations); Otter Tail Power Company; Southern Indiana Gas & Electric Company; Southern Minnesota Municipal Power Agency; and Wabash Valley Power Association, Inc.
North Carolina Commission	North Carolina Utilities Commission
Old Dominion Electric Cooperative	Old Dominion Electric Cooperative
Organization of MISO States	Indiana Utility Regulatory Commission; Iowa Utilities Board; Michigan Public Service Commission; Minnesota Public Utilities Commission; Missouri Public Service Commission; Montana Public Service Commission; North Dakota Public Service Commission; South Dakota Public Utilities Commission; Wisconsin Public Service Commission

OVEC	Ohio Valley Electric Corporation
PJM	PJM Interconnection, L.L.C.
PowerSouth Energy Cooperative	PowerSouth Energy Cooperative
PPL Electric Utilities*	PPL Electric Utilities Corporation; PPL EnergyPlus, LLC; PPL Brunner Island, LLC; PPL Holtwood, LLC; PPL Ironwood, LLC; PPL Martins Creek, LLC; PPL Montour, LLC; PPL Susquehanna, LLC; Lower Mount Bethel Energy, LLC; PPL New Jersey Solar, LLC; PPL New Jersey Biogas, LLC; and PPL Renewable Energy, LLC
Rockland Electric Company	Rockland Electric Company
South Mississippi Electric Power Association	South Mississippi Electric Power Association
Southern Companies	Southern Company Services, Inc. (on behalf of Alabama Power Company, Georgia Power Company, Gulf Power Company, Mississippi Power Company, and Southern Power Company)
SPP	Southwest Power Pool, Inc.
Tennessee Valley Authority	Tennessee Valley Authority
Wisconsin Electric Power Company	Wisconsin Electric Power Company

* late intervention

OVEC Compliance Filing
Docket No. ER13-1940-000

Abbreviation	Intervenor(s)
AEP	American Electric Power Service Corporation
Associated Electric Cooperative	Associated Electric Cooperative, Inc.
Dalton Utilities	Dalton Utilities
Dominion Resources Services	Dominion Resources Services, Inc.
Duke Carolinas	Duke Energy Carolinas, LLC; Duke Energy Florida, Inc.; Duke Energy Progress, Inc.
FirstEnergy Transmission Owners	Jersey Central Power & Light Company, Metropolitan Edison Company, Pennsylvania Electric Company, Monongahela Power Company, The Potomac Edison Company, West Penn Power Company, American Transmission Systems, Incorporated, Trans-Allegheny Interstate Line Company
Florida Public Service Commission	Florida Public Service Commission
Four Public Interest Organizations	Natural Resources Defense Council, Sierra Club, Southern Environmental Law Center, Sustainable FERC Project
Georgia Transmission Corporation	Georgia Transmission Corporation
Indiana Commission	Indiana Utility Regulatory Commission
Indiana Office of Utility Consumer Counselor	Indiana Office of Utility Consumer Counselor
LG&E/KU	Louisville Gas & Electric Company and Kentucky Utilities Company

MEAG Power	Municipal Electric Authority of Georgia
Midwest TDUs	Madison Gas and Electric Company, Missouri Joint Municipal Electric Utility Commission, Missouri River Energy Services, and WPPI Energy
MISO	Midcontinent Independent System Operator, Inc.
MISO Transmission Owners	Ameren Services Company (as agent for Union Electric Company, Ameren Illinois Company, Ameren Transmission Company of Illinois); City Water, Light & Power (Springfield, IL); Dairyland Power Cooperative; Great River Energy; Hoosier Energy Rural Electric; MidAmerican Energy Company; Minnesota Power (and its subsidiary Superior Water, L&P); Montana-Dakota Utilities Co.; Northern States Power Company (Minnesota and Wisconsin corporations); Otter Tail Power Company; Southern Indiana Gas & Electric Company; Southern Minnesota Municipal Power Agency; and Wabash Valley Power Association, Inc.
North Carolina Commission	North Carolina Utilities Commission
Old Dominion Electric Cooperative	Old Dominion Electric Cooperative
Organization of MISO States	Indiana Utility Regulatory Commission; Iowa Utilities Board; Michigan Public Service Commission; Minnesota Public Utilities Commission; Missouri Public Service Commission; Montana Public Service Commission; North Dakota Public Service Commission; South Dakota Public Utilities Commission;

	Wisconsin Public Service Commission
PJM	PJM Interconnection, L.L.C.
PowerSouth Energy Cooperative	PowerSouth Energy Cooperative
PPL Electric Utilities*	PPL Electric Utilities Corporation; PPL EnergyPlus, LLC; PPL Brunner Island, LLC; PPL Holtwood, LLC; PPL Ironwood, LLC; PPL Martins Creek, LLC; PPL Montour, LLC; PPL Susquehanna, LLC; Lower Mount Bethel Energy, LLC; PPL New Jersey Solar, LLC; PPL New Jersey Biogas, LLC; and PPL Renewable Energy, LLC
Rockland Electric Company	Rockland Electric Company
Southern Companies	Southern Company Services, Inc. (on behalf of Alabama Power Company, Georgia Power Company, Gulf Power Company, Mississippi Power Company, and Southern Power Company)
South Mississippi Electric Power Association	South Mississippi Electric Power Association
SPP	Southwest Power Pool, Inc.
Tennessee Valley Authority	Tennessee Valley Authority

* late intervention

Southern Companies Compliance Filing
Docket No. ER13-1941-000

Abbreviation	Intervenor(s)
AEP	American Electric Power Service Corporation
Alabama Commission	Alabama Public Service Commission
AMEA	Alabama Municipal Electric Authority
Associated Electric Cooperative	Associated Electric Cooperative, Inc.
Dalton Utilities	Dalton Utilities
Dominion Resources Services	Dominion Resources Services, Inc.
Duke Carolinas	Duke Energy Carolinas, LLC; Duke Energy Florida, Inc.; Duke Energy Progress, Inc.
Exelon	Exelon Corporation
FirstEnergy Transmission Owners	Jersey Central Power & Light Company, Metropolitan Edison Company, Pennsylvania Electric Company, Monongahela Power Company; The Potomac Edison Company, West Penn Power Company, American Transmission Systems, Incorporated, Trans-Allegheny Interstate Line Company
Florida Commission	Florida Public Service Commission
Four Public Interest Organizations	Natural Resources Defense Council, Sierra Club, Southern Environmental Law Center, Sustainable FERC Project
Georgia Transmission Corporation	Georgia Transmission Corporation
LG&E/KU	Louisville Gas & Electric Company and

	Kentucky Utilities Company
MEAG Power	Municipal Electric Authority of Georgia
Midwest TDUs	Madison Gas and Electric Company, Missouri Joint Municipal Electric Utility Commission, Missouri River Energy Services, and WPPI Energy
MISO	Midcontinent Independent System Operator, Inc.
MISO Transmission Owners	Ameren Services Company (as agent for Union Electric Company, Ameren Illinois Company, Ameren Transmission Company of Illinois); City Water, Light & Power (Springfield, IL); Dairyland Power Cooperative; Great River Energy; Hoosier Energy Rural Electric; MidAmerican Energy Company; Minnesota Power (and its subsidiary Superior Water, L&P); Montana- Dakota Utilities Co.; Northern States Power Company (Minnesota and Wisconsin corporations); Otter Tail Power Company; Southern Indiana Gas & Electric Company; Southern Minnesota Municipal Power Agency; and Wabash Valley Power Association, Inc.
North Carolina Commission	North Carolina Utilities Commission
Old Dominion Electric Cooperative	Old Dominion Electric Cooperative
OVEC	Ohio Valley Electric Corporation
PJM	PJM Interconnection, L.L.C.
PowerSouth Energy Cooperative	PowerSouth Energy Cooperative
PPL Electric Utilities*	PPL Electric Utilities Corporation; PPL

EnergyPlus, LLC; PPL Brunner Island, LLC; PPL Holtwood, LLC; PPL Ironwood, LLC; PPL Martins Creek, LLC; PPL Montour, LLC; PPL Susquehanna, LLC; Lower Mount Bethel Energy, LLC; PPL New Jersey Solar, LLC; PPL New Jersey Biogas, LLC; and PPL Renewable Energy, LLC

Rockland Electric Company

Rockland Electric Company

South Mississippi Electric Power Association

South Mississippi Electric Power Association

SPP

Southwest Power Pool, Inc.

Tennessee Valley Authority

Tennessee Valley Authority

* late intervention

MISO Attachment FF Filing
Docket No. ER13-1945-000

Abbreviation	Intervenor(s)
AEP	American Electric Power Service Corporation
Ameren Services Company	Ameren Services Company (on behalf of its affiliated operating companies: Ameren Illinois Company and Union Electric Company d/b/a Ameren Missouri; and on behalf of its affiliated marketing and generating companies: Ameren Energy Marketing Company, Ameren Energy Generating Company and AmerenEnergy Resources Generating Company (collectively, the Ameren Companies))
American Transmission Company	American Transmission Company LLC
Arkansas Electric Cooperative Corporation	Arkansas Electric Cooperative Corporation
Associated Electric Cooperative	Associated Electric Cooperative, Inc.
Climate & Energy Project and the Sustainable FERC Project	Climate & Energy Project and the Sustainable FERC Project
Consumers Energy Company	Consumers Energy Company
Dalton Utilities	Dalton Utilities
Duke	Duke Energy Corporation
Duke Energy Transmission Holding Company	Duke Energy Transmission Holding Company
Duke-American Transmission	Duke-American Transmission Company, LLC and DATC Midwest Holdings, LLC

E.ON Climate & Renewables North America	E.ON Climate & Renewables North America LLC
Exelon	Exelon Corporation
Georgia Transmission Corporation	Georgia Transmission Corporation
Indiana Commission	Indiana Utility Regulatory Commission
Indiana Office of Utility Consumer Counselor	Indiana Office of Utility Consumer Counselor
ITC Companies	International Transmission Company; Michigan Electric Transmission Company, LLC; ITC Midwest LLC
Kansas City Power & Light and KCP&L Greater Missouri	Kansas City Power & Light Company and KCP&L Greater Missouri Operations Company
LG&E/KU	Louisville Gas & Electric Company and Kentucky Utilities Company
Maryland PSC	Maryland Public Service Commission
MEAG Power	Municipal Electric Authority of Georgia
Midwest TDUs	Madison Gas and Electric Company, Missouri Joint Municipal Electric Utility Commission, Missouri River Energy Services, and WPPI Energy
MISO Transmission Owners	Ameren Services Company (as agent for Union Electric Company, Ameren Illinois Company, Ameren Transmission Company of Illinois); City Water, Light & Power (Springfield, IL); Dairyland Power Cooperative; Great River Energy; Hoosier Energy Rural Electric; MidAmerican Energy Company; Minnesota Power (and its subsidiary Superior Water, L&P); Montana-

	Dakota Utilities Co.; Northern States Power Company (Minnesota and Wisconsin corporations); Otter Tail Power Company; Southern Indiana Gas & Electric Company; Southern Minnesota Municipal Power Agency; and Wabash Valley Power Association, Inc.
Nine Public Interest Organizations	Earthjustice, Environmental Law and Policy Center, National Audubon Society, Natural Resources Defense Council, Pace Energy and Climate Center, Sierra Club, Southern Environmental Law Center, Sustainable FERC Project, and Union of Concerned Scientists
NIPSCO	Northern Indiana Public Service Company
Old Dominion Electric Cooperative	Old Dominion Electric Cooperative
Organization of MISO States	Indiana Utility Regulatory Commission; Iowa Utilities Board; Michigan Public Service Commission; Minnesota Public Utilities Commission; Missouri Public Service Commission; Montana Public Service Commission; North Dakota Public Service Commission; South Dakota Public Utilities Commission; Wisconsin Public Service Commission
OVEC	Ohio Valley Electric Corporation
PJM	PJM Interconnection, L.L.C.
PowerSouth Energy Cooperative	PowerSouth Energy Cooperative
PPL Electric Utilities*	PPL Electric Utilities Corporation; PPL EnergyPlus, LLC; PPL Brunner Island, LLC; PPL Holtwood, LLC; PPL Ironwood, LLC; PPL Martins Creek,

	LLC; PPL Montour, LLC; PPL Susquehanna, LLC; Lower Mount Bethel Energy, LLC; PPL New Jersey Solar, LLC; PPL New Jersey Biogas, LLC; and PPL Renewable Energy, LLC
PSEG Companies	Public Service Electric and Gas Company, PSEG Power LLC, and PSEG Energy Resources & Trade LLC
Rockland Electric Company	Rockland Electric Company
Southern Companies	Southern Company Services, Inc. (on behalf of Alabama Power Company, Georgia Power Company, Gulf Power Company, Mississippi Power Company, and Southern Power Company)
South Mississippi Electric Power Association	South Mississippi Electric Power Association
Transource Energy	Transource Energy, LLC
Western Farmers Electric Cooperative	Western Farmers Electric Cooperative
Wisconsin Electric Power Company	Wisconsin Electric Power Company

* late intervention

Appendix B: Abbreviated Names of Initial Commenters

The following tables contain the abbreviated names of initial commenters that are used in this Order on Compliance Filings.

Initial Commenters

**MISO Compliance Filing
Docket No. ER13-1923-000**

Abbreviation	Commenter(s)
Indiana Commission +	Indiana Utility Regulatory Commission
Organization of MISO States ³⁴⁵	Arkansas Public Service Commission; Illinois Commerce Commission; Indiana Utility Regulatory Commission; Iowa Utilities Board, Kentucky Public Service Commission; Michigan Public Service Commission, Minnesota Public Utilities Commission; Mississippi Public Service Commission; Missouri Public Service Commission; Montana Public Service Commission; City of New Orleans; North Dakota Public Service Commission; South Dakota Public Utilities Commission; and Public Utility Commission of Texas; Wisconsin Public Service Commission
Wind Parties *	American Wind Energy Association; Wind on the Wires; and Mid-Atlantic Renewable Energy Coalition
Wisconsin Electric +	Wisconsin Electric Power Company

³⁴⁵ Louisiana Public Service Commission abstained from these comments. The Manitoba Public Utilities Board did not participate in these comments. The Indiana Office of Utility Consumer Counselor, as an associate member of the OMS, participated in these comments and generally supports these comments.

* late comments

+ protest

Duke Carolinas Compliance Filing

Docket No. ER13-1928-000

Abbreviation	Commenter(s)
Four Public Interest Organizations +	Natural Resources Defense Council, Sierra Club, Southern Environmental Law Center, Sustainable FERC Project
MISO	Midcontinent Independent System Operator, Inc.
Wind Parties *	American Wind Energy Association; Wind on the Wires; and Mid-Atlantic Renewable Energy Coalition

* late comments

+ protest

LG&E/KU Compliance Filing
Docket No. ER13-1930-000

Abbreviation	Commenter(s)
Four Public Interest Organizations +	Natural Resources Defense Council, Sierra Club, Southern Environmental Law Center, Sustainable FERC Project
Indiana Commission +	Indiana Utility Regulatory Commission
MISO	Midcontinent Independent System Operator, Inc.
Organization of MISO States ³⁴⁶	Arkansas Public Service Commission; Illinois Commerce Commission; Indiana Utility Regulatory Commission; Iowa Utilities Board, Kentucky Public Service Commission; Michigan Public Service Commission, Minnesota Public Utilities Commission; Mississippi Public Service Commission; Missouri Public Service Commission; Montana Public Service Commission; City of New Orleans; North Dakota Public Service Commission; South Dakota Public Utilities Commission; and Public Utility Commission of Texas; Wisconsin Public Service Commission
Wind Parties *	American Wind Energy Association; Wind on the Wires; and Mid-Atlantic Renewable Energy Coalition
Wisconsin Electric +	Wisconsin Electric Power Company

³⁴⁶ Louisiana Public Service Commission abstained from these comments. The Manitoba Public Utilities Board did not participate in these comments. The Indiana Office of Utility Consumer Counselor, as an associate member of the OMS, participated in these comments and generally supports these comments.

* late comments

+ protest

OVEC Compliance Filing
Docket No. ER13-1940-000

Abbreviation	Commenter(s)
Four Public Interest Organizations +	Natural Resources Defense Council, Sierra Club, Southern Environmental Law Center, Sustainable FERC Project
Indiana Commission +	Indiana Utility Regulatory Commission
MISO	Midcontinent Independent System Operator, Inc.
Organization of MISO States ³⁴⁷	Arkansas Public Service Commission; Illinois Commerce Commission; Indiana Utility Regulatory Commission; Iowa Utilities Board, Kentucky Public Service Commission; Michigan Public Service Commission, Minnesota Public Utilities Commission; Mississippi Public Service Commission; Missouri Public Service Commission; Montana Public Service Commission; City of New Orleans; North Dakota Public Service Commission; South Dakota Public Utilities Commission; and Public Utility Commission of Texas; Wisconsin Public Service Commission
Wind Parties *	American Wind Energy Association;

³⁴⁷ Louisiana Public Service Commission abstained from these comments. The Manitoba Public Utilities Board did not participate in these comments. The Indiana Office of Utility Consumer Counselor, as an associate member of the OMS, participated in these comments and generally supports these comments.

Wind on the Wires; and Mid-Atlantic
Renewable Energy Coalition

- * late comments
- + protest

Southern Companies Compliance Filing
Docket No. ER13-1941-000

Abbreviation	Commenter(s)
Four Public Interest Organizations +	Natural Resources Defense Council, Sierra Club, Southern Environmental Law Center, Sustainable FERC Project
MISO	Midcontinent Independent System Operator, Inc.
Wind Parties *	American Wind Energy Association; Wind on the Wires; and Mid-Atlantic Renewable Energy Coalition

- * late comments
- + protest

MISO Attachment FF Filing
Docket No. ER13-1945-000

Abbreviation	Commenter(s)
Arkansas Electric Cooperative Corporation +	Arkansas Electric Cooperative Corporation
Climate & Energy Project and the Sustainable FERC Project +	Climate & Energy Project and the Sustainable FERC Project
Duke-American Transmission + ³⁴⁸	Duke-American Transmission Company, LLC and DATC Midwest Holdings, LLC
Exelon +	Exelon Corporation
ITC Companies	International Transmission Company; Michigan Electric Transmission Company, LLC; ITC Midwest LLC
Nine Public Interest Organizations +	Earthjustice, Environmental Law and Policy Center, National Audubon Society, Natural Resources Defense Council, Pace Energy and Climate Center, Sierra Club, Southern Environmental Law Center, Sustainable FERC Project, and Union of Concerned Scientists
Northern Indiana Public Service Company + ³⁴⁹	Northern Indiana Public Service Company

³⁴⁸ Duke-American Transmission submitted comments and protests in its September 9, 2013 pleading.

³⁴⁹ On September 11, 2013, NIPSCO filed an errata to its protest.

Organization of MISO States³⁵⁰

Arkansas Public Service Commission;
 Illinois Commerce Commission;
 Indiana Utility Regulatory Commission;
 Iowa Utilities Board, Kentucky Public
 Service Commission; Michigan Public
 Service Commission, Minnesota Public
 Utilities Commission; Mississippi
 Public Service Commission; Missouri
 Public Service Commission; Montana
 Public Service Commission; City of
 New Orleans; North Dakota Public
 Service Commission; South Dakota
 Public Utilities Commission; Public
 Utility Commission of Texas;
 Wisconsin Public Service Commission

PJM +

PJM Interconnection, L.L.C.

PJM Transmission Owners +³⁵¹

PJM Transmission Owners

Wind Parties *

American Wind Energy Association;
 Wind on the Wires; and Mid-Atlantic
 Renewable Energy Coalition

* late comments

+ protest

³⁵⁰ Louisiana Public Service Commission abstained from these comments. The Manitoba Public Utilities Board did not participate in these comments. The Indiana Office of Utility Consumer Counselor, as an associate member of the OMS, participated in these comments and generally supports these comments.

³⁵¹ PJM Transmission Owners submitted a limited protest.

Entergy Compliance Filing
Docket No. ER13-1955-000

No protests or comments were filed in this docket.

Cleco Compliance Filing
Docket No. ER13-1956-000

No protests or comments were filed in this docket.

Appendix C: Abbreviated Names of Reply Commenters

The following tables contain the abbreviated names of reply commenters that are used in this Order on Compliance Filings.

**MISO Compliance Filing
Docket No. ER13-1923-000**

Abbreviation	Commenter(s)
MISO ³⁵²	Midcontinent Independent System Operator, Inc.

**Duke Compliance Filing
Docket No. ER13-1928-000**

Abbreviation	Commenter(s)
SERTP Filing Parties ³⁵³	Duke, LG&E/KU, Southern Companies, OVEC

**LG&E/KU Compliance Filing
Docket No. ER13-1930-000**

Abbreviation	Commenter(s)
SERTP Filing Parties ³⁵⁴	Duke, LG&E/KU, Southern Companies, OVEC

³⁵² MISO filed an answer to the protests of Wind Parties, Organization of MISO States, Wisconsin Electric, and Indiana Commission on October 21, 2013.

³⁵³ SERTP Filing Parties filed an answer to the protests of Wind Parties and Four Public Interest Organizations.

³⁵⁴ SERTP Filing Parties filed an answer to the comments of Organization of MISO States and protests of Wind Parties, Wisconsin Electric, Indiana Commission, and Four Public Interest Organizations.

OVEC Compliance Filing
Docket No. ER13-1940-000

Abbreviation	Commenter(s)
SERTP Filing Parties ³⁵⁵	Duke Carolinas, LG&E/KU, Southern Companies, OVEC

Alabama Power Company Compliance Filing
Docket No. ER13-1941-000

Abbreviation	Commenter(s)
SERTP Filing Parties ³⁵⁶	Duke Carolinas, LG&E/KU, Southern Companies, OVEC

³⁵⁵ SERTP Filing Parties filed an answer to the comments of Organization of MISO States and protests of Wind Parties, Indiana Commission, and Four Public Interest Organizations.

³⁵⁶ SERTP Filing Parties filed an answer to the comments of Organization of MISO States and protests of Wind Parties and Four Public Interest Organizations.

MISO Filing
Docket No. ER13-1945-000

Abbreviation	Commenter(s)
Exelon ³⁵⁷	Exelon Corporation
MISO Transmission Owners ³⁵⁸	Ameren Services Company (as agent for Union Electric Company, Ameren Illinois Company, Ameren Transmission Company of Illinois); Big Rivers Electric Corporation; Central Minnesota Municipal Agency; City Water, Light & Power (Springfield, IL); Dairyland Power Cooperative; Great River Energy; Hoosier Energy Rural Electric Cooperative, Inc.; Indiana Municipal Power Agency; MidAmerican Energy Company; Minnesota Power (and its subsidiary Superior Water, L&P); Missouri River Energy Services; Montana-Dakota Utilities Co.; Northern States Power Company (Minnesota and Wisconsin corporations); Otter Tail Power Company; Prairie Power Inc.; South Mississippi Electric Power Association; Southern Illinois Power Cooperative; Southern Minnesota Municipal Power Agency; Wabash Valley Power Association, Inc.; and Wolverine Power Supply Cooperative, Inc.

³⁵⁷ Exelon filed an answer to the protest of NIPSCO on September 24, 2013 (filed in Docket No. ER13-1924-000, ER13-1943-000, ER13-1944-000, and ER13-1945-000).

³⁵⁸ MISO Transmission Owners filed an answer to the protest of NIPSCO on October 31, 2013 (filed in Docket Nos. ER13-1924-000, ER13-1944-000, and ER13-1945-000).

Entergy Compliance Filing
Docket No. ER13-1955-000

Abbreviation

Commenter(s)

No answers were filed in this docket.

Cleco Compliance Filing
Docket No. ER13-1956-000

Abbreviation

Commenter(s)

No answers were filed in this docket.

Appendix D: eTariff Records

The following table contains the eTariff records that are addressed in this Order on Compliance Filings. Shorthand eTariff record citations are only provided for those records that are explicitly addressed in this Order on Compliance Filings.

Filing Party Short Cite	Docket No.	Tariff Record Citation	Shorthand Tariff Record Citation
MISO	ER13-1923-000	MISO, FERC Electric Tariff, Attachment FF (Transmission Expansion Planning Protocol) (13.0.0).	MISO, Tariff, Attachment FF (13.0.0).
Duke Carolinas	ER13-1928-000	Duke Carolinas, Tariffs, Rate Schedules and Service Agreements, Tariff Volume No. 4 (Joint OATT of Duke Energy Carolinas, LLC, Duke Energy Florida, Inc., and Duke Energy Progress, Inc.), Attachment N-1 - MISO, (Interregional Transmission Coordination Between the SERTP and MISO) (0.0.0).	Duke Carolinas, OATT, Attachment N-1 – MISO (0.0.0).
LG&E/KU	ER13-1930-000	LG&E/KU, Transmission, LGE and KU Joint Pro Forma OATT, Part V, Attachment K (Transmission Planning Process) (5.0.0).	LG&E/KU, OATT, Attachment K (5.0.0).
LG&E/KU	ER13-1930-000	LG&E/KU, Transmission, LGE and KU Pro Forma OATT, Attachment K, app. 4 (Reserved) (2.0.0).	LG&E/KU, OATT, Attachment K, app. 4 (2.0.0).
LG&E/KU	ER13-1930-000	LG&E/KU, Transmission, LGE and KU Joint Pro Forma OATT, Attachment K, app. 7 (Interregional Transmission Coordination Between the SERTP and MISO) (1.0.0).	LG&E/KU, OATT, Attachment K, app. 7 (1.0.0).

LG&E/KU	ER13-1930-000	LG&E/KU, Transmission, LGE and KU Joint Pro Forma OATT, Attachment K, Ex. K-3 (Regional and Inter-Regional Reliability and Economic Planning Milestones Timeline) (2.0.0).	LG&E/KU, OATT, Attachment K, Ex. K-3 (2.0.0).
OVEC	ER13-1940-000	OVEC, OVEC OATT, Attachment M (Transmission Planning Process) (3.0.0).	OVEC, OATT, Attachment M (3.0.0).
OVEC	ER13-1940-000	OVEC, OVEC OATT, Attachment M-2 (Interregional Transmission Coordination Between the SERTP and MISO) (0.0.0).	OVEC, OATT, Attachment M-2 (0.0.0).
Southern Companies	ER13-1941-000	Southern Companies, OATT and Associated Service Agreements, Attachment K (The Southeastern Regional Transmission Planning Process) (2.0.0).	Southern Companies, OATT, Attachment K (2.0.0).
Southern Companies	ER13-1941-000	Southern Companies, OATT and Associated Service Agreements, Ex. K-2 ([Reserved]) (1.0.0).	Southern Companies, OATT, Ex. K-2 ([Reserved]) (1.0.0).
Southern Companies	ER13-1941-000	Southern Companies, OATT and Associated Service Agreements, Ex. K-3 (Regional and Reliability Planning Milestones Timeline) (2.0.0).	Southern Companies, OATT, Ex. K-3 (2.0.0).
Southern Companies	ER13-1941-000	Southern Companies, OATT and Associated Service Agreements, Ex. K-5 (Interregional Transmission Coordination - SERTP/MISO Regions) (0.0.0).	Southern Companies, OATT, Ex. K-5 (0.0.0).

MISO

ER13-1945-000

MISO, FERC Electric
Tariff, Attachment FF
(Transmission Expansion
Planning Protocol) (14.0.0).

MISO, Tariff,
Attachment FF
(14.0.0).