UNITED STATES OF AMERICA BEFORE THE FEDERAL ENERGY REGULATORY COMMISSION

Midcontinent Independent System Operator,)Inc. and the MISO Transmission Owners)Docket No. ER18-1731-000

MOTION FOR LEAVE TO FILE CONDITIONAL PROTEST OF AMERICAN MUNICIPAL POWER, INC. ONE DAY OUT OF TIME

On June 1, 2018, the Midcontinent Independent System Operator, Inc. ("MISO") and the MISO Transmission Owners filed pursuant to Section 205 of the Federal Power Act a new Schedule 50 to the MISO Open Access Transmission, Energy and Operating Reserve Markets Tariff for the purpose of charging to Interconnection Customers "reasonable expenses, including overheads, associated with operation, maintenance, and repair of a Transmission Owner's Interconnection Facilities." Undersigned counsel for American Municipal Power, Inc. ("AMP") prepared the attached Limited Protest of the June 1 filing but, due to the press of other matters, neglected to submit the filing before the 5:00 pm deadline. AMP therefore requests leave, pursuant to Commission Rules 212 and 2008(b), to file its Limited Protest one day out of time. AMP submits that, given the early stage of the proceeding and the fact that AMIP is electronically serving the Limited Protest on all parties on the due date, no party will be prejudiced by a grant of its request. AMP seeks no procedural adjustments to accommodate its out of time filing and accepts the record of the docket as it stands.

WHEREFORE, AMP seeks leave to file the attached Limited Protest one day out of time.

/s/ Gary J. Newell Gary J. Newell JENNINGS STROUSS & SALMON, PLC 1350 I Street, N.W., Suite 810 Washington, DC 20005-3305 Telephone: (202) 370-0137 E-mail: gnewell@jsslaw.com Attorney for American Municipal Power, Inc.

CERTIFICATE OF SERVICE

I hereby certify that I have on this date caused a copy of the foregoing MOTION FOR LEAVE TO FILE CONDITIONAL PROTEST OF AMERICAN MUNICIPAL POWER, INC. ONE DAY OUT OF TIME to be served on each individual included on the official service list maintained for this proceeding by the Office of the Secretary, by electronic mail or such other method as a party may have requested, in compliance with Commission Rule 2010, 18 CFR § 385.2010 (2017).

Dated this the 22nd day of June, 2018, at Washington, D.C.

/s/ Gary Newell Gary Newell

UNITED STATES OF AMERICA BEFORE THE FEDERAL ENERGY REGULATORY COMMISSION

Midcontinent Independent System Operator, Inc. and the MISO Transmission Owners

Docket No. ER18-1731-000

CONDITIONAL PROTEST OF AMERICAN MUNICIPAL POWER, INC.

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On June 1, 2018, the Midcontinent Independent System Operator, Inc. ("MISO")¹ and the MISO Transmission Owners² (collectively, "Filing Parties") made a submittal pursuant to Section 205 of the Federal Power Act proposing revisions to the MISO Open Access Transmission, Energy and Operating Reserve Markets Tariff ("Tariff"). The revisions would include a new Schedule 50 to the Tariff for the purpose of charging to Interconnection Customers "reasonable expenses, including overheads, associated with operation, maintenance, and repair of a Transmission Owner's Interconnection Facilities." The Filing Parties state that MISO's standard form of Generator Interconnection Agreement includes language stating that Interconnection Customers "will be responsible" for reasonable O&M expenses of interconnection facilities, "there is presently no mechanism set forth in the Tariff to enable the calculation and recovery of such expenses from Interconnection Customers."³ Proposed Schedule 50 is intended to provide that mechanism.

¹ MISO states that it joins the filing solely as the administrator of its Tariff, that it takes no position on the substance of the filing, and that it reserves the right to comment or protest. Filing at n.1.

² The MISO Transmission Owners on whose behalf the June 1 filing was made are listed in footnote 2 of the filing.

³ Filing at 2.

Pursuant to Commission Rule 211, American Municipal Power, Inc. ("AMP") hereby conditionally protests the June 1 filing of proposed Schedule 50 to the MISO Tariff.⁴ The grounds for AMP's conditional protest are set forth below.

CONDITIONAL PROTEST

As the Filing Parties explain,⁵ the absence of a mechanism for recovering interconnectionrelated O&M costs results in a sub-optimal cost allocation, in that some portion of the costs of operating, maintaining and repairing interconnection facilities will be borne by Network and Pointto-Point transmission service customers, thereby subsidizing the costs of interconnection service. The June 1 filing seeks to address that concern by assessing customer-specific charges to recover the annual overhead and O&M costs of a customer's particular interconnection facilities. Specifically, proposed Schedule 50 includes a formula that will be used to calculate an Annual O&M and Overheads Charge that would be assessed to each individual Interconnection Customer.

AMP has no objection to the goal of the June 1 filing—namely, that of avoiding the subsidization of interconnection service by more directly assigning the ongoing costs of Transmission Owner Interconnection Facilities ("TOIF") to the benefiting customers. AMP also agrees with the Filing Parties' desire to make the process of calculating the Annual O&M and Overheads Charge transparent.⁶ At this time, AMP's only concern is the possibility of overlapping cost recovery to the extent one or more MISO Transmission Owners already may have in place contractual provisions with interconnection customers that recover some or all of the O&M and/or repair costs of the specific interconnection facilities used by a customer. If such provisions were to

⁴ AMP submitted a doc-less motion to intervene in this proceeding on June 19, 2018.

⁵ Filing at 4-5, *quoting* O&M Rate for Transmission Provider Interconnection Facilities Filing of Public Service Company of Colorado, Docket No. ER17-208-000 (Oct. 28, 2016) at 2.

⁶ Filing at 5 (proposed Schedule 50 "provides a transparent mechanism for the calculation and recovery of O&M expenses associated with TOIF from Interconnection Customers because it relies on inputs from the Transmission Owner's Attachment O rate calculations and verifiable historical cost data.").

continue in force after Schedule 50 takes effect, a customer would face overlapping and largely duplicative charges (once under its contract for its directly assigned TOIF O&M costs, and again through Schedule 50 for an allocation of the system average TOIF O&M costs).⁷ Therefore, at a minimum, the Filing Parties should confirm that they do not currently have in place any interconnection contracts that directly assign facility-specific TOIF O&M costs to particular interconnection customers. If there are such contracts in place that would continue beyond the effective date of Schedule 50, the Filing Parties should explain how they propose to avoid imposing overlapping charges on the affected customers (*e.g.*, by eliminating the contractual TOIF O&M recovery provisions, or by crediting the contractual TOIF O&M payments against any charges billed to the customer pursuant to Schedule 50.

Respectfully submitted,

AMERICAN MUNICIPAL POWER, INC.

By: <u>/s/ Gary J. Newell</u> Gary J. Newell JENNINGS STROUSS & SALMON, PLC 1350 I Street, N.W. Suite 810 Washington, DC 20005-3305 Telephone: (202) 370-0137 E-mail: gnewell@jsslaw.com

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June 22, 2018

⁷ The Filing Parties' commitment (Filing at 5) to credit O&M expenses recovered through the Annual O&M and Overheads Charge to Account 456 or 456.1 does not resolve the potential problem discussed in text. Crediting amounts recovered through Schedule 50 against system-wide Account 456 or 456.1 costs would ensure that the same costs are not recovered once from interconnection customers and again from transmission customers through an allocation of system-wide transmission O&M costs. The crediting mechanism described by the Filing Parties, however, would not mitigate the possibility that an interconnection customer might incur overlapping TOIF O&M charges, once through its contractual billing and again through Schedule 50. To avoid that possibility, a dollar-for-dollar crediting of any such contractual TOIF O&M payments against otherwise billable Schedule 50 charges would be necessary.

CERTIFICATE OF SERVICE

I hereby certify that I have on this date caused a copy of the foregoing document to be served on each individual included on the official service list maintained for this proceeding by the Office of the Secretary, by electronic mail or such other method as a party may have requested, in compliance with Commission Rule 2010, 18 CFR § 385.2010 (2017).

Dated this the 22nd day of June, 2018, at Washington, D.C.

<u>/s/ Gary Newell</u> Gary Newell