

162 FERC ¶ 61,106  
UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Cheryl A. LaFleur, Neil Chatterjee,  
Robert F. Powelson, and Richard Glick.

Midcontinent Independent  
System Operator, Inc.

Docket No. ER17-156-002

ORDER ON COMPLIANCE FILING

(Issued February 15, 2018)

1. On January 3, 2017, the Commission issued an order accepting, subject to condition, Midcontinent Independent System Operator, Inc.'s (MISO) proposed revisions to its Generator Interconnection Procedures (GIP) and its *pro forma* Generator Interconnection Agreement (GIA) contained in Attachment X of its Open Access Transmission, Energy and Operating Reserve Markets Tariff (Tariff), to be effective January 4, 2017.<sup>1</sup> The Commission directed MISO to submit a compliance filing within 60 days of the issuance of the January 3 Order.<sup>2</sup> In two filings on March 6, 2017 and March 31, 2017, in Docket Nos. ER17-156-002 and ER17-156-003, respectively, MISO submitted revised Tariff provisions pursuant to the January 3 Order. In this order, we accept MISO's proposed Tariff revisions in Docket No. ER17-156-002, subject to condition, to be effective January 4, 2017, and direct a further compliance filing to be made within 30 days of the date of this order, as discussed below.

---

<sup>1</sup> *Midcontinent Indep. Sys. Operator, Inc.*, 158 FERC ¶ 61,003 (January 3 Order), *order on reh'g*, 161 FERC ¶ 61,137 (2017). Unless otherwise indicated, all capitalized terms shall have the meaning given them in the MISO Tariff.

<sup>2</sup> *Id.* at ordering para. (B).

## I. Background

### A. MISO's Interconnection Queue

2. On October 21, 2016, MISO proposed interconnection queue reforms after the Commission rejected with guidance MISO's previously proposed queue reforms.<sup>3</sup> Specifically, MISO proposed revisions to its GIP and its *pro forma* GIA that divided its existing Definitive Planning Phase (DPP)<sup>4</sup> into three sequential phases where System Impact Studies would be completed at three distinct points. Each phase required a milestone payment from the interconnection customer (i.e., the M2 milestone payment is required to enter DPP Phase I, the M3 milestone payment is required to enter DPP Phase II, and the M4 milestone payment is required to enter DPP Phase III). The new structure included a Decision Point before each of the second and third phases, wherein an interconnection customer could review the updated System Impact Study results and decide to (1) move on to the next phase by making the appropriate milestone payment or (2) withdraw and receive a refund of its previous milestone payment.

3. In the January 3 Order, the Commission accepted the Tariff revisions, subject to condition, to be effective January 4, 2017, as requested.<sup>5</sup> The Commission found that MISO's proposed Tariff revisions, with certain modifications, were just and reasonable and not unduly discriminatory methods of improving the GIP by restructuring and streamlining MISO's interconnection process and providing additional information and flexibilities to interconnection customers. The Commission found that MISO's proposal to build restudies into the process through sequential System Impact Studies throughout the DPP Phases should allow MISO to evaluate the impact of queue withdrawals on a more structured basis and minimize delays in processing new interconnection requests.<sup>6</sup>

---

<sup>3</sup> MISO Queue Reform Filing, Docket No. ER17-156-000 (filed Oct. 21, 2016) (October 2016 Queue Reform Filing), made after the order rejecting MISO's original proposal with guidance, *Midcontinent Indep. Sys. Operator, Inc.*, 154 FERC ¶ 61,247 (2016) (Guidance Order).

<sup>4</sup> The DPP is the final phase of MISO's generator interconnection process, during which MISO conducts reliability and deliverability studies that determine whether there is available transmission capacity to accommodate the interconnection of new proposed generation facilities or whether network upgrades are needed.

<sup>5</sup> January 3 Order, 158 FERC ¶ 61,003 at P 22.

<sup>6</sup> *Id.* P 32.

However, the Commission directed MISO to submit several Tariff revisions adjusting its procedures, as further described below.

**B. MISO's Filings**

4. On March 6, 2017, in Docket No. ER17-156-002, MISO submitted revised Tariff provisions in compliance with the January 3 Order and requested an effective date of January 4, 2017, as accepted in the January 3 Order.<sup>7</sup> MISO stated that the Filing complies with all directives set forth in the January 3 Order, with the exception of the Commission's directives regarding milestone payment refunds in the event of interconnection customer withdrawal in certain circumstances.<sup>8</sup> MISO stated that it would file a motion seeking an extension of time to comply with those directives.<sup>9</sup>

5. Also on March 6, 2017, in Docket No. ER17-156-000, MISO submitted a motion requesting a limited extension of time until March 31, 2017 to comply with the Commission's directives with respect to milestone payment refunds in the event of interconnection customer withdrawal.<sup>10</sup> MISO stated that this limited extension is necessary to continue ongoing stakeholder discussions relating to the implementation of the Commission's directives. On March 15, 2017, the Commission granted MISO's motion.<sup>11</sup>

6. On March 31, 2017, in Docket No. ER17-156-003, MISO submitted a compliance filing implementing the Commission's directives in the January 3 Order with respect to milestone payment refunds in the event of interconnection customer withdrawal and requested an effective date of January 4, 2017.<sup>12</sup> MISO proposed to add a three-phase evaluation for penalty-free withdrawal from the interconnection queue. The Commission

---

<sup>7</sup> MISO Queue Reform Compliance Filing, Transmittal Letter at 1, 9 (filed Mar. 6, 2017) (Filing).

<sup>8</sup> *Id.*, Transmittal Letter at 1 (citing January 3 Order, 158 FERC ¶ 61,003 at P 107).

<sup>9</sup> *Id.* at 1 n.3, 8-9.

<sup>10</sup> Motion of MISO for a Limited Extension of Compliance Deadline, Docket No. ER17-156-000 (filed Mar. 6, 2017).

<sup>11</sup> Notice of Extension of Time, Docket No. ER17-156-002 (Mar. 15, 2017).

<sup>12</sup> MISO Queue Reform Compliance Filing, Docket No. ER17-156-003, Transmittal Letter at 7 (filed Mar. 31, 2017).

accepted the unprotested compliance filing in Docket No. ER17-156-003 by letter order issued on July 12, 2017.<sup>13</sup>

## **II. Notices of Filings and Responsive Pleadings**

7. Notice of MISO's Filing was published in the *Federal Register*, 82 Fed. Reg. 13,805 (2017), with interventions and protests due on or before March 27, 2017.
8. NRG Power Marketing LLC and GenOn Energy Management, LLC filed a timely motion to intervene.
9. EDF Renewable Energy, Inc. (EDF Renewable Energy) submitted timely comments. EDF Renewable Energy points out that it protested the October 2016 Queue Reform Filing and also requested rehearing of the January 3 Order.<sup>14</sup> On April 21, 2017, MISO filed an answer to EDF Renewable Energy's comments.

## **III. Comment and Answer**

10. EDF Renewable Energy first argues that MISO has failed to adequately integrate the generator interconnection process with the transmission planning process. EDF Renewable Energy explains that, in many places, instead of pushing a robust transmission study process that identifies upgrades that will effectively integrate new generation, the opposite has occurred.<sup>15</sup> EDF Renewable Energy argues that the failure to coordinate these study processes allows transmission owners and providers to shift cost responsibility for needed network upgrades to interconnection customers through interconnection studies.<sup>16</sup> It states that MISO does not make public the information surrounding network upgrades proposed during the interconnection study process, further hampering study transparency and integration with transmission planning. EDF

---

<sup>13</sup> *Midcontinent Indep. Sys. Operator, Inc.*, Docket No. ER17-156-003 (July 12, 2017) (delegated letter order).

<sup>14</sup> Comments of EDF Renewable Energy, Inc., at 2 (filed Mar. 27, 2017).

<sup>15</sup> *Id.* at 3 (citing Post-Technical Conference Comments of EDF Renewable Energy, Inc., Docket Nos. RM16-12-000 and RM15-21-000, at 5 (filed June 30, 2016)).

<sup>16</sup> *Id.* (citing Post-Technical Conference Comments of EDF Renewable Energy, Inc., Docket Nos. RM16-12-000 and RM15-21-000, at 5-6 (filed June 30, 2016)).

Renewable Energy argues that, as a result, new interconnection requests are forced to fund transmission projects that address broader reliability and economic issues.<sup>17</sup>

11. Second, EDF Renewable Energy argues that MISO should use the same methods to model generation external to MISO's footprint as it does to model internal generators. EDF Renewable Energy argues that MISO uses its own method to study internal generation, but accepts from other independent system operators (ISOs) and regional transmission organizations (RTOs) inadequate data and differing methods to study generation external to MISO.<sup>18</sup>

12. Third, EDF Renewable Energy argues that there should be more accountability for MISO throughout the interconnection study process. EDF Renewable Energy states that the Commission also should require MISO to provide network model details on OASIS, including "shift factors, dispatch assumptions, load power factors, and power flows," as proposed by the Commission in Docket No. RM17-8-000.<sup>19</sup> EDF Renewable Energy also states that the Commission should implement more forceful remedies for interconnection customers delayed by any failures by MISO to complete its studies accurately and on schedule; for instance, EDF Renewable Energy states that the Commission should require MISO to include an "accuracy is of the essence" provision in the Study Services Agreement, and also require liquidated damages for any failure to comply with this provision. It argues that such provisions are particularly warranted in MISO due to its ineffective planning and generator interconnection network upgrade cost allocations violating the principles that require interconnection customers to fund their own network upgrade costs.<sup>20</sup>

13. Finally, EDF Renewable Energy states that MISO has recently put aside its plans to develop a "fast track" interconnection process. EDF Renewable Energy states that the Commission in the January 3 Order rejected the inclusion of this process, due to representations by MISO that it would file a proposal during the first quarter of 2017.<sup>21</sup> EDF Renewable Energy points out that, at MISO's interconnection process task force meeting on March 14, 2017, MISO informed stakeholders that it would not be filing a fast track proposal because it had received limited feedback on its most recent proposal.

---

<sup>17</sup> *Id.* at 4.

<sup>18</sup> *Id.* at 5.

<sup>19</sup> *Id.* at 7.

<sup>20</sup> *Id.* at 8.

<sup>21</sup> *Id.* at 9 (citing January 3 Order, 158 FERC ¶ 61,003 at P 61).

EDF Renewable Energy argues that the Commission should therefore order MISO to continue to develop a just and reasonable fast track approach.

14. In its answer, MISO argues that there is no discussion in EDF Renewable Energy's comments of any supposed deficiency of the Filing; instead, MISO asserts that the comments address issues entirely outside the scope of compliance with the January 3 Order.<sup>22</sup> MISO further asserts that EDF Renewable Energy's comments are either a collateral attack on or a late rehearing request of the January 3 Order.<sup>23</sup> Although MISO argues that the comments are procedurally improper, MISO briefly addresses them substantively to correct what it argues are misstatements and to provide context. First, MISO avers that its interconnection study processes are appropriately integrated with other study processes.<sup>24</sup> MISO explains that its interconnection studies begin with the most recent MISO Transmission Expansion Plan (MTEP) model, which reflects all planned upgrades from the MISO interconnection and transmission service processes, as well as any Multi-Value Projects, Market Efficiency Projects, and Baseline Reliability Projects. After the completion of any System Impact Study, MISO states that it posts the study results—containing the required upgrades for the group—to its website to foster transparency and ensure coordination across planning processes. MISO further states that all upgrades associated with interconnection projects are incorporated into the MTEP process to ensure consistency and that the processes are adequately linked. MISO asserts that it properly applies the “but for” standard in its interconnection studies; that is, the upgrades required in the MISO interconnection process would not be necessary “but for” the interconnection customer's proposed project.

15. Second, MISO refutes EDF Renewable Energy's suggestion that, when modeling external generation, MISO should be required to analyze generation data provided by other ISOs and RTOs using the same dispatch methodology that is used for internal generation.<sup>25</sup> MISO asserts that it has no control over external generation and limited insight into how an external system operates; thus, it is reasonable for MISO to utilize the information about external generation in accordance with the assumptions and dispatch method provided by the applicable external system. MISO further notes that EDF Renewable Energy's call for adoption of a single modeling approach is unnecessary,

---

<sup>22</sup> MISO Answer to the Comments of EDF Renewable Energy, Inc., at 2-4 (filed Apr. 21, 2017).

<sup>23</sup> *Id.* at 5.

<sup>24</sup> *Id.* at 6-7.

<sup>25</sup> *Id.* at 7-8.

as coordination between MISO and its neighboring transmission providers already is required.

16. Third, MISO rejects EDF Renewable Energy's suggestion that the Commission should require MISO to comply with the terms of the Notice of Proposed Rulemaking in Docket No. RM17-8-00 before the final rule is issued, arguing that this violates administrative procedure and would undermine parties' rights in the Commission's rulemaking process.<sup>26</sup> MISO also notes that the Commission has already rejected requests to include liquidated damages provisions in the Study Services Agreement.

17. Lastly, MISO rejects EDF Renewable Energy's suggestion that the Commission should require MISO to continue developing a fast track mechanism.<sup>27</sup> MISO states that this mechanism is not supported by its stakeholders. While MISO states that it remains open to further consideration of a fast track mechanism, MISO states that developing such a filing is not beneficial for MISO or its stakeholders until key threshold questions are answered with sufficient stakeholder support.

#### **IV. Commission Determination**

##### **A. Procedural Matters**

18. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2017), the timely, unopposed motion to intervene serves to make NRG Power Marketing LLC and GenOn Energy Management, LLC parties to this proceeding.

19. Rule 213(a)(2) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.213(a)(2) (2017), prohibits an answer to a protest unless otherwise ordered by the decisional authority. We will accept MISO's answer because it has provided information that assisted us in our decision-making process.

##### **B. Substantive Matters**

20. As further discussed below, we accept MISO's Filing, subject to condition, to be effective January 4, 2017, as requested.<sup>28</sup> We find that, with the modifications directed below, the Filing complies with the Commission's directives in the January 3 Order.

---

<sup>26</sup> *Id.* at 8-9.

<sup>27</sup> *Id.* at 9.

<sup>28</sup> The United States Court of Appeals for the District of Columbia Circuit has held that, in certain circumstances, the Commission has "authority to propose modifications to

## 1. EDF Renewable Energy's Comments

21. We reject EDF Renewable Energy's arguments raising concerns it has with MISO's interconnection study process. EDF Renewable Energy reiterates concerns it identified in post-technical conference comments in a separate proceeding in Docket Nos. RM16-12-000 and RM15-21-000 regarding its perceived need for transmission providers to unify their generator interconnection study and transmission planning process. These comments are outside the scope of this compliance proceeding and will be addressed in other appropriate dockets. We reject EDF Renewable Energy's request that the Commission require MISO to utilize a consistent approach when modeling internal and external generation for its interconnection studies, as this request is outside the scope of this compliance proceeding.<sup>29</sup> We reject EDF Renewable Energy's suggestions of additional changes to increase MISO's accountability in the interconnection study process and require a fast track mechanism as (1) outside the scope of this compliance filing and (2) a collateral attack on the Commission's consideration and rejection of these changes in the January 3 Order.<sup>30</sup>

## 2. Transition Plan

22. In the October 2016 Queue Reform Filing, MISO proposed a transition plan applicable to interconnection requests that have entered the DPP prior to January 4, 2017,

---

a utility's [FPA section 205] proposal *if the utility consents to the modifications.*" *NRG Power Mktg., LLC v. FERC*, 862 F.3d 108, 114-15 (D.C. Cir. 2017).

<sup>29</sup> Furthermore, we note that the Commission has required MISO to implement Tariff provisions ensuring that all interconnection customers who connect to MISO, internal and external, new and existing, are treated comparably. *See Internal MISO Generation v. Midcontinent Indep. Sys. Operator, Inc.*, 154 FERC ¶ 61,248, *order on reh'g and clarification*, 157 FERC ¶ 61,020 (2016); *Internal MISO Generation v. Midcontinent Indep. Sys. Operator, Inc.*, 157 FERC ¶ 61,021 (2016), *order on reh'g*, 161 FERC ¶ 61,060 (2017).

<sup>30</sup> *See* January 3 Order, 158 FERC ¶ 61,003 at PP 61, 88 (rejecting without prejudice commenters' requests to: (1) include a fast track transition process, as such process was not before the Commission; and (2) require a liquidated damages clause in the Study Services Agreement for late or inaccurate interconnection studies). We note that on January 4, 2018, EDF Renewable Energy filed a pending complaint against MISO in Docket No. EL18-55-000, arguing, among other things, that delays in MISO's queue process require the need for a fast track mechanism.

but that have not completed a System Impact Study.<sup>31</sup> In the January 3 Order, the Commission found that the proposed transition plan, consistent with the Guidance Order, avoided the creation of an unwieldy study group that may cause further backlog in the queue, and provided precise information about the projects that will be grouped together for study and explained in more detail the timing of these studies.<sup>32</sup> However, the Commission responded to parties' concerns that MISO would not complete the study cycle that commenced in August 2015 for the West region (the "August 2015 DPP cycle") before January 4, 2017, as scheduled, which would subject that study group to the new 460-day DPP process.<sup>33</sup> The Commission directed MISO to revise the Tariff to indicate that the August 2015 DPP cycle will be processed under the GIP in existence as of January 3, 2017.

23. In the Filing, MISO proposes to add Tariff language stating that the August 2015 DPP cycle shall be completed pursuant to the approved GIP in effect on January 3, 2017.<sup>34</sup>

24. We accept MISO's Tariff revisions. We find that the additional language complies with the Commission's directives in the January 3 Order.

### **3. Study Deposits**

25. In the October 2016 Queue Reform Filing, MISO proposed to require an interconnection customer to pay a study deposit based on the size in megawatts (MW) of the generator associated with its interconnection request prior to entering the DPP.<sup>35</sup> MISO stated that the interconnection customer is responsible for the cost of all interconnection studies, and so any differences between the amount of the study deposit and the actual cost of the studies will be charged or refunded to the interconnection customer. In the January 3 Order, the Commission found that MISO's proposed Tariff language could be read to require that an interconnection customer that withdraws prior

---

<sup>31</sup> October 2016 Queue Reform Filing, Transmittal Letter at 16-17, Aliff Testimony, Attachment 3.

<sup>32</sup> January 3 Order, 158 FERC ¶ 61,003 at P 59.

<sup>33</sup> *Id.* P 60.

<sup>34</sup> Filing, Transmittal Letter at 4.

<sup>35</sup> October 2016 Queue Reform Filing, Transmittal Letter at 22. Previously, the study deposit was based on both size of interconnection requests and type of service requested.

to Decision Point I, or after Decision Point I but before Decision Point II, could be responsible for the costs of all studies during the DPP Phase in which the interconnection customer withdraws.<sup>36</sup> Furthermore, the Commission found that MISO's proposed Tariff language appeared to require withdrawing interconnection customers to fund all DPP Phase III restudies, even those exceeding the amounts of its study deposits. The Commission directed MISO to submit Tariff revisions clarifying that (1) an interconnection customer that withdraws during DPP Phase I or Phase II will not be responsible for the costs of other interconnection customers' interconnection studies and (2) an interconnection customer's responsibility for restudy costs if it withdraws its request during DPP Phase III is limited to the amount of that interconnection customer's total study deposit.

26. In the Filing, MISO first proposes to clarify that an interconnection customer that withdraws during DPP Phases I or II will be responsible only for its *pro rata* portion of the group interconnection study costs for the phase, and thus will not be responsible for the costs of other interconnection customers' interconnection studies.<sup>37</sup> MISO next proposes to clarify that, if an interconnection customer withdraws its request during DPP Phase III, and MISO determines that restudy is required, the withdrawing interconnection customer will be responsible to fund all such restudies in DPP Phase III, "up to the amount of any remaining study deposits."<sup>38</sup> MISO states that, if a withdrawing interconnection customer in DPP Phase III does not have sufficient study deposits remaining to cover the cost of a restudy triggered by its withdrawal, the balance of the restudy costs will be borne by the interconnection customers remaining in DPP Phase III.

27. We find that MISO's proposed Tariff language in this instance is unclear. Therefore, we direct MISO, in a compliance filing to be made within 30 days of the issuance of this order, to further clarify that an interconnection customer withdrawing its request during DPP Phase III is only responsible for its own study deposit amounts by changing the proposed phrase in section 7.6.1 of the GIP from "up to the amount of any remaining study deposits" to "up to the amount of that interconnection customer's total study deposit."

#### 4. Scoping Meeting

28. In the October 2016 Queue Reform Filing, MISO proposed to make the pre-DPP Phase I scoping meeting between the interconnection customer, MISO, and the

---

<sup>36</sup> January 3 Order, 158 FERC ¶ 61,003 at P 34.

<sup>37</sup> Filing, Transmittal Letter at 3.

<sup>38</sup> *Id.*

transmission owner mandatory.<sup>39</sup> In the January 3 Order, the Commission found that, while the testimony submitted with MISO's filing indicated that the scoping meeting will now be mandatory for all parties, the proposed Tariff language only required MISO to use reasonable efforts to include the transmission owner.<sup>40</sup> The Commission directed MISO to revise its Tariff to make the scoping meeting mandatory for the transmission owner.

29. In the Filing, MISO proposes to revise its Tariff language to make clear that the scoping meeting is mandatory for the interconnection customer, MISO, and the transmission owner.<sup>41</sup>

30. We accept MISO's Tariff revisions. We find that the additional language ensures that the transmission owner's presence at the scoping meeting is mandatory, in keeping with the Commission's directives in the January 3 Order.

## 5. Site Control

31. In the October 2016 Queue Reform Filing, MISO proposed to require either evidence of 100 percent site control<sup>42</sup> at the interconnection request stage or, if such evidence is unavailable, a \$100,000 deposit in lieu of site control.<sup>43</sup> MISO additionally proposed to require full site control to be evidenced before the end of Decision Point II. In the January 3 Order, the Commission stated that obtaining 100 percent site control may be challenging for a developer that must obtain site control over numerous small

---

<sup>39</sup> October 2016 Queue Reform Filing, Transmittal Letter at 16.

<sup>40</sup> January 3 Order, 158 FERC ¶ 61,003 at P 86.

<sup>41</sup> Filing, Transmittal Letter at 4-5.

<sup>42</sup> MISO's GIP provides that site control can be evidenced with options to purchase or lease the land required for the generating facility, as well as the land required

for any interconnection facilities. *See* MISO, FERC Electric Tariff, Attachment X (70.0.0), § 1.S.

<sup>43</sup> October 2016 Queue Reform Filing, Transmittal Letter at 5-6. Previously, 50 percent site control was needed for an interconnection request at the beginning of the DPP, or in lieu of site control, a customer could provide a deposit of \$100,000.

parcels of land.<sup>44</sup> The Commission found that a 75 percent threshold allows for both enough certainty that the developer plans to complete the project and for the flexibility needed by the developer to accurately site its construction, and directed MISO to submit Tariff revisions that reduce the site control requirement to a 75 percent threshold. The Commission further found that the requirement to demonstrate site control for interconnection facilities prior to the end of Decision Point II may conflict with the timelines for state easement applications and requirements, and directed MISO to submit Tariff language allowing interconnection customers to provide cash in-lieu of site control until the time that the regulatory requirements allow the site control requirement to be met.

32. In the Filing, MISO proposes to change the definition of site control in the Tariff to include language that requires the interconnection customers' documentation of site control to represent 75 percent of sufficient land area to support the size and type of the Generating Facility proposed.<sup>45</sup> MISO also added the language as directed by the Commission regarding regulatory requirements that may prevent interconnection customers from providing evidence of site control.

33. We accept MISO's Tariff revisions. We find that these revisions meet the Commission's directives in the January 3 Order.

## **6. Provisional GIAs**

34. In the October 2016 Queue Reform Filing, MISO proposed Tariff revisions regarding the availability of provisional GIAs, which provide for limited operation by an interconnection customer that has demonstrated a higher level of readiness to complete the GIP and that seeks an interconnection prior to completion of the regular interconnection studies.<sup>46</sup> MISO first specified that interconnection customers may request provisional GIAs at any time beginning upon interconnection request submission and through Decision Point I, and after this time period, interconnection customers may request a provisional GIA only if the commencement of Decision Point I, Decision Point II, or the Facilities Study become delayed by more than 60 calendar days from the time schedule in the Tariff. MISO next proposed to revise the provisional GIA requirements

---

<sup>44</sup> January 3 Order, 158 FERC ¶ 61,003 at P 99.

<sup>45</sup> Filing, Transmittal Letter at 5.

<sup>46</sup> October 2016 Queue Reform Filing, Transmittal Letter at 26.

to require MISO to perform a Provisional Interconnection Study<sup>47</sup> prior to the completion of the System Impact Study and the Facilities Study.<sup>48</sup> Additionally, MISO proposed to require interconnection customers seeking a provisional GIA to submit both the M3 and M4 milestone payments in the amount of \$4,000/MW at the time of the request for the provisional GIA. MISO stated that, once the project progresses through the DPP, MISO will calculate the actual values of the M3 and M4 milestone payments as provided in the standard DPP process, and the interconnection customer must pay or be refunded any difference between the M3 and M4 previously paid and the actually calculated values.

35. In the January 3 Order, the Commission directed MISO to make the provisional GIA option available at any time in the interconnection process up to and including Decision Point II, regardless of whether MISO has failed to meet its timelines, and at the end of DPP Phase III when there are significant delays in the interconnection process.<sup>49</sup> The Commission found that extending the time in which a customer may obtain a provisional GIA to include Phase II of the DPP strikes a reasonable balance between allowing the customer to make use of the provisional GIA option when it is most useful, and at the same time, not imposing a processing burden on MISO within a short timeframe of the standard GIA process. The Commission further directed MISO to submit Tariff revisions containing more detailed information regarding the scope and procedures for performing the Provisional Interconnection Study, similar to the detail MISO provides for the Optional Interconnection Study,<sup>50</sup> the System Impact Study, and the Facilities Study.<sup>51</sup> Next, the Commission noted a discrepancy between the testimony

---

<sup>47</sup> A Provisional Interconnection Study is an engineering study, performed at Interconnection Customer's request, as a condition to entering into a provisional GIA, that evaluates the impact of the proposed interconnection on the safety and reliability of the Transmission System and, if applicable, any Affected System. *See* MISO, FERC Electric Tariff, Attachment X (70.0.0), § 1.

<sup>48</sup> October 2016 Queue Reform Filing, Aliff Testimony at 47. Previously, MISO performed an Optional Interconnection Study.

<sup>49</sup> January 3 Order, 158 FERC ¶ 61,003 at P 124.

<sup>50</sup> An Optional Interconnection Study is a sensitivity analysis based on assumptions specified by the interconnection customer. Optional Interconnection Studies are for informational purposes only. *See* MISO, FERC Electric Tariff, Attachment X (70.0.0), §§ 1, 10.1.

<sup>51</sup> January 3 Order, 158 FERC ¶ 61,003 at P 125.

and the Tariff revision submitted with MISO's filing.<sup>52</sup> The Commission noted that, although MISO's testimony stated that MISO will true up the initial estimated milestone payments to the actual values, the Tariff revisions did not include language requiring MISO to provide refunds if the initial estimated payments were more than the revised values. Accordingly, the Commission directed MISO to revise the Tariff to include the requirement that MISO refund the difference between the initial estimated M3 and M4 milestone payments and the actually calculated M3 and M4 milestone payments, if the initial estimated payments are greater than the calculated amounts.

36. In the Filing, MISO proposes to modify Section 7.9 of the GIP to clarify that an interconnection customer may request a provisional GIA at any time through Decision Point II.<sup>53</sup> MISO also states that its Tariff is already compliant with the Commission's directive to allow interconnection customers to request a provisional GIA at Decision Point III if there are significant delays in the study process. MISO states that it believes the Commission intended to reference DPP Phase III, as there is no such Decision Point III, and that Section 7.9 of Attachment X already allows interconnection customers to request provisional GIAs if the Facilities Study for network upgrades (part of DPP Phase III) becomes delayed by more than 60 calendar days. Next, MISO proposes to modify Section 10 of Attachment X to include a Provisional Interconnection Study. MISO states that Section 10.2 details the Provisional Interconnection Study, including its scope and procedures. Finally, MISO proposes to revise Section 7.9.1 of the GIP to require that, "If the actually calculated M3 and M4 values are lower than the M3 and M4 previously paid, Transmission Provider shall refund any difference between the M3 and M4 previously paid and the actually calculated values."<sup>54</sup>

37. With the exception noted below, we accept MISO's revisions to the provisional GIA process. We find that the revisions to Section 7.9 to allow an interconnection customer to request a provisional GIA at any time through Decision Point II meet the Commission's directives in the January 3 Order. We further find that the modification of Section 10 of Attachment X to include both an Optional Interconnection Study and a Provisional Interconnection Study, along with the details of the Provisional Interconnection Study, meets the Commission's directives in the January 3 Order.

38. However, we find that the Tariff language in Section 7.9.1 of the GIP is unclear about the amount of the initial M3 and M4 milestone payment amounts. The language states: "If M3 and M4 have not been calculated at the time of Interconnection Customer's request for a provisional Generator Interconnection Agreement, M3 and

---

<sup>52</sup> *Id.* P 126.

<sup>53</sup> Filing, Transmittal Letter at 6.

<sup>54</sup> *Id.*

M4 shall be \$4,000 per MW.” This language implies that the M3 and M4 milestone payments are set to \$4,000 per MW and are not subject to a true-up as more accurate estimates become available, which is not in line with MISO’s indication in its testimony submitted with the October 2016 Queue Reform Filing that it would conduct such a true-up. We direct MISO, on compliance, to revise Section 7.9.1 of the GIP to clarify that the estimated M3 and M4 milestone payments for provisional customers are each initially set at \$4,000 per MW. For example, the Tariff could read “M3 and M4 shall each be initially \$4,000 per MW.”

## 7. Restudies

39. In the October 2016 Queue Reform Filing, MISO proposed several Tariff changes revising its restudy process. MISO’s proposed Tariff changes stated that, instead of automatically conducting a restudy upon the occurrence of several listed contingencies, MISO will reevaluate the need for any common use or shared network upgrades associated with the project.<sup>55</sup> If the results of the reevaluation indicate that any common use of shared network upgrades are still required notwithstanding the contingency, upgrade costs will be reallocated among the remaining projects that require the upgrade(s) in question.

40. In the January 3 Order, the Commission noted that MISO’s Tariff language in essence deleted the existing provisions that require customers to agree to be restudied, should MISO determine that a restudy is required.<sup>56</sup> The Commission required MISO to (1) clarify what specific events might trigger a restudy, and (2) insert language “that allows MISO to conduct restudies, as it deems appropriate, even if a specified event would otherwise trigger a restudy.”<sup>57</sup>

41. In the Filing, MISO states that it revised Article 11.3.2 of the GIA to clarify the types of events that may trigger a restudy.<sup>58</sup> MISO also reinserted the clause requiring the interconnection customer to enter into an interconnection study agreement if MISO determines that restudy is required due to the occurrence of one of the contingencies in Article 11.3.1, and so notifies the interconnection customer.

---

<sup>55</sup> October 2016 Queue Reform Filing, Transmittal Letter at 27.

<sup>56</sup> January 3 Order, 158 FERC ¶ 61,003 at P 129.

<sup>57</sup> *Id.* P 132.

<sup>58</sup> Filing, Transmittal Letter at 7-8.

42. Further, MISO proposes to revise Article 11.3.2 as follows:

“...Transmission Provider may determines restudy is required either: (i) in Transmission Provider’s discretion or (ii) because one of the contingencies listed in Article 11.3.1 has occurred;. If a restudy is required, Transmission Provider will provide notice to Interconnection Customer and Interconnection Customer agrees to enter into an Interconnection Study Agreement for such restudy. Transmission Provider will post on its OASIS if a restudy is declared for reasons other than the contingencies listed in Article 11.3.1. Transmission Provider will reevaluate the need for ~~the any~~ Common Use Upgrade(s) and/or Shared Network Upgrade(s), and if still required, reallocate the cost and responsibility for any Common Use Upgrade and/or Shared Network Upgrade, without a restudy when possible, or with a restudy if the Transmission Provider deems it necessary in order to ensure reliability of the Transmission System and provide notice to the interconnection customer...”

43. We accept the part of MISO’s language requiring interconnection customers to enter into a restudy agreement if a restudy is required because one of the contingencies listed in Article 11.3.1 has occurred. However, we find that the remainder of MISO’s Tariff revisions do not correctly implement the Commission’s directives from the January 3 Order. In the October 2016 Queue Reform Filing, MISO proposed that, instead of conducting a restudy automatically upon each occurrence of a restudy trigger, MISO would reevaluate the need for any common use or shared network upgrades associated with the project. Consistent with MISO’s effort to limit restudies, the Commission in the January 3 Order directed MISO to “insert language to Section 11.3.2 that allows MISO to conduct restudies, as it deems appropriate, even if a specified event would otherwise trigger a restudy.”<sup>59</sup> This language was intended to make clear that a triggering event does not require MISO to conduct a restudy; rather, if a triggering event was present, MISO could decide in its discretion whether a restudy was needed or not. We find that MISO’s proposed Tariff language deviates without explanation from the January 3 Order by giving MISO discretion to conduct restudies without a triggering event. Further, we find that the proposed Tariff language does not make clear that if a contingency/trigger is present, and MISO in its discretion decides to restudy, such a restudy also could apply to other types of upgrades, in addition to common use and shared network upgrades. Therefore, we direct MISO, on compliance, to: (1) revise Article 11.3.2 to ensure that MISO may determine restudy is required in its discretion only when one of the contingencies listed in Article 11.3.1 has occurred; (2) remove the addition of “Transmission Provider will post on its OASIS if a restudy is declared for reasons other

---

<sup>59</sup> January 3 Order, 158 FERC ¶ 61,003 at P 132. The January 3 Order inadvertently referred to Article 11.3.2 as section 11.3.2.

than the contingencies listed in Article 11.3.1,” as there will be no restudies declared for reasons other than the contingencies listed in Article 11.3.1; and (3) specifically list the types of upgrades that may be involved in a restudy at the beginning of Article 11.3.2 to make clear that, when a contingency/trigger is present, MISO has the discretion over whether to initiate restudies related to all types of upgrades or contingencies, i.e., common use and shared network upgrades, network upgrades, system protection facilities, and/or distribution upgrades.

## **8. Miscellaneous**

44. In the January 3 Order, the Commission noted that MISO’s October 2016 Queue Reform Filing referenced Section 6.6 of the GIP in several Tariff provisions discussing withdrawal, and found that these references should be to section 3.6.<sup>60</sup> The Commission directed MISO to make this change in its compliance filing.

45. In the Filing, MISO states that it removed the inaccurate references to Section 6.6 of the GIP and replaced those references with the correct reference to Section 3.6.<sup>61</sup> We accept MISO’s Tariff revisions to correctly reference Section 3.6 instead of Section 6.6 of the GIP.

### The Commission orders:

(A) MISO’s proposed Tariff revisions are hereby accepted, subject to condition, to be effective January 4, 2017, as discussed in the body of this order.

(B) MISO is hereby directed to submit a compliance filing within 30 days of the issuance of this order, as discussed in the body of this order.

By the Commission. Chairman McIntyre is not participating.

( S E A L )

Nathaniel J. Davis, Sr.,  
Deputy Secretary.

---

<sup>60</sup> *Id.* P 138.

<sup>61</sup> Filing, Transmittal Letter at 8.