

filing, effective June 27, 2018, and terminate the proceeding in Docket No. EL18-157-000 that was initiated pursuant to section 206 of the Federal Power Act.⁴

I. December 2018 Order

2. In the December 2018 Order, the Commission found that the two-step averaging methodology, used in ATC's transmission formula rate to calculate the ADIT component of rate base, was unjust and unreasonable and unduly discriminatory or preferential.⁵ Accordingly, the Commission directed ATC to submit a compliance filing revising its transmission formula rate to eliminate the use of the two-step averaging methodology, with such changes to be effective June 27, 2018, the refund effective date established by the order instituting this proceeding.⁶

II. Compliance Filing

3. The Filing Parties state that their compliance filing satisfies the Commission's directive by proposing to revise ATC's transmission formula rate template included in Attachment O of the MISO Open Access Transmission, Energy and Operating Reserves Markets Tariff to eliminate the use of the two-step averaging methodology. In addition, the Filing Parties state that ATC has corrected a ministerial error in Note K, and revised Notes L, X, Y, AA, and BB to reflect MISO's corporate name change.⁷

III. Notice and Responsive Pleadings

4. Notice of the filing in Docket No. ER19-838-000 was published in the *Federal Register*, 84 Fed. Reg. 708 (2019), with interventions and protests due on or before February 12, 2019. Michigan Public Service Commission filed a notice of intervention. ATC and Michigan Agency for Energy filed timely motions to intervene.

IV. Discussion

A. Procedural Matters

5. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2018), the notice of intervention and timely, unopposed motions to

⁴ 16 U.S.C. § 824e (2012).

⁵ December 2018 Order, 165 FERC ¶ 61,237 at P 24 (citation omitted).

⁶ *Ameren Illinois Co.*, 163 FERC ¶ 61,200 (2018) (June 2018 Order).

⁷ Filing at 2.

intervene serve to make the entities that filed them parties to the proceeding in Docket No. ER19-838-000.

B. Substantive Matters

6. As discussed below, we accept the Filing Parties' compliance filing in part and reject it in part. Specifically, we accept the Filing Parties' Tariff revisions that pertain to ATC's calculation of ADIT balances for the projected test year, but we reject those proposed revisions that pertain to ministerial changes to Note K and to other notes in ATC's company-specific Attachment O.

7. We find that the Filing Parties' filing with respect to calculation of ADIT balances for the projected test year complies with the December 2018 Order and addresses the concerns identified in the June 2018 Order by eliminating the use of the two-step averaging methodology in the calculation of ADIT balances for ATC's projected test year and annual true-up calculations.⁸ Accordingly, we accept the compliance filing in part, effective June 27, 2018, and terminate the captioned section 206 proceeding.

8. However, we reject the Filing Parties' proposed revisions to the notes of ATC's company-specific Attachment O. The proposed ministerial revisions are not necessary to comply with the remedy required by the December 2018 Order pursuant to section 206 of the FPA, and are thus outside the scope of this compliance proceeding.⁹ Therefore, we direct the Filing Parties, within 30 days of the date of this order, to submit a further compliance filing to refile the accepted Tariff revisions with respect to the calculation of ADIT balances for ATC's projected test year calculations, without any other modifications. To the extent ATC wants to revise notes to its company-specific Attachment O, it may make a separate filing with the Commission pursuant to section 205 of the FPA. The Commission will review the proposal at that time.

⁸ June 2018 Order, 163 FERC ¶ 61,200 at PP 13-14.

⁹ See, e.g., *Ameren Servs. Co. v. Midwest Indep. Transmission Sys. Operator, Inc.*, 132 FERC ¶ 61,186, at P 28 (2010) (finding that "portions of [MISO's] filing exceed the scope of compliance and include material that should have been filed under section 205 of the FPA"); *Midwest Indep. Transmission Sys. Operator, Inc.*, 125 FERC ¶ 61,156, at P 57 n.51 (2008) (citations omitted) ("The Commission has previously held that compliance filings must be limited to the specific directives ordered by the Commission. The purpose of a compliance filing is to make the directed changes and the Commission's focus in reviewing them is whether or not they comply with the Commission's previously-stated directives").

The Commission orders:

(A) The Filing Parties' compliance filing in Docket No. ER19-838-000 is hereby accepted in part and rejected in part, effective June 27, 2018, as discussed in the body of this order.

(B) The section 206 proceeding in Docket No. EL18-157-000 is hereby terminated, as discussed in the body of this order.

(C) The Filing Parties are hereby directed to submit a further compliance filing within 30 days of the date of this order, as discussed in the body of this order.

By the Commission.

(S E A L)

Nathaniel J. Davis, Sr.,
Deputy Secretary.