Case No.: EO-2008-0046

Schedule RJJ-10

Midwest ISO's Responses to Dogwood Energy, LLC Data Requests

MIDWEST ISO RESPONSES TO DATA REQUESTS
Case: EO-2008-0046

Date of Response: 2/8/2008

Data Request Nos.	**Dogwood Energy Second Data Requests to Midwest ISO Nos. 43 - 48**
Requested By:	**Carl J. Lumley**
Description:	**See Data Requests and Responses below**

43. **In anticipation of the CRA analysis of the "Aquila in MISO" case, or for any other reason, did MISO prepare deliverability studies of any or all of Aquila's generating resources in Missouri?**

Response: No. The Midwest ISO has not yet studied the Aquila units and would do so once it is clear that Aquila is fully ready to join and joining the Midwest ISO. This process would take approximately two (2) weeks.

a. **If the answer is "yes," please provide the amount of capacity qualified as a MISO network resource for each individual Aquila generating unit, and the amount of capacity qualified as a local resource for each individual Aquila generating unit. Please provide all supporting documents and analysis for your answer.**

b. **Response**: N/A

c. **If the answer is "No," then for the purposes of the CRA "Aquila in MISO" study, did the analysis assume that all Aquila generating units were 100 percent deliverable into MISO? If the answer is "yes," please explain the basis for that assumption. Please provide all supporting documents and analysis for your answer.**

Response: This type of modeling (e.g., the GE-MAPS modeling effort undertaken by CRA for Aquila) assumes the output of generating units is "deliverable" subject to transmission constraints in the region. The Aquila Study's assumed capability of the transmission system to physically deliver the output of Aquila units is the same for the "Aquila in Midwest ISO" and "Aquila in SPP" cases. See Aquila Study, Sections 3.1 and 7.1.

d. If the answer to (b) is "No," please list the specific network resource and local resource capacity values assumed for each and every Aquila generating unit, and the basis for those assumptions. Please provide all supporting documents and analysis for your answer.

Response: See Aquila Study, Section 8.

44. In anticipation of the CRA analysis of the "Aquila in MISO" case, or for any other reason, did MISO prepare any deliverability studies of the Dogwood (Aries) plant? If so, please provide the results of those studies.

Response: See response to Data Request 43, above.

a. If MISO did not prepare any such studies, please provide the network and local capacities assumed in the CRA analysis for the Dogwood (Aries) plant, and basis for those assumptions. Please provide all supporting documents and analysis for your answer.

Response: See first response under Data Request 43.

b. If the Dogwood (Aries) plant was assumed to be 100 percent deliverable into MISO in the CRA "Aquila in MISO" analysis, please explain the reason(s) for the estimated uplift costs for the plant in that analysis.

Response: Whether or not a power plant is physically 100 percent deliverable within the type of market simulations undertaken by CRA is

generally unrelated to whether the plant is estimated to incur uplift costs. The reasons for the unreasonable estimates of Dogwood uplift costs in the "Aquila Standalone" and "Aquila in Midwest ISO" cases of the original CRA simulations, the results of which were summarized in the Aquila Study, are explained in the rebuttal and supplemental rebuttal testimonies of Mr. Pfeifenberger. See also response to DR No. 45.

45. In general, would MISO participants incur uplift costs for resources whose capacity is determined to be 100 percent deliverable into MISO? If the answer is "yes," please explain all of the factors that can create uplift costs associated with those resources within the context of the GE-MAPS model analysis performed by CRA. Please include all relevant studies, documents, and data with your response.

Response: The term "uplift cost" is not a defined term in the Midwest ISO's tariff. However, the Midwest ISO's revenue sufficiency guarantee (RSG) charges are sometimes referred to as "uplift" costs. The incurrence of RSG costs is generally unrelated to whether or not a generating unit is deemed "100 percent deliverable" into the Midwest ISO market area. In the context of the type of market simulations undertaken by CRA for the Aquila Study, the term "uplift cost" generally refers to dispatch cycles during which the dispatch cost of a generating units exceeds the simulated market price at the plant's location. Uplift costs can be incurred in the context of the GE-MAPS model analysis performed by CRA if the GE-MAPS model commits a resource which then needs to be dispatched at costs that are above locational market prices. As explained in Mr. Pfeifenberger's rebuttal and supplemental rebuttal testimonies, erroneous uplift costs can be created by unreasonable modeling assumptions or unreasonable model algorithms.

46. In general, does MISO expect that, during times when security constrained economic dispatch of generating units occurs on the MISO system, would

MISO participants incur uplift costs from constrained units? Why or why not? Please provide all supporting documents and analysis for your answer.

Response: See response to Data Request 45, above.

47. If Aquila does join MISO, can MISO guarantee that all of Aquila's existing generating units will be 100 percent deliverable into MISO for the next 10 years? For the next 20 years? Why or why not? Please provide all supporting documents and analysis for your answer.

Response: It is readily apparent from the form of this question that it is primarily rhetorical in nature and that the requestor understands and expects that the Midwest ISO does not have the ability to affirmatively guarantee 100 percent deliverability over the stated time frames provided as there are many factors and/or issues outside of or beyond the control of the Midwest ISO. The Midwest ISO is bound by and must follow the criteria and processes described in its applicable Tariff provisions that are on file with and approved by the FERC.

a. If the answer is "no," please state whether MISO can guarantee any percentage deliverability into MISO for any or all of Aquila's generating plants for the next 10 years, and for the next 20 years. Please provide all supporting documents and analysis for your answer.

Response: Without waiving or contradicting the response provided above and in the spirit of cooperating in the discovery process the Midwest ISO provides the following additional response. An analysis has not been performed to evaluate the deliverability of Aquila's generating resources into MISO. All units can be 100% deliverable as long as the transmission is built to address the limiting constraints in out year planning (MTEP) case. In the event the study determines that units can not be 100% deliverable due to constraints, partial deliverability will be granted. However the undeliverable generation can be deemed as a local capacity

resource and can continue to serve the load under existing contracts. This is all subject to and presumes full compliance with the appropriate tariff provisions and requirements.

48. If Aquila does join MISO, can MISO guarantee that the Dogwood (Aries) generating plant will be 100 percent deliverable into MISO for the next 10 years? For the next 20 years? Why or why not?

Response: See response to Data Request 47 above.

a. If the answer is "no," please state whether MISO can guarantee any percentage deliverability into MISO for the Dogwood (Aries) generating plant for the next 10 years, and for the next 20 years. If so, please state the percentage(s) and provide all supporting documents and analysis for your answer.

Response: Without waiving or contradicting the response provided above and in the spirit of cooperating in the discovery process the Midwest ISO provides the following additional response. Deliverability can and must be provided under the Midwest ISO appropriate tariff provisions as long as the deliverability constraints caused by the Dogwood Plant are addressed. Otherwise the undeliverable portion of the plant could be a local capacity resource and can continue to serve the load under existing contract.

The individuals responsible for preparing and providing the Midwest ISO's responses to these requests were Midwest ISO Witness Johannes Pfeifenberger with The Brattle Group, and Eric Laverty, Sr. Manager of Transmission Access Planning, Midwest Independent Transmission System Operator, Inc.