

Schedule 50
Annual Interconnection Customer O&M and Overheads Charge
Associated With Transmission Owner's Interconnection Facilities

I. General

This Schedule 50 defines the Annual Interconnection Customer Operation and Maintenance ("O&M") and Overheads ("Annual O&M and Overheads") Charge designed to enable Transmission Owners to recover reasonable expenses, including overheads, associated with operation, maintenance, and repair of Transmission Owner's Interconnection Facilities ("TOIF") as contemplated by relevant provisions of a MISO Generator Interconnection Agreement ("GIA"), such as Section 10.5 of the GIA set forth in Appendix 6 to Attachment X of this Tariff. Such TOIF are generally identified in Appendix A to a GIA among the Transmission Owner, Interconnection Customer, and/or Transmission Provider. Each Interconnection Customer that has had an effective GIA during the prior calendar year (January 1 – December 31) shall pay the Annual O&M and Overheads Charge pursuant to this Schedule 50, Section 10.5 of the GIA set forth in Appendix 6 to Attachment X of this Tariff, or a comparable provision contained in a MISO GIA.

Unless otherwise specified, any capitalized terms not defined in Schedule 50 shall have the meaning as defined in Module A of the Tariff.

The term "TOIF" shall have the meaning as defined in Attachment X of the Tariff.

The term "Contributions In Aid of Construction" shall be defined as payments of money or the value of property received by utilities from customers, real estate developers, government agencies, and others, to offset all or a portion of the cost of extending services to new areas, relocating lines, upgrading facilities, and making similar improvements.

For the purposes of Schedule 50, all references to Transmission Owner(s) shall include ITC(s).

II. Derivation of Rate and Annual Charge

Transmission Owner shall calculate the Annual O&M and Overheads Charge for each Interconnection Customer as follows (using inputs from the Transmission Owner's Attachment O):

$$X = [A/(B+C)] * c_x$$

Where:

X = Annual O&M and Overheads Charge

A = Total Annual O&M Expense (Att O Page 3 Col 5 Line 8)*

B = Total Annual Transmission Gross Plant (Att O Page 2 Col 5 Line 2)#

C = Payments received for Contributions in Aid of Construction for transmission facilities[^]

c_x = Installed costs of the Transmission Owner's Interconnection Facilities serving the specific Interconnection Customer net of associated retirements[^]

* For the RUS Cash Flow Generic, EIA Cash Flow Generic, and Southern Minnesota Municipal Power Agency ("SMMPA") Rate Formula Templates, this input is located at Att O Page 2 Col 5 Line 8.

[^] In the event that the Transmission Owner is unable to determine the installed costs of TOIF serving the specific Interconnection Customer, or unable to ascertain the dollar value for Contributions in Aid of Construction, or both, the Transmission Owner and Interconnection Customer will work together to generate a proxy or average value to be used. In those situations in which a proxy or average value is used, the Transmission Owner will make a filing at the Commission, pursuant to section 205 of the Federal Power Act, specifying the proxy or average value and providing support for the method by which the proxy or average value was derived.

For the RUS Cash Flow Generic, EIA Cash Flow Generic, and SMMPA Rate Formula Templates, this input is located at Att O Page 3 Col 5 Line 2.

The Annual O&M and Overheads Charge rate will be calculated in June of each year and will use the Transmission Owner's prior calendar year (January 1 – December 31) actual costs. Use of prior year actual costs will occur regardless of whether the Transmission Owner uses a formula rate based on historical data or on projected cost data pursuant to the applicable Attachment O formula rate template. Such annual charge will be prorated as necessary to account for partial years that a facility is in service. The proration will be calculated by taking the charge that would be incurred if the facility had been in service for the entire prior calendar year and multiplying it by the number of days the facility was actually in service during the prior calendar year divided by the total number of days in the prior calendar year. The Transmission Owner shall apply this proration methodology in the event that a GIA expires, terminates, or is initiated mid-year. For the first year that a Transmission Owner assesses the Annual O&M and Overheads Charge, the Transmission Owner shall apply proration by reducing such charges by the proportion of days out of the previous calendar year that passed prior to the effective date of this Schedule 50.

III. Billing and Payment

The Interconnection Customer that has had an effective GIA during the prior calendar year will be invoiced for and shall pay the Annual O&M and Overheads Charge in August of each year.