

## SCHEDULE 9

### Network Integration Transmission Service

The Transmission Customer shall compensate the Transmission Provider for Network Integration Transmission Service at the applicable charges set forth below in addition to other applicable charges specified in the Tariff. The Transmission Customer shall compensate an ITC for Reserved Capacity between Point(s) of Receipt and Point(s) of Delivery that are both on the ITC System in accordance with the Schedule 9 of such ITC, which is included in this Tariff. The monthly rates are calculated using the formulas included in Attachment O, pages 1 and 2 except as provided in Sections 2 and 4. The rates will be recalculated each June 1 based on the prior full calendar or fiscal year. See Schedule 9 - Michigan for the Transmission System (Michigan). The initial rates will be calculated based on a prior full calendar or fiscal year period. However, if the initial rates are to take effect between January 1 and June 1 of a year, then the calendar or fiscal year used in determining the rates shall be the calendar year preceding the last calendar or fiscal year. These initial rates then would be recalculated effective on June 1 based on the prior full calendar or fiscal year. For the American Transmission Company LLC, Zones 2A – 2E, the phase-in rates will be in effect until January 1, 2002, unless modified by a compliance filing, otherwise the rates will be recalculated using the formula included in Attachment O – ATC and posted on the Transmission Provider's OASIS. For each ITC, the rates are calculated using Attachment O of such ITC, if applicable.

**(1) Zonal Rate:**<sup>1</sup> The Transmission Customer taking Network Integration Transmission Service shall pay the firm monthly zonal rate or a monthly demand charge, as applicable, for the zone based upon where the load is physically located or as otherwise located as defined in

Section 31.3 (b) and (c). Each month, the Transmission Customer shall pay the Transmission Provider the product of the applicable firm monthly zonal rate multiplied by the Transmission Customer's monthly Network Load determined in accordance with Section 34.2. If a Transmission Customer has load in separate zones, the customer shall pay the rate for each zone in which its load is located (*i.e.* the rate for each zone shall be multiplied by the customer's monthly Network Load in that zone and the sum of the calculation for each applicable zone shall be the total charges paid by the Customer). The monthly zonal charges shall be calculated in accordance with Attachment O, p. 2 of 2, lines 2-16, except as otherwise provided for by the Transmission Owner or provided for in an applicable Attachment O of an ITC. The zonal rates shall be adjusted by the Transmission Provider to reflect those charges collected under Schedules 26, 26-A, 26-C, 26-E, and 45 of this Tariff. Each month, the Transmission Customer shall pay the Transmission Provider the monthly demand charge in accordance with Sections 34.1 and 34.2 of Module B of this Tariff.

The zones are as follows:

- Zone 1: ITC Midwest LLC (includes Great River Energy, Tipton Municipal Utilities, Southern Minnesota Municipal Power Agency, Missouri River Energy Services as an agent with functional control of the transmission assets of Worthington Public Utilities and its own facilities, and Central Minnesota Municipal Power Agency as an agent with functional control of the transmission assets of certain of its members including City of Mountain Lake and City of Windom)
- Zone 2A: American Transmission Company LLC - Madison Gas and Electric Company
- Zone 2B: American Transmission Company LLC - Wisconsin Public Service Corporation

Zone 2C:	American Transmission Company LLC - Wisconsin Power and Light Company	
Zone 2D:	American Transmission Company LLC - Wisconsin Energy Corporation	
Zone 2E:	American Transmission Company LLC - Upper Peninsula Power Company	
Zone 3A:	Ameren Illinois Company (includes Ameren Transmission Company of Illinois, Prairie Power, Inc., Hoosier Energy, and GridLiance Heartland LLC)	
Zone 3B:	Ameren Missouri (includes Ameren Transmission Company of Illinois, Missouri Joint Municipal Electric Utility Commission, and Citizens Electric Corporation)	
Zone 4:	[Reserved]	
Zone 5:	Duke Energy Indiana, LLC (includes Indiana Municipal Power Agency, Wabash Valley Power Association, and Pioneer Transmission, LLC)	
Zone 6:	City of Columbia, Missouri	
Zone 7:	City Water, Light & Power (Springfield, Illinois)	
Zone 8:	Great River Energy (includes NSP Companies, Missouri River Energy Services as an agent with functional control of the transmission assets of Hutchinson Utilities Commission and Willmar Municipal Utilities, Southern Minnesota Municipal Power Agency, and Central Minnesota Municipal Power Agency, as an agent with functional control of the transmission assets of certain of its members including Elk River Municipal Utilities)	
Zone 9:	Hoosier Energy	
Zone 10:	International Transmission Company (includes Michigan Public Power Agency)	
Zone 11:	Indianapolis Power & Light Company (includes Wabash Valley Power Association)	
Zone 12:	Lincoln Electric (Neb.) System	<b>AVAILABILITY SUSPENDED</b>

- Zone 13: Michigan Joint Zone (includes Michigan Electric Transmission Company, LLC, and Michigan Joint Zone Subzone)
- Zone 13A: Michigan Joint Zone Subzone (includes Michigan Public Power Agency and certain of its Members including Grand Haven Board of Light and Power, Traverse City Light and Power and Zeeland Board of Public Works and Wolverine Power Supply Cooperative, Inc. as both Transmission Owners and Michigan Joint Zone Subzone Load, and Michigan South Central Power Agency as Michigan Joint Zone Subzone Load). Zone 13A rates are calculated and applied in accordance with Section 2 of this Schedule.
- Zone 14: Allete, Inc. dba Minnesota Power, Inc. (includes Great River Energy)
- Zone 15: Montana-Dakota Utilities Co.
- Zone 16: NSP Companies (includes Great River Energy, Northwestern Wisconsin Electric Company, Southern Minnesota Municipal Power Agency, Minnesota Municipal Power Agency, Rochester Public Utilities, Missouri River Energy Services as an agent with functional control of the transmission assets of Marshall Municipal Utilities and its own facilities, and Central Minnesota Municipal Power Agency, as an agent with functional control of the transmission assets of certain of its members including Blue Earth Board of Public Works, Delano Water, Light & Power Commission, and Glencoe Light and Power Commission)
- Zone 17: Northern Indiana Public Service Company LLC (includes Wabash Valley Power Association)

- Zone 18: Otter Tail Power Company (includes Great River Energy, Missouri River Energy Services as an agent with functional control of the transmission assets of ALP Utilities, City of Benson, Minnesota, City of Breckenridge, Minnesota and the City of Detroit Lakes, Minnesota and its own facilities)
- Zone 19: Southern Illinois Power Cooperative
- Zone 20: Southern Minnesota Municipal Power Agency (includes Great River Energy, and Rochester Public Utilities)
- Zone 21: Aquila, Inc. – Kansas (West Plains Energy) **AVAILABILITY SUSPENDED**
- Zone 22: Aquila, Inc. – Missouri (St. Joseph Light & Power and Missouri Public Service Co.) **AVAILABILITY SUSPENDED**
- Zone 23: Vectren Energy (includes Republic Transmission, LLC)
- Zone 24: MidAmerican Energy Company (includes Cedar Falls Utilities (CFU), Iowa Public Power Agency (IPPA), Montezuma Municipal Light & Power, Tipton Municipal Utilities, City of Eldridge, City of Ames, Municipal Energy Agency of Nebraska (MEAN), and Missouri River Energy Services as an agent with functional control of the transmission assets of Atlantic Municipal Utilities (AMU) and City of Pella Electric Department)
- Zone 25: Muscatine Power and Water
- Zone 26: Dairyland Power Cooperative (includes Northwestern Wisconsin Electric Company)
- Zone 27: Big Rivers Electric Corporation (includes City of Henderson, Kentucky (d/b/a Henderson Municipal Power & Light))

- Zone 28: Entergy Arkansas, LLC (includes Arkansas Electric Cooperative Corporation and City Water and Light Plant of the City of Jonesboro)
- Zone 29: Entergy Louisiana, LLC (includes Cleco Power LLC)
- Zone 30: Entergy Mississippi, LLC (includes Cooperative Energy)
- Zone 31: Entergy Texas, Inc. (includes East Texas Electric Cooperative, Inc.)
- Zone 32: Cleco Power LLC (includes City of Alexandria, Louisiana)
- Zone 33: Cooperative Energy
- Zone 34: Lafayette City-Parish Consolidated Government
- Zone 35: Entergy New Orleans, LLC

Additional zones may be added if a) additional Transmission Owners transfer control of their facilities to the Transmission Provider. Such additional zones may be added only if consistent with the requirements of Appendix C, Section II, Paragraph A.1 of the ISO Agreement, or b) an Independent Transmission Company (“ITC”) transfers control of their facilities to the Transmission Provider and files with the Commission a proposal to form an ITC consistent with the framework provided under Appendix I of the ISO Agreement. An additional ITC zone may be added only if consistent with the requirements of Appendix C, Section II, Paragraph A.1 of the ISO Agreement.

**(2) Zone Specific Rates and Revenue Requirements:** The formula in Attachment O or the applicable ITC’s Attachment O shall be used to establish rates for each zone unless the Commission allows a modification to the formula, a new formula, or different rates to be used for a zone or zones. The calculation of the single system-wide rates will also include the zonal rates for any Coordinating Owner.

In calculating the rates under Attachment O for the Michigan Joint Zone and the Joint Zone Subzone, Michigan Electric Transmission Company, LLC, Wolverine Power Supply Cooperative, Inc. and Michigan Public Power Agency, and any additional Transmission Owners that may be included in the Michigan Joint Zone, must quantify the load in the Michigan Joint Zone served under ownership entitlements granting use of the METC transmission system associated with jointly-owned facilities consistent with the Commission's directives in Docket No. ER02-2458-001. This load shall be submitted to the Transmission Provider as a schedule appended to Attachment O, and shall adhere to the same calendar or fiscal year reporting requirements as Attachment O and shall be consistent with the divisor from Attachment O.

The Transmission Provider shall determine the Michigan Joint Zone Subzone rate by dividing a) the sum of non-METC net revenue requirements from Attachment O, page 1, line 7, allocated to the Michigan Joint Zone by the sum of b) divisors from Attachment O, page 1, line 15, allocated to the Michigan Joint Zone, provided that there shall be no duplication of load in the divisor, plus c) all load served under ownership entitlements associated with jointly-owned facilities in the Michigan Joint Zone as appended to Attachment O. The Michigan Joint Zone Subzone rate shall be applied to all ownership entitlement load.

The zonal rate for the Michigan Joint Zone shall be a) the METC net revenue requirement from Attachment O, page 1, line 7, divided by the sum of divisors from Attachment O, page 1, line 15, allocated to the Michigan Joint Zone, provided that there shall be no duplication of load in the divisor and the METC divisor shall not include load served under ownership entitlements, plus b) the rate for the Michigan Joint Zone Subzone. The Michigan

Joint Zone Rate shall be applied to all loads within the Michigan Joint Zone, excluding the ownership entitlement load paying the Michigan Joint Zone Subzone rate.

Transmission Customers with Points of Delivery in Zone 1, and whose transmission service requires the use of integrated transmission facilities owned by Central Iowa Power Cooperative (“CIPCO”) as determined by Article IV of MISO Rate Schedule No. 32 (“Coordination Agreement By and Among Midcontinent Independent System Operator Inc., ITC Midwest L.L.C., Interstate Power and Light Company, and Central Iowa Power Cooperative”) shall pay the ITC Midwest LLC zonal rate and the Central Iowa Power Cooperative Tariff Rate.

**(3) Joint Zone Rate Development**

- a) The transmission rates within each of the following pricing zones will be the same for all Transmission Customers within the pricing zone. Except as indicated, the transmission rates for the following pricing zones reflects the sum of the revenue requirements for each Transmission Owner within the pricing zone as calculated under Attachment O divided by the aggregate average of the twelve (12) month coincident peak Loads for the pricing zone (Attachment O zonal transmission rates).

Zone 13 - Michigan Joint Zone (for non-ownership entitlement load, Zone 13 rates are calculated and applied in accordance with the provisions of Section (2) above).

Zone 13A - Michigan Joint Zone Subzone (for ownership entitlement load, Zone 13A rates are calculated and applied in accordance with the provisions of Section (2) above.)



Zone 23 – Vectren Energy (includes Republic Transmission, LLC)

Zone 24 - MidAmerican Energy Company (includes Cedar Falls Utilities (CFU), Iowa Public Power Agency (IPPA), Montezuma Municipal Light & Power, Tipton Municipal Utilities, City of Eldridge, City of Ames, Municipal Energy Agency of Nebraska (MEAN), and Missouri River Energy Services as an agent with functional control of the transmission assets of Atlantic Municipal Utilities (AMU) and City of Pella Electric Department)

Zone 28 – Entergy Arkansas, LLC (includes Arkansas Electric Cooperative Corporation (AECC) and City Water and Light Plant of the City of Jonesboro)

Zone 31- Entergy Texas, Inc. (includes East Texas Electric Cooperative, Inc. (ETEC))

- b) This provision applies to each pricing zone with Transmission Owners that own transmission facilities in more than one pricing zone. Within each such pricing zone, Attachment O zonal transmission rates are based on the sum of the revenue requirements for all Attachment O zonal transmission facilities located within that pricing zone divided by the aggregate Load served by all Transmission Owners within that pricing zone.

The aggregate Load is the sum of the twelve (12) month average of the coincident peak Loads served by all Transmission Owners in each pricing zone. Attachment O, which is submitted by each Transmission Owner to the Transmission Provider,

sets forth the total revenue requirement for all Attachment O zonal transmission facilities owned by each Transmission Owner in all pricing zones as Net Revenue Requirement from Attachment O, page 1, Line 7. Attachment O zonal transmission facilities, for each Transmission Owner, are derived based on the gross transmission facilities by pricing zone less Attachment GG, Attachment MM, and Attachment ZZ gross transmission facilities by pricing zone. Net Revenue Requirement excludes the Attachment GG, Attachment MM, and Attachment ZZ transmission revenue requirement for transmission facilities, the costs of which are recovered under Schedules 26, 26-A, 26-C, 26-E, and 45 of the Tariff. Unless otherwise authorized by the Commission upon application by a Transmission Owner in one of the pricing zones identified in Section 3(b), each Transmission Owner's total Net Revenue Requirement is allocated proportionately to each pricing zone in which the Transmission Owner owns Attachment O zonal transmission facilities based on the gross transmission plant value of all of its transmission facilities that are recovered in Attachment O zonal transmission rates located in that pricing zone relative to the gross transmission plant value of all of its transmission facilities that are recovered in Attachment O zonal transmission rates in all pricing zones, as reflected in Attachment O. Attachment O also sets forth each Transmission Owner's total Load served in all pricing zones. The portion of each Transmission Owner's total Load that is served by that Transmission Owner in each pricing zone is included in the rate calculations of the pricing zone in which the Load is located.

The pricing zones with Transmission Owners that own facilities located in other pricing zones are:

Zone 1 - ITC Midwest LLC (includes facilities owned by Southern Minnesota

Municipal Power Agency (SMMPA), Great River Energy (GRE),

Missouri River Energy Services as an agent with functional control of the transmission assets of Worthington Public Utilities and its own facilities,

and Central Minnesota Municipal Power Agency as an agent with

functional control of the transmission assets of certain of its members

including City of Mountain Lake and City of Windom)

Zone 3A - Ameren Illinois Company (includes Ameren Transmission Company

of Illinois, Prairie Power, Inc., Hoosier Energy and GridLiance Heartland LLC)

Zone 3B – Ameren Missouri (includes facilities owned by Ameren Transmission

Company of Illinois, Missouri Joint Municipal Electric Utility

Commission, and Citizens Electric Corporation)

Zone 5 – Duke Energy Indiana, LLC (includes facilities owned by Indiana

Municipal Power Agency, Wabash Valley Power Association, Pioneer

Transmission, LLC, and AEP Indiana Michigan Transmission Company,

Inc.)

Zone 8 - Great River Energy (includes facilities owned by SMMPA, Missouri

River Energy Services as an agent with functional control of the

transmission assets of Hutchinson Utilities Commission and Willmar

Municipal Utilities, and Northern States Power Companies (NSP),  
Central Minnesota Municipal Power Agency (CMMPA), as an agent  
with functional control of the transmission assets of certain of its  
members including Elk River Municipal Utilities)

Zone 10 - International Transmission Company (International) (includes facilities  
owned by Michigan Public Power Agency (MPPA))

Zone 11 – Indianapolis Power & Light Company (includes facilities owned by  
Wabash Valley Power Association)

Zone 14 - Allete, Inc. dba Minnesota Power Inc. (includes facilities owned by  
GRE)

Zone 16 - NSP Companies (includes facilities owned by SMMPA,  
Northwestern Wisconsin Electric Company, GRE, Minnesota  
Municipal Power Agency, Rochester Public Utilities, Missouri River  
Energy Services as an agent with functional control of the transmission  
assets of Marshall Municipal Utilities and its own facilities, and Central  
Minnesota Municipal Power Agency (CMMPA), as an agent with  
functional control of the transmission assets of certain of its members  
including Blue Earth Board of Public Works, Delano Water, Light &  
Power Commission, and Glencoe Light and Power Commission)

Zone 17 – Northern Indiana Public Service Company LLC (includes facilities  
owned by Wabash Valley Power Association)

Zone 18 - Otter Tail Power Company (includes facilities owned by GRE,  
Missouri River Energy Services as an agent with functional control of  
the transmission assets of ALP Utilities, City of Benson, Minnesota,  
City of Breckenridge, Minnesota and the City of Detroit Lakes,  
Minnesota and its own facilities)

Zone 20 – Southern Minnesota Municipal Power Agency (includes facilities  
owned by Rochester Public Utilities)

Zone 26 - Dairyland Power Cooperative (includes facilities owned by  
Northwestern Wisconsin Electric Company)

Zone 27 – Big Rivers Electric Corporation (includes City of Henderson, Kentucky  
(d/b/a Henderson Municipal Power & Light))

Zone 29: Entergy Louisiana, LLC (includes facilities owned by Cleco Power  
LLC)

Zone 30: Entergy Mississippi, LLC (includes facilities owned by Cooperative  
Energy)

Zone 32 – Cleco Power LLC (includes City of Alexandria, Louisiana)

**(4) Compliance With Agreements:** If the Commission has allowed agreements to become effective which require a waiver of any of the charges under this Schedule, then such charges shall be waived.

<sup>1</sup> After the Transition Period, the zonal rate structure may be revised in accordance with Appendix C, Section II, Paragraph A.1 of the ISO Agreement pursuant to a filing made by the ISO and the Transmission Owners.