

**SCHEDULE 23**  
**RECOVERY OF SCHEDULE 10 AND SCHEDULE 17**  
**COSTS FROM CERTAIN GFAs**

**1. Background.**

The purpose of this Schedule 23 is to provide a mechanism for the direct cost recovery of Transmission Provider charges applicable to services provided to customers under Carved-Out GFAs. For the purposes of this Schedule 23, the Carved-Out GFAs shall be the grandfathered agreements which the Commission carved out from MISO's energy markets tariff in its September 16, 2004 order in Docket No. ER04-691 and which are listed on Attachment 1 to this Schedule 23. The customers responsible for such charges shall be the customers of the Transmission Owner, including for purposes of this Schedule 23 Independent Transmission Company Participants, under the Carved-Out GFA ("Carved-Out GFA Customers"). For the purpose of this Schedule 23, the term "Transmission Owner" shall include those entities listed as Transmission Owners in Attachment 1 of this Schedule 23.

**2. Recovery of Charges.**

**2.1 Direct Cost Recovery of Actual Schedule 10 and 17 Costs.** The amount to be collected from Carved-Out GFA Customers shall be a direct cost recovery of the actual Schedule 10 and 17 costs assessed to Transmission Owners for or on behalf of such Carved-Out GFA Customers by the Transmission Provider. The costs to be recovered shall be costs billed by the Transmission Provider on or after the effective date of this Schedule 23.

**2.2 Monthly Billing.** Each month, the Transmission Provider shall bill the Carved-Out GFA Customers an amount equal to the amount absent Schedule 23 it would have billed the Transmission Owner under Section 7 of the Tariff for Schedules 10 and 17 charges associated with Carved-Out GFAs. The Transmission Owner shall provide the Transmission Provider with the necessary billing information for the Carved-Out GFA Customer (including load data for the Carved-Out GFA Customer, any adjustments to the Transmission Owner's load, and any credits received by the Transmission Owner under the Tariff relating to Schedule 10 and 17 charges applicable to Carved-Out GFAs on Schedule 23, Attachment 1) prior to invoicing such Carved-Out GFA Customer pursuant to this Schedule 23. The Transmission Provider shall withhold billing the Transmission Owners for such charges, provided that each Transmission Owner shall be responsible for such charges if not paid by the Carved-Out GFA Customer within the remittance requirements set forth in Section 7 of the Tariff. If a Carved-Out GFA Customer does not pay the invoice in full by the due date, the Transmission Provider and/or the affected Transmission Owner(s) may pursue payment in the appropriate forum. If a Transmission Owner seeks payment, the Transmission Provider shall cooperate with the Transmission Owner with regard to its collection efforts. If a Carved-Out GFA Customer that is a Market Participant receives a bill directly from MISO not under this Schedule 23 for Schedule 10 and 17 costs, the Transmission Provider shall not bill the Transmission Owner for these costs. In that event, Schedule 10 and 17 costs will not be recovered under this Schedule 23.

In no event shall a Transmission Owner recover Schedule 10 or 17 costs pursuant to a Carved-Out GFA listed on Attachment 1 to this Schedule 23 if the Transmission Provider is already recovering such Schedule 10 and 17 costs through other means. Each Transmission Owner recovering such costs through other means shall notify the Transmission Provider of that fact prior to invoicing.

**2.3 Filing of Service Agreement.** If the Carved-Out GFA Customer is not a Market Participant or a Transmission Customer or is not otherwise obligated to comply with the terms of this Tariff, then the Transmission Provider will file a service agreement, either executed or unexecuted, with the Commission to allow charges to the Carved-Out GFA Customer under this Schedule 23.

The Transmission Provider shall have the right to file an unexecuted agreement whether or not the Carved-Out GFA Customer requests that it be filed unexecuted. Each Transmission Owner shall cooperate with the Transmission Provider with regard to such filings and shall provide the Transmission Provider with information necessary to complete the service agreement.

**2.4 Payments to Transmission Owner.** If the Transmission Owner has paid Schedule 10 and/or 17 amounts which a Carved-Out GFA Customer was obligated to pay under this Schedule 23 and the Transmission Provider subsequently receives payment from the Carved-Out GFA Customer which duplicates the payment by the Transmission Owner in whole or in part, the Transmission Provider shall remit the payment to the appropriate Transmission Owner within fifteen (15) days of determining this duplicative payment.

The Transmission Provider shall provide any applicable interest that it collected from the Carved-Out GFA Customer; the Transmission Provider shall not be required to remit any other interest with regard to such payments.

**2.5 No Double Recovery.** Amounts may not be recovered under this Schedule 23 which are otherwise being recovered from the Carved-Out GFA Customer. The Transmission Provider shall verify, in its invoices or supporting detail for costs recovered under this Schedule 23, that the Schedule 10 and Schedule 17 charges billed to Carved-Out GFA Customers are not duplicative of costs already recovered directly under other provisions of the Tariff. Each applicable Transmission Owner shall provide, at the time of the initial bill for costs recovered under this Schedule 23, a certification stating that the Schedule 10 and 17 charges billed to its Carved-Out GFA Customers are not duplicative of costs already otherwise recovered by the Transmission Owner, and the Transmission Owner shall provide a breakdown of charges under the Carved-Out GFA demonstrating that no double recovery is occurring. If, as indicated on Schedule 23, Attachment 1, the Transmission Owner already recovers Schedule 10 costs under a Carved-Out GFA, the Transmission Provider will show on its invoice or supporting detail to the Carved-Out GFA Customer that Schedule 10 costs are not being recovered through this Schedule 23. Alternatively, if such Transmission Owner prefers to recover such Schedule 10 costs through this Schedule 23, it must show an adjustment to its charges under the applicable Carved-Out GFA invoice or supporting detail to remove the Schedule 10 costs. At the time of the above

certifications and showings, the Transmission Owner and the Transmission Provider shall provide data and information to allow the Carved-Out GFA Customer to determine that there is no double recovery. The supporting detail for invoices shall include adequate information to allow the Carved-Out GFA Customers to shadow or back-calculate MISO and Transmission Owner invoices in order to ensure that no double billing or double collection of Schedules 10 or 17 have occurred, including, but not limited to, the schedule, product, ancillary reference number, reserved capacity, customer percent, load factor, and the billing month, along with the appropriate customer service contact name and number for any billing inquiries. The Transmission Owner and Transmission Provider also shall provide information in response to reasonable requests by Carved-Out GFA Customers necessary to ensure that there is no double recovery of costs covered by this Schedule 23. Any disputes concerning double recovery shall be governed by the dispute resolution procedures of Section 12 of the Tariff.

- 2.6 Credits.** The Transmission Owner must identify all credits it receives under the Tariff based on Schedule 10 and 17 charges applicable to the Carved-Out GFAs listed on Attachment 1 to this Schedule 23. The Transmission Owner must provide information concerning such credits to the Transmission Provider to enable the Transmission Provider to offset against charges under this Schedule 23 the value of such credits for each Carved-Out GFA. The amount the Transmission Provider invoices to each Carved-Out GFA Customer under Section 2.2 of this Schedule 23 shall be reduced by any such offsets.

- 2.7 Information to Transmission Provider.** In addition to the information specified herein, each Transmission Owner shall provide to the Transmission Provider any other information needed to allow the Transmission Provider to bill the Transmission Owner's Carved-Out GFA Customers.
- 2.8 Carved-Out GFA Customer Disputes.** If the Carved-Out GFA Customer disputes the load data provided by the Transmission Owner to the Transmission Provider, the Carved-Out GFA Customer and the Transmission Owner shall resolve such dispute among the Carved-Out GFA Customer and the Transmission Owner and any reconciliation of payments will be made between the Carved-Out GFA Customer and the Transmission Owner.

## **ATTACHMENT 1**

### **LIST OF CARVED-OUT GFAs**

#### **UNDER THIS SCHEDULE 23**

<b>GFA</b>	<b>Transmission</b>	<b>Customer</b>	<b>Contract</b>
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No.	Owner	Name	Title
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11	Alliant Energy –	Truman Public Utilities	Electric Service Agreement
	Interstate Power		between Interstate Power
	and Light		Company and the City of
	Company		Truman, Minnesota
12	Alliant Energy –	Great River Energy	Transmission Utilization
	Interstate Power	(formerly Cooperative	Agreement between
	and Light	Power Association)	Cooperative Power Association
	Company		and Interstate Power Company

and Amendment No. 1

14<sup>1</sup> Alliant Energy – Northeast Missouri Interconnection and  
  
Interstate Power Electric Power Transmission Service  
  
and Light Cooperative (“NEMO”) Agreement between Northeast  
  
Company Missouri Electric Power  
  
Cooperative and Iowa Southern  
  
Utilities Company, including  
  
First Amendment

**GFA Transmission Customer Contract**

**No. Owner Name Title**

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16 <sup>2</sup>	Alliant Energy –  Interstate Power  and Light  Company	Central Iowa Power  Cooperative    	IE/CIPCO Operating and  Transmission Agreement and  Appendices
17 <sup>3</sup>	Alliant Energy –  Interstate Power  and Light  Company	Corn Belt Power  Cooperative    	Contract
19	Alliant Energy –  Interstate Power	Union Electric (d/b/a  AmerenUE)	Interchange Agreement and  Appendix I

and Light

Company

20      Alliant Energy –      Dairyland Power      General Transmission Facilities

Interstate Power      Cooperative      Installation Agreement

and Light

Company

**GFA    Transmission      Customer      Contract**

No.	Owner	Name	Title
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28	Alliant Energy –	Central Iowa Power	Agreement for Interconnection
	Interstate Power	Cooperative (CIPCO)	of Transmission Facilities
	and Light		
	Company		
29	Alliant Energy –	Central Iowa Power	Interconnection and Joint
	Interstate Power	Cooperative (assigned	Construction Agreement
	and Light	rights by Southwestern	
	Company	Federated Power	
		Cooperative)	

30	Alliant Energy –  Interstate Power  and Light  Company	Central Iowa Power  Cooperative (assumed  contract from Eastern  Iowa Light and Power  Cooperative)	Interconnection and Joint  Construction Agreement  between Eastern Iowa Light  and Power Company
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31	Alliant Energy –  Interstate Power  and Light  Company	Central Iowa Power  Cooperative (assumed  contract from Eastern  Iowa Light and Power  Cooperative)	Operating Agreement between  Iowa Southern Utilities  Company and Eastern Iowa  Light and Power Cooperative
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GFA	Transmission	Customer	Contract
No.	Owner	Name	Title
35	Alliant Energy –  Interstate Power  and Light  Company	Central Iowa Power  Cooperative (“CIPCO”)  rights by Southwestern	Interchange Agreement dated  11/5/68
36	Alliant Energy –  Interstate Power  and Light	Central Iowa Power  Cooperative (assigned  rights by Southwestern	Contract dated 11/17/54

	Company	Federated Power  Cooperative)	
41	Alliant Energy –  Interstate Power  and Light  Company	Dairyland Power  Cooperative	Interconnection and Interchange  Agreement between Dairyland  Power Cooperative and  Interstate Power Company,  Dated 8/17/66, including  Exhibits A-F, as amended
179	Hoosier	PECO Energy Co.  (2 agreements)	Unit Power Sales Agreement  (2/10/97)

Unit Power Sales Agreement

(7/24/97)

<b>GFA</b>	<b>Transmission</b>	<b>Customer</b>	<b>Contract</b>
<b>No.</b>	<b>Owner</b>	<b>Name</b>	<b>Title</b>
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185	Hoosier	Wabash Valley Power Assoc., Inc.	Power Sales Agreement (10/28/87)
186	Hoosier	Indianapolis Power & Light Co.	Interconnection Agreement (12/1/81)
254 <sup>5</sup>	METC	Wolverine Power	Campbell Unit No. 3 Transmission

		Supply Cooperative,	Ownership and Operating
		Agreement,	
		Inc. (“WPSC”)	dated 8/15/80
255 <sup>5</sup>	METC	Wolverine Power	Wolverine Transmission Ownership
		Supply Cooperative,	and Operating Agreement, dated
		Inc. (“WPSC”)	7/27/92
256 <sup>5</sup>	METC	Michigan Public Power	Campbell Unit No. 3 Transmission
		Agency (“MPPA”)	Ownership and Operating
		Agreement,	
			dated 10/1/79
257 <sup>5</sup>	METC	Michigan Public Power	Belle River Transmission Ownership



Agency (“MPPA”) and Operating Agreement, dated

12/1/82

GFA	Transmission	Customer	Contract
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No.	Owner	Name	Title
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266 <sup>5</sup>	METC	Michigan South Central	Project I Transmission Ownership
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and

Power Agency	Operating Agreement, dated
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(“MSCPA”)	11/20/80
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267<sup>5</sup> METC Consumers Power Ludington Project Transmission

Company and the Facilities Agreement, dated

Detroit Edison 8/20/69

Company

268<sup>5</sup> METC Consumers Power Transmission Facilities Agreement,

Company and the dated 8/20/69

Detroit Edison

Company

269<sup>5</sup> METC Consumers Power Ludington Pumped Storage Plant

Company and the Ownership and Operating

Detroit Edison                      Agreements, dated 8/20/69

Company

293      Northwestern              Dairyland Power                      Interconnection and Facility Use

Wisconsin Elec.              Cooperative                      Agreement, dated 9/16/83

**GFA      Transmission              Customer                      Contract**

**No.      Owner                      Name                      Title**

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308      Otter Tail Power              East River Electric Power              Interconnection and Transmission

Company                      Cooperative, Inc.                      Service Agreement

321	Otter Tail Power  Company	Mountrail Electric  Cooperative, Inc.	Interconnection Agreement  between Mountrail Electric  Cooperative, Inc. and Otter Tail  Power Company
360	Xcel Energy –  Northern States  Power Company	City of Sioux Falls, SD	Municipal Interconnection &  Interchange Agreement
364	Xcel Energy –  Northern States	University of North  Dakota	Transmission and Transformation  Agreement

Power Company

365	Xcel Energy –	City of Granite Falls, MN	Transmission Service Agreement
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Northern States

Power Company

389	Xcel Energy –	East River Electric	Transmission Service Exchange
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Northern States	Cooperative	Agreement
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Power Company

<b>GFA</b>	<b>Transmission</b>	<b>Customer</b>	<b>Contract</b>
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<b>No.</b>	<b>Owner</b>	<b>Name</b>	<b>Title</b>
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391 Xcel Energy – East River Electric Power Transmission Service Agreement,  
  
Northern States Cooperative, Inc. dated 10/1/66  
  
Power Company (formerly Renville/Sibley  
  
Cooperative Power  
  
Association)

394 Alliant Energy – MidAmerican Energy Co. Interconnection, Interchange, and  
  
Interstate Power and Joint Construction Agreement  
  
Light Company

410<sup>6</sup> American City of Cleveland, OH FERC Electric Tariff  
Original  
  
Transmission Volume No. 1 of the Cleveland

	System, Inc.		Electric Illuminating Company
415	American	City of Cleveland, OH	FERC Electric Tariff
	Original		
	Transmission		Volume No. 1 of the Cleveland
	System, Inc.		Electric Illuminating Company
416 <sup>7</sup>	Northern Indiana	Wabash Valley Power	Interconnection Agreement
	Public Service	Association, Inc.	
	Company		
<b>GFA</b>	<b>Transmission</b>	<b>Customer</b>	<b>Contract</b>

No.	Owner	Name	Title
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421 <sup>8</sup>	Michigan Public		
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	Power Agency		
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422 <sup>9</sup>	Michigan Public		
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	Power Agency		
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423	Michigan Public		
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	Power Agency		
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424	Michigan Public		
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Power Agency

428<sup>10</sup> Northern Indiana Wabash Valley Power Interconnection Agreement

Public Service Association, Inc.

Company

431 Xcel Energy – Water, Light, Power, & Transmission Facilities

Northern States Building Commission of Agreement

Power Company and for the City of East

Grand Forks

## ATTACHMENT 2

## FORM OF SCHEDULE 23 SERVICE AGREEMENT

- 1.0 This Schedule 23 Service Agreement (“Service Agreement”), dated as of \_\_\_\_\_, is entered into, by and between the Midcontinent Independent System Operator, Inc., (“Transmission Provider”) and \_\_\_\_\_ (“Carved-Out GFA Customer”).
- 2.0 The Carved-Out GFA Customer has been determined by the Transmission Provider to be a Carved-Out GFA Customer as set forth in Schedule 23 and Attachment 1 to Schedule 23 of the Tariff.
- 3.0 The Carved-Out GFA Customer agrees to provide to the Transmission Provider a completed Section II, pages 1 and 2, to the Market Participant registration packet, along with electronic banking instructions, NERC ID and the Carved-Out GFA Customer’s DUNS number, in order to implement this Schedule 23.
- 4.0 The Transmission Provider agrees to provide services to the Carved-Out GFA Customer pursuant to Schedule 10, Schedule 17 and Schedule 23 of this Tariff. The Carved-Out GFA Customer agrees to take and pay for the requested services in accordance with the provisions of Section 38.8.4 of the Tariff<sup>11</sup> (and other provisions specifically referenced therein) and this Service Agreement.

- 5.0 This Service Agreement shall terminate upon termination of the Carved-Out GFA for which these Schedule 23 charges are being assessed in accordance with any applicable Commission rules. Such termination of this Service Agreement does not absolve the Carved-Out GFA customer from payment of outstanding obligations under this Service Agreement.
- 6.0 The Carved-Out GFA Customer shall provide written notification of any unexpected material adverse changes in circumstances that may affect the Carved-Out GFA Customer's status as a Carved-Out GFA Customer, within twenty-four (24) hours of having learned of the change.
- 7.0 All payments due under this Schedule 23 – Attachment 2 shall be made pursuant to the Billing and Payment procedures specified in Sections 7.3 and 7.11 through 7.18 of this Tariff except that these sections do not apply to the extent they refer to the Billing and Payment provisions of this Tariff other than sections 7.3 and 7.11 through 7.18.
- 8.0 Any notice or request made to either of the parties to this Service Agreement shall be made to the following representatives:

Transmission Provider

Carved-Out GFA Customer

Title: Contract Administrator

\_\_\_\_\_

Address: 701 City Center Drive

\_\_\_\_\_

Carmel, IN 46032 \_\_\_\_\_

9.0 Section 38.8.4 of the Tariff (and other provisions specifically referenced therein) is incorporated herein and made a part hereof.

IN WITNESS WHEREOF, the parties have caused this Service Agreement to be executed by their respective authorized officials.

Transmission Provider

Carved-Out GFA Customer

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

- <sup>1</sup> GFA No. 14 includes Schedule 10 costs. Therefore, for this GFA, the cost recovery only applies to Schedule 17 costs.
- <sup>2</sup> At the present time, Alliant Energy and Central Iowa Power Cooperative (“CIPCO”) operate a joint dispatch pool under the IE/CIPCO Operating and Transmission Agreement (“O&T Agreement”). MISO charges incurred due to the CIPCO load is currently billed by Alliant Energy, by mutual agreement, under the O&T Agreement. Therefore, for GFA Nos. 16, 28, 29, 30, 31, 35, and 36, no direct billing of CIPCO, by MISO, for Schedules 10 and 17 should occur until such time as MISO is notified in writing by Alliant Energy.
- <sup>3</sup> Alliant Energy – Interstate Power and Light Company is responsible for Schedule 23 charges for the Corn Belt load served from the Alliant Energy – Interstate Power and Light Company under GFA No. 17.
- <sup>4</sup> This GFA is subject to proceedings in Docket No. ER02-2560, in which LG&E has requested cost recovery of Schedule 10 and 17 charges. LG&E lists this GFA here in the event that the Commission denies recovery in Docket No. ER02-2560. No final order has been issued in this proceeding at this time.

<sup>5</sup> In *Midwest Independent Transmission System Operator, Inc.*, 111 FERC ¶ 61,042 at P 150 (2005), the Commission held that Michigan Electric Transmission Company, LLC (“METC”), is not responsible for Transmission Provider charges assessed to Carved-Out GFAs; rather, the Commission held that the Customers under these contracts are to be held directly responsible. Accordingly, provisions in Schedule 23 that are inconsistent with the Order are inapplicable to METC, including those in Section 2.2 that require Transmission Owners to remain responsible for Schedule 10 and 17 charges if not paid by Carved-Out GFA Customers within the remittance requirements set forth in Section 7 of the Energy Markets Tariff. Therefore, for GFA Nos. 254, 255, 256, 257, 266, 267, 268, and 269, no charges should be billed by MISO to METC.

<sup>6</sup> This Schedule 23 shall not apply to out-of-pocket costs of excess of sheet 4, section D of this contract to the extent that such out-of-pocket costs for excess already include Schedule 10 and Schedule 17 costs.

<sup>7</sup> GFA Nos. 416 and 428 are the same contract.

<sup>8</sup> GFA Nos. 421 and 257 are the same contract.

<sup>9</sup> GFA Nos. 422 and 256 are the same contract.

<sup>10</sup> GFA No. 428 and 416 are the same contract.

- <sup>11</sup>     *See, Midwest Independent Transmission Operator, Inc.* 111 FERC ¶ 61,042 (2005);  
*Midwest Independent Transmission System Operator, Inc.* 108 FERC ¶ 61,236 (2004).