



Order 1000 & Cross-Border Transmission Planning

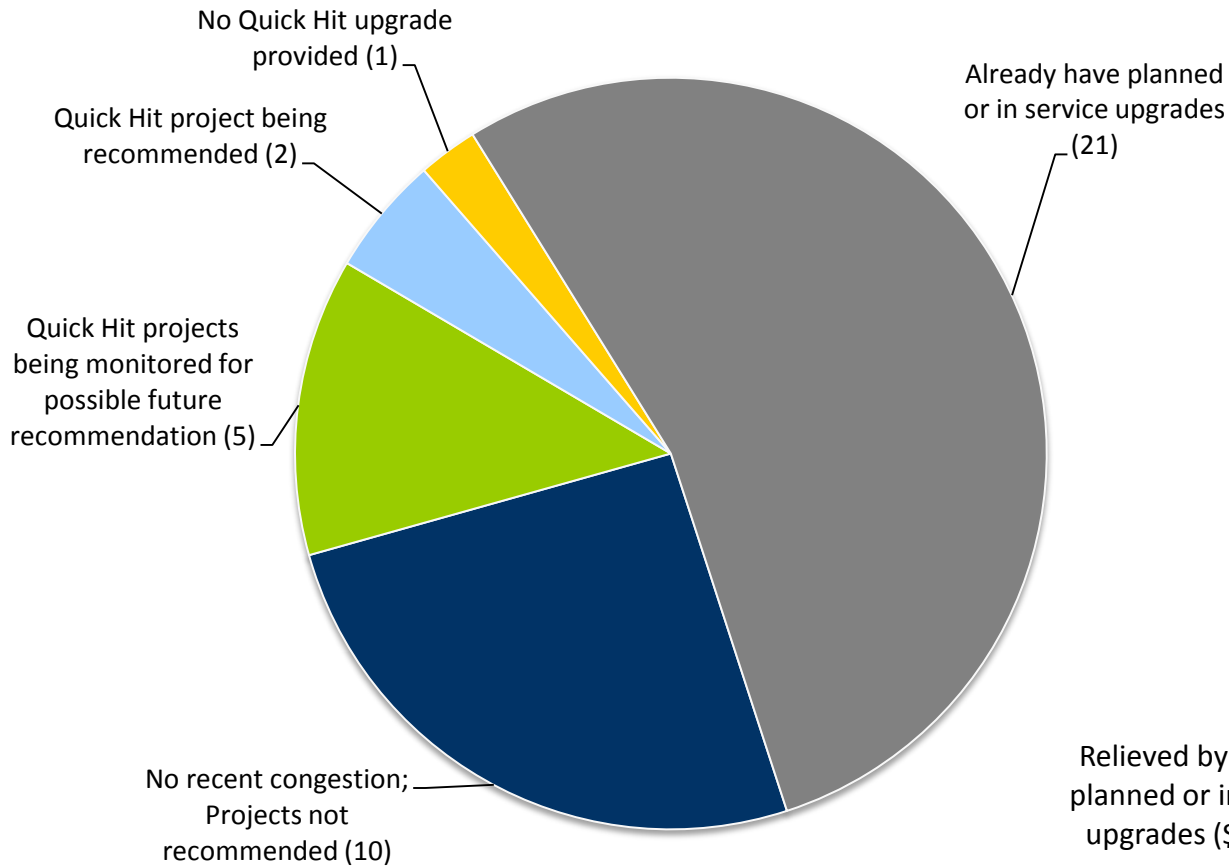
May 27, 2015
MISO-PJM JCM

- Address FERC Order 1000 Compliance
 - Due June 16th
 - Update included in following slides
- Complete 'Quick Hits' Study
 - Pursuing two quick hit projects for MTEP15 inclusion
 - Update included in following slides
- Continue Process Enhancement Review
 - Still targeted for Q3 2015 resumption
- Targeted Coordinated Studies
 - Still targeted for Q3 2015
 - Southwest Michigan interface
 - Looking for other opportunities

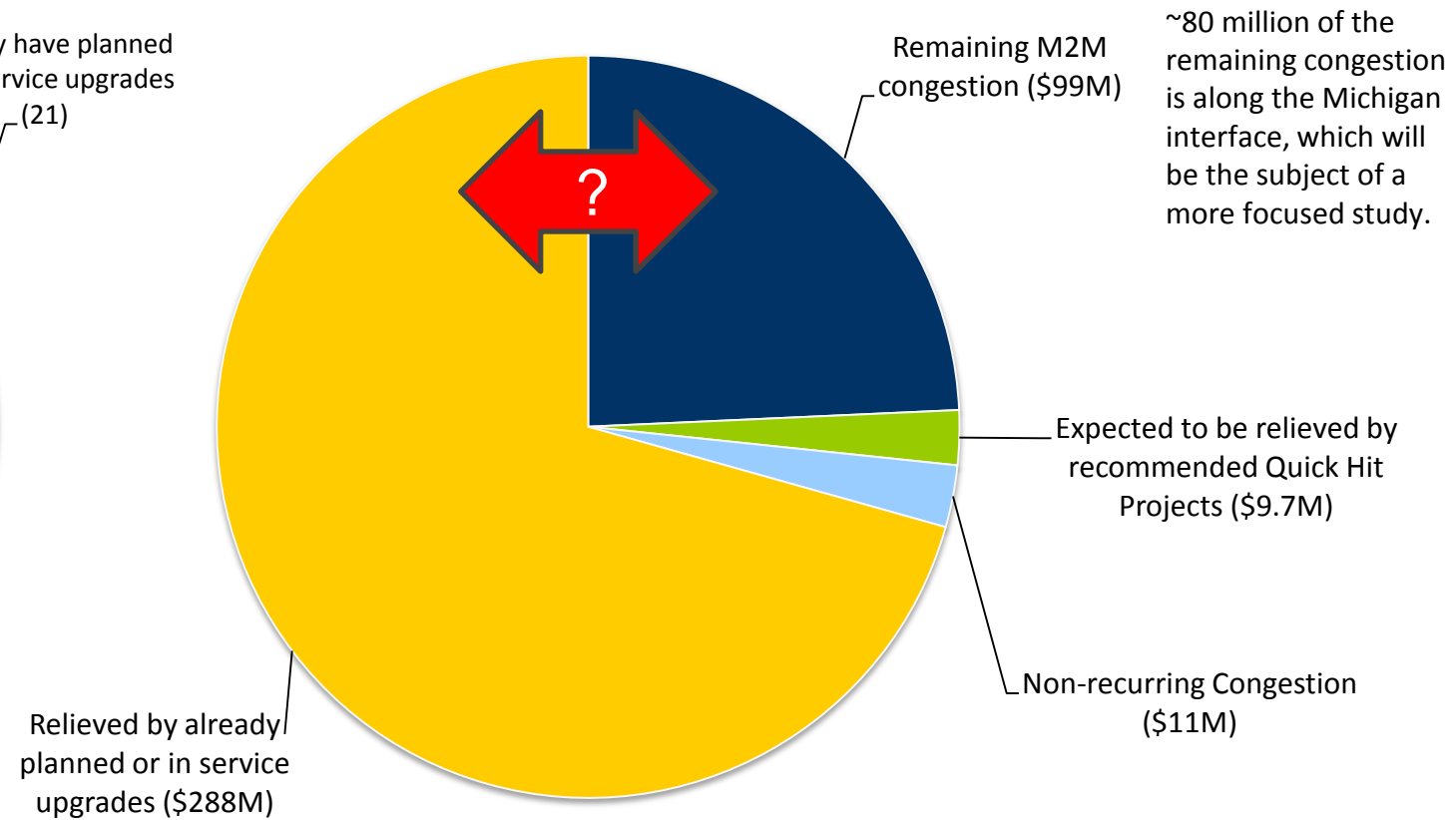
- MISO-PJM Interregional Order 1000 Compliance Filing Due June 16th
- MISO and PJM Have Agreed to Most of the FERC Directives and Non-Substantive Filing Differences
- Cost Allocation is Still Under Discussion
 - RTOs need to agree on interregional cost allocation methods for projects addressing reliability and public policy
 - MISO's latest proposal is to use avoided cost of regional reliability and/or public policy projects
 - MISO and PJM Transmission Owners are evaluating the options

- Reviewed Historic M2M Payments in 2013-2014
- Compared List to Existing MTEP/RTEP Projects
- Focused on Constraints Without Planned Upgrades
- Worked with Transmission Owners to Find Limiting Elements and Develop Projects and Cost Estimates
- Recommending Two Quick Hit Projects to Proceed into MTEP15

39 M2M Flowgates Studied




\$408 Million of Historical Congestion



~80 million of the remaining congestion is along the Michigan interface, which will be the subject of a more focused study.

*MTEP projects for P2 and P5 were assumed to relieve 10% of historical congestion on the targeted flowgate.



Constraint	Proposed Quick Hit	Owner	Quick Hit Cost	M2M Benefit
Beaver Channel - Sub 49 161kV	Upgrade SCADA equipment	MEC-ALTW	Minimal	\$6,927,999
Michigan City - LaPorte 138kV	Resag NIPSCO section, replace CTs	NIPS-AEP	\$2,300,000	\$2,704,984



- Obtain Accurate Project Cost Estimates
- Work with Facility Owners and Impacted Parties to Determine Project Funding
- Evaluate Projects in MTEP15 for Recommended Approval in December