

Follow up since 1/9/13 meeting

- Questions
- New Proposal

Mid Line Proposal

Purpose of Study

Presently Three Plans Under Consideration

- Does plan meet customer requirements
- Other Options Available

Draft Facility Construction Agreement

- Explanation
- Basis

Decision by Customers

Who is willing to pay?

Next Steps



Follow up on Questions and Proposals

Reason for Sensitivity Studies based on 2009/2010 model

- 2010 FaS results has been posted but no action taken to date
- Sensitivity Study was required for new proposal based on an "apples to apples" approach

New Proposal

- TO's especially CapX requested that MISO consider another option
- This plan is based on a plan under consideration in 2009/2010
 Option W1. (Updated to mirror MHWSS west option)



Mid Line Proposal

 The purpose of this study is to perform sensitivity analysis on an alternative transmission option for the MH to US south bound TSRs

Mid Plan (500kV Option W1)

- Dorsey, CA Barnesville, MN 500kV
- Barnesville, MN Alexandria, MN 345kV
- Alexandria, MN Quarry, MN 345kV
- Quarry, MN Monticello, MN 345kV

Scenarios being studied

- Increments of 250 MW, 750 MW &1100 MW
- Same base cases as Eastern Line was run on.



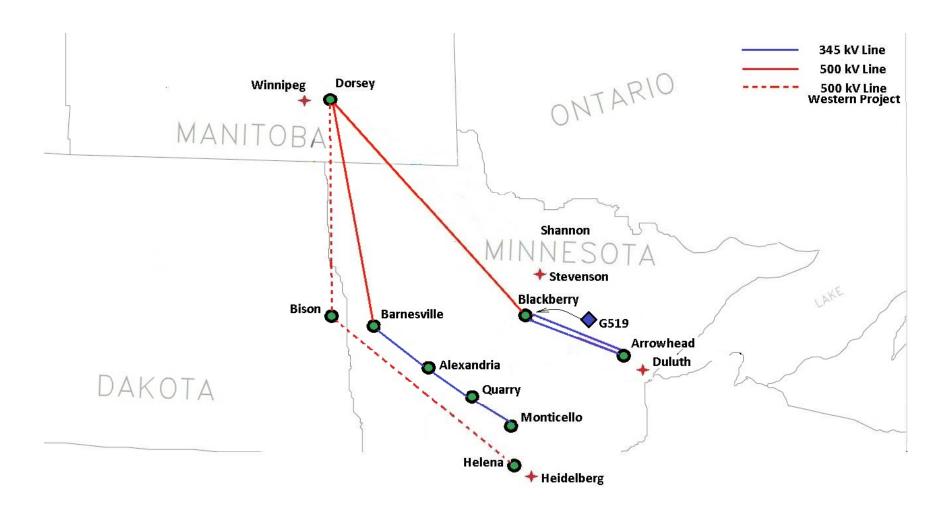
Presently Three Plans Under Consideration

Western Plan (1100MW 500kV Option 1)

- Dorsey, CA Bison, ND Helena, MN
- Estimated cost \$1,463,690,000 (US facilities only included)
- Eastern Plan (250, 750, 1100 MW) Presently in draft
 - Dorsey, CA Blackberry Arrowhead, MN
 - Estimated cost \$796,549,721 (US facilities only included)
 - Additional \$9,660,000 mitigations costs (G519 online)
- Mid Plan (500kV Option W1)
 - Dorsey, CA Barnesville Alexandria Quarry- Monticello, MN
 - Estimated cost (Presently being studied)



Western, Eastern & Mid 1100MW Proposals





Draft Facility Construction Agreement

- First draft was based on the Western line proposal
- Latest draft is based on the Eastern Line proposal
 - Draft agreement being sent out to customers on 2/13/2012
- Eastern Plan (250, 750, 1100 MW) Presently in draft
 - Dorsey, CA Blackberry Arrowhead, MN
 - Estimated cost \$796,549,721 (US facilities only included)
 - Additional \$9,660,000 mitigations costs (G519 online)
- TSR Customers included in study and FCA
 - Manitoba Hydro F088, WPPI Energy F091, Minnesota Power F089,
 Wisconsin Public Service F090, Great River Energy F092



Decision by Customers

Does plan meet customer requirements

- MP has entered into a 250MW MH PPA beginning in June 2020
- Other TSR customers are more towards a 2025+ ISD
- Willingness to commit and pay

Alternative Options

- Withdraw and resubmit
- Refine upgrades for confirmed level
- Resubmit fund incremental needs



Next Steps

- Need finalize Mid Plan study TO's and MISO
 - Create Pros and Cons of each plan
- Need commitment from TSR Customers to fund upgrades

Because

- Upgrades are required for the TSR's to be approved
 - Finalizing which upgrade plan is preferred
- Funding plan required
- Once (Multi-Party) Facility Construction Agreement executed, TSRs confirmed subject to upgrades in service



How Does the Upgrade Get into MTEP Appendix A?

- Two paths: TSR or "Other" project
- Both paths require funding commitment and peer review
- TSR Path
 - Funding comes from customers/sponsors
 - Peer review in ad hoc process
 - Board approval implicit with confirmed TSR
 - MISO would inform the Board at the next meeting after the confirmation

"Other" Path

- Funding must be determined
- Peer review comes from FERC 890 process
- Earliest possible Board approval is June

