

UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

105 FERC ¶ 61,060

Before Commissioners: Pat Wood, III, Chairman;  
William L. Massey, and Nora Mead Brownell.

Midwest Independent Transmission System  
Operator, Inc.

Docket No. EL02-111-000

PJM Interconnection, L.L.C.

And all Transmission Owners  
(including the entities identified below)

Union Electric Company

Central Illinois Public Service Company

Appalachian Power Company

Columbus Southern Power Company

Indiana Michigan Power Company

Kentucky Power Company

Kingsport Power Company

Ohio Power Company

Wheeling Power Company

Michigan Electric Transmission Company

Dayton Power and Light Company

Commonwealth Edison Company

Commonwealth Edison Company  
of Indiana, Inc.

American Transmission Systems, Inc.

Illinois Power Company

Northern Indiana Public Service Company

Virginia Electric and Power Company

IES Utilities, Inc.

Interstate Power Company

Aquila, Inc. (formerly UtiliCorp United, Inc.)

PSI Energy, Inc.

Union Light Heat & Power Company

Dairyland Power Cooperative

Great River Energy

Hoosier Energy Rural Electric Cooperative

Indiana Municipal Power Agency

Indianapolis Power & Light Company

Louisville Gas & Electric Company

Kentucky Utilities Company

Lincoln Electric (Neb.) System

Minnesota Power, Inc. and its subsidiary  
Superior Water, Light & Power Company

Montana-Dakota Utilities

Northwestern Wisconsin Electric Company

Otter Tail Power Company

Southern Illinois Power Cooperative

Docket Nos. EL02-111-000 and EL03-212-000

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Southern Indiana Gas & Electric Cooperative

Southern Minnesota Municipal Power Agency

Sunflower Electric Power Corporation

Wabash Valley Power Association, Inc.

Wolverine Power Supply Cooperative

International Transmission Company

Alliant Energy West

Xcel Energy Services, Inc.

MidAmerican Energy Company

Corn Belt Power Corporation

Allegheny Electric Cooperative, Inc.

Atlantic City Electric Company

Baltimore Gas & Electric Company

Delmarva Power & Light Company

Jersey Central Power & Light Company

Metropolitan Edison Company

PECO Energy Company

Pennsylvania Electric Company

PPL Electric Utilities Corporation

Potomac Electric Power Company

UGI Utilities, Inc.

Allegheny Power  
Carolina Power & Light Company

Central Power & Light Company

Conectiv

Detroit Edison Company

Duke Power Company

GPU Energy

Northeast Utilities Service Company

Old Dominion Electric Cooperative

Public Service Company of Colorado

Public Service Electric & Gas Company

Public Service Company of Oklahoma

Rockland Electric Company

South Carolina Electric & Gas Company

Southwestern Electric Power Company

Cincinnati Gas & Electric Company

Missouri Public Service

WestPlains Energy

Cleco Corporation

Kansas Power & Light Company

OG+E Electric Services

Southwestern Public Service Company

Docket Nos. EL02-111-000 and EL03-212-000

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Empire District Electric Company

Western Resources

Kansas Gas & Electric Co.

Ameren Services Company

Docket No. EL03-212-000

on behalf of:

Union Electric Company

Central Illinois Public Service Company

American Electric Power Service Corporation

On behalf of:

Appalachian Power Company

Columbus Southern Power Company

Indiana Michigan Power Company

Kentucky Power Company

Kingsport Power Company

Ohio Power Company

Wheeling Power Company

Dayton Power and Light Company

Exelon Corporation

On behalf of:

Commonwealth Edison Company

Commonwealth Edison Company  
of Indiana, Inc.

FirstEnergy Corporation

On behalf of:

American Transmission Systems, Inc.

Illinois Power Company

Northern Indiana Public Service Company

ORDER EXTENDING DATE FOR ELIMINATION OF MIDWEST ISO AND PJM  
REGIONAL THROUGH AND OUT RATES, AND DISMISSING FLORIDA POWER  
& LIGHT COMPANY

(Issued October 14, 2003)

1. In this order, we extend the effective date for the elimination of the Midwest Independent Transmission System Operator (Midwest ISO) and PJM Interconnection, LLC (PJM) Regional Through and Out Rates (RTORs) for transactions sinking in their combined region. The new deadline for the elimination of the Midwest ISO/PJM RTORs will be set in the order on rehearing in Docket No. EL02-111, which will be issued in the near future.<sup>1</sup>

2. In the July 23 Order,<sup>2</sup> the Commission addressed the Initial Decision in Docket No. EL02-111-000, concerning Midwest ISO and PJM RTORs between the expanded Midwest ISO and expanded PJM under the circumstances of that case. The Commission concluded that the Midwest ISO and PJM RTORs, when applied to transactions sinking within the combined region, are unjust and unreasonable. The Commission directed PJM and Midwest ISO to make a compliance filing in Docket No. EL02-111,<sup>3</sup> within 30 days eliminating those RTORs, effective November 1, 2003. The Commission also stated that, even with the elimination of the Midwest ISO and PJM RTORs, in the near term the region will still be riddled with seams, with the T&O rates under individual tariffs of the former Alliance Companies<sup>4</sup> acting as toll gates that impede the realization of more

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<sup>1</sup> In addition, we will dismiss Florida Power & Light Company from this proceeding. Their inclusion was inadvertent, and on rehearing they explain that they are not and never have been a participant in Midwest ISO or PJM, have not been a sponsor of either, and have not participated in this proceeding or any related proceeding. They also note that they instead are a sponsor of the Grid Florida RTO, and, also that they will not recover any transmission revenues from Midwest ISO or PJM. See also Alliance Companies, et al., 103 FERC ¶ 61,274 at P 10, 14 (2003).

<sup>2</sup> Midwest Independent Transmission System Operator, Inc., et al., 104 FERC ¶ 61,105 (2003) (July 23 Order).

<sup>3</sup> Midwest Independent Transmission System Operator, Inc., et al., 102 FERC ¶ 63,049 (2003) (Initial Decision).

<sup>4</sup> American Electric Power Service Corp. on behalf of Appalachian Power Co., Columbus Southern Power Co., Indiana Michigan Power Co., Kentucky Power Co., Kingsport Power Co., Ohio Power Co., and Wheeling Power Co. (collectively, AEP), Ameren Services Co. on behalf of Union Electric Co. and Central Illinois Public Service Co. (collectively, ComEd), FirstEnergy Corp. on behalf of American Transmission

efficient and competitive electricity markets in the region and that preserve a competitive advantage for the non-RTO members' generation. Accordingly, the Commission established an FPA Section 206 investigation in Docket No. EL03-212-000 to determine whether the Companies' T&O rates should be eliminated.

3. Upon further consideration, we have decided to extend the November 1, 2003 effective date for the elimination of the Midwest ISO/PJM RTORs. The new effective date shall be set in the order on rehearing in Docket No. EL02-111, which will be issued in the near future.<sup>5</sup>

By the Commission.

( S E A L )

Magalie R. Salas,  
Secretary.

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Systems, Inc. (ATSI) (collectively, FirstEnergy), Illinois Power Co. (Illinois Power), Northern Indiana Public Service Co. (NIPSCO) and Dayton Power and Light Co. (DP&L).

<sup>5</sup> In addition, the Commission will issue a final decision in Docket No. EL03-212-000 after, instead of before, October 31, 2003.