

Antitrust Reminder

Participants in these activities must refrain from the following when acting in their capacity as participants in these activities (e.g., at meetings, conference calls and in informal discussions):

- Discussions involving pricing information, especially margin (profit) and internal cost information and participants' expectations as to their future prices or internal costs.
- Discussions of a participant's marketing strategies.
- Discussions regarding how customers and geographical areas are to be divided among competitors.
- Discussions concerning the exclusion of competitors from markets.
- Discussions concerning boycotting or group refusals to deal with competitors, vendors or suppliers.

FERC Order No. 2004

Standards of Conduct

- Transmission employees are not permitted to communicate nonpublic transmission system information to employees of Energy or Marketing Affiliates or other Interconnected Parties other than through the Open Access Same-Time Information System (OASIS).
- This meeting may address transmission availability, capacity, maintenance or other transmission line operating or reliability information
- Any person attending this meeting must be designated to receive such information and may not re-communicate or be a "conduit" of such information except in accordance with the FERC Rules or an applicable Compliance Plan

A proposed solution to deal with Standards of Conduct/Critical Energy Infrastructure Information concerns is to have "open" and "transmission only" portions of the MI CNF T/D Subgroup.

The "open" portions would of course be open to all.

The "transmission only" portions would be for those folks who will either attest that they are "transmission employees" per FERC Order 2004 Standards of Conduct or are not associated with energy market participants and agree not to pass any transmission information to any energy market participants. Under such a construct, transmission specific information may be discussed amongst the "transmission only" participants and these folks may get detailed information about the transmission limits identified.

Those folks not in the "transmission only" portion will receive information about transmission capacity, but will not get any specifics as to the exact nature of the limits or the contingencies that drive those limits. That is, the results will be masked so that only the import capability numbers will be

meaningful. Because the results are masked, they can be posted on OASIS without critical energy information concerns.

It may be necessary in future meetings to ask those not identified as "transmission only" to excuse themselves from certain discussions. If the MI CNF T/D Subgroup adopts this structure, it may be necessary to sign something indicating that you are eligible to participate in the "transmission only" discussions.

What Questions do we need to Answer?

- 1) "What transmission capacity is available?"
- 2) "What capacity is needed to serve load with a 1 day in 10 year reliability standard?"
- 3) "How would we propose to fill any gaps that may exist between actual and desired?"

MPSC order in case U-14231 says in part, "By commencing an investigation into the present and future capabilities of Michigan's electric power system to supply adequate levels of this key product at a reasonable price, the Commission seeks to alleviate some of the risks that could deter investment in needed resources."

In reflecting on this sentence, do we also have to answer -- "What capacity (above that identified to meet 1 day in 10 years) is needed to ensure that electricity will be available at a reasonable price?"

What transfer scenarios get at answering those questions?

	09s _0	09s _1500	09s _ese	09s _off	09s _off _lud	14s _0	14s _1500	14s _ese	14s _off	14s _off _lud
VACAR to ITC	X	X				X	X			
TVA to ITC	X	X				X	X			
MAIN to ITC	X	X				X	X			
VACAR/TVA/MAIN to ITC	X	X				X	X			
Non-committed MISO generation to ITC	X	X				X	X			
TVA to METC	X	X			X	X	X			X
NI to Presque Isle Generator in UP	X	X	X	X	X	X	X	X	X	X

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