



Comparison of Economic Metrics

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■ Adjusted Production Costs (APC)¹

Production Costs (Generation costs)
+ Cost of imports (valued at ATC Load LMP)
– Revenues from Exports (valued at ATC Generator LMP)
= Adjusted Production Costs

➤ Example (2024 Cost Difference With & Without NLAX–CARD)

-**\$20.3 M** (production cost savings)
+ \$10.3 M (import costs increase)
– \$0.8 M (export revenue decreases)
= - **\$9.3 M** (APC Savings)

Imports: +186,696 MWh
ATC Load LMP: -\$0.86/MWh

Exports: -22,748 MWh
ATC Gen. LMP: -\$0.20/MWh

¹ Effectively assumes full FTR coverage for internal generation to load.

➤ Example (2024 Cost Difference With & Without BAIN-ZION)

$$\begin{aligned} & \$47.7 \text{ M (production costs increase)} \\ & + (-\$18.0 \text{ M}) \text{ (import costs decrease)} \\ & - \underline{\$31.0 \text{ M}} \text{ (export revenue increases)} \\ & = \mathbf{- \$1.3 \text{ M}} \text{ (APC Savings)} \end{aligned}$$

Imports: -253,398 MWh
ATC Load LMP: +\$1.17/MWh

Exports: +492,812 MW
ATC Gen. LMP: +\$1.69/MWh



LLMP, 70% APC & 30% LLMP

- Load LMP (Load Payments-LLMP)
 - Example (2024 Cost Difference With & Without NLAX-CARD)
- **\$79.5 M** (Decrease in load payment)
 - Example (2024 Cost Difference With & Without BAIN-ZION)
+ **\$108.9 M** (Increase in load payment)

- 70% APC and 30% Load LMP (MISO RECB II Metric)
 - Example (2024 Cost Difference With & Without NLAX-CARD)
- **\$30.3 M** (70/30 Savings)
 - Example (2024 Cost Difference With & Without BAIN-ZION)
+ **\$31.7 M** (70/30 Cost Increase)



Alternate Metric

- Approximate Costs Paid and Received by Utility

Cost of supply at Load LMP

– Gen. LMP revenues to utility (Reduced if there are IPPs)

+ Cost of utility generation (“Production costs”)

– FTR revenues to utility (Very difficult to estimate—not done here)

= Impact to Ratepayers

➤ Example (2024 Cost Difference With & Without NLAX–CARD)

–\$79.5 M (Load LMP savings)

– (-\$31.3 M) (Gen LMP revenue decreases)

+ (-\$20.3 M) (Production costs decrease)

= - \$68.5 M (Savings)



Alternate Metric

- Example (2024 Cost Difference With & Without BAIN-ZION)
 - \$108.9 M (Load LMP increase)
 - \$192.3 M (Generation LMP revenue increase—No IPPs assumed)
 - + \$47.7 M (Production cost increase)
 - = - **\$35.7 M** (Savings)



Overview

Metric Comparison of Examples

	Millions \$			\$/MWh		Millions \$
	APC	LLMP	70/30	ATC Load LMP	ATC Gen LMP	Alternate Metric
Difference With and W/O NLAX-CARD	- \$9.3	- \$79.5	- \$30.3	- \$0.86	- \$0.20	- \$68.5
Difference With and W/O BAIN-ZION	- \$1.3	+ \$108.9	+ \$31.7	+ \$1.17	+ \$1.69	- \$35.7

Negative values typically mean a cost savings.

- Based on MISO’s current metrics, BAIN-ZION does not perform well
 - Primarily because it increases ATC’s Load-weighted LMP as low-cost power flows out of ATC
 - Performs better under the “Alternate Metric”
 - Note: Increased generator LMP payments may not flow back to utilities/ratepayers to the extent that generation is from an IPP not under a utility contract