

REVISION OF OPERATING COST SURVEY FOR ASM PRODUCTS

Midwest ISO IMM

April 8, 2008

I. Background

Since the start of the Midwest ISO energy market, the Independent Market Monitor (IMM) has been using operating cost survey (“OCS”) data to calculate cost-based reference levels for use when the three methods of determining reference levels, as established in Section 64.1.4 of the Midwest ISO Open Access Transmission and Energy Markets Tariff, are not applicable.

The OCS has been revised to accommodate the new Ancillary Services Market (ASM) products. The Midwest ISO IMM is hereby requesting all generating units that are registered with the Midwest ISO and anticipate submitting economic offers to submit revised OCS data including the additional ASM data by Thursday April 24, 2008.

II. Implementation of Operating Cost Survey

As is currently the case for collecting OCS data, the following website is to be used for the process:

<https://www.potomaceconomics.com/ocs/home.action>

The instructions for providing the data are contained in the document ASM_Survey_1.pdf, which is posted under the “Download Files” tab in the OCS site. However, the website is not scheduled to accept ASM survey data files until Thursday April 17, 2008. The website continues to be active for uploading the current energy market survey data files.

We understand that the data requested is confidential and commercially sensitive. We will treat it as confidential and handle it in a secure manner.

III. Ongoing Consultation

The cost-based reference levels will be adjusted each day to account for operating configuration changes and changes in fuel prices. Participants will also have the ability to consult with the IMM regarding other changes in the operating costs of their generators that are not reflected in the fuel cost adjustment and mode schedules, such as unexpected real time fuel switching or the malfunction of components. Upon validation of the updated data and information, the IMM will adjust the cost-based and final reference levels for the resource in question.

Consultations are initiated through the screens under the “Consultations” tab of the OCS Site.

IV. IMM Contacts

To gain access to the website and for assistance with the survey process, contacts are as follows:

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