

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

<p>IN RE:</p> <p>MIDWEST RENEWABLE ENERGY PROJECTS LLC,</p> <p style="padding-left: 100px;">Petitioner,</p> <p style="padding-left: 100px;">v.</p> <p>INTERSTATE POWER AND LIGHT COMPANY,</p> <p style="padding-left: 100px;">Respondent.</p>	<p style="text-align:right">DOCKET NOS. AEP-05-2 AEP-05-3 AEP-05-4</p>
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ORDER ESTABLISHING BRIEFING SCHEDULE

(Issued August 5, 2008)

The hearing in this case was held on July 8, 2008. At the close of the hearing, the parties agreed to file a proposed post-hearing briefing schedule, which they filed with the Utilities Board (Board) on July 30, 2008. The proposed post-hearing briefing schedule is reasonable and should be approved.

In their post-hearing initial briefs, the parties must address the following issues. This list is not intended to be exclusive, and the parties may choose to address additional issues.

1. How should the avoided cost determinations be made for each of the three options in 199 IAC 15.5(5)?

2. Please discuss each of the factors listed in 199 IAC 15.5(1) and (6) and whether and how they should be applied to the determinations of avoided cost in this case.

3. What is the meaning of "the time the obligation is incurred" in 199 IAC 15.5(5)"b"? Please explain why the rule should be interpreted this way.

a) If "the time the obligation is incurred" is interpreted as the date MREP filed its petitions, what should the avoided cost be? Please provide all underlying assumptions, calculations, and rationale for your position.

b) If "the time the obligation is incurred" is interpreted as the date the Board issues its decision determining the avoided cost rate, what should the avoided cost be? Please provide all underlying assumptions, calculations, and rationale for your position.

c) If "the time the obligation is incurred" is interpreted as the date MREP and IPL execute their power purchase contract, what should the avoided cost be? Please provide all underlying assumptions, calculations, and rationale for your position.

d) If "the time the obligation is incurred" is interpreted as some other date, please explain what that date is and why it should be used. If "the time the obligation is incurred" is interpreted as this other

date, what should the avoided cost be? Please provide all underlying assumptions, calculations, and rationale for your position.

4. Should the avoided cost determination made in Docket No. AEP-05-1 be used in these consolidated dockets? If yes, for which option(s) for determining avoided cost?

5. Should the \$0.60 per 50 MW adjustment figure proposed by IPL be used in these consolidated dockets? Why or why not? Is the \$0.60 figure correct? If yes, why? If not, is there another more accurate figure to use?

6. If the latest EGEAS analysis from Docket No. AEP-05-1 is used as a basis for the avoided cost determination in this case, should it be updated? Why or why not?

7. Should the amendments to MREP's petitions, filed after the enactment of EPACT 2005, fall within the Section 210(m)(6) savings clause? Why or why not? Does the FERC declaratory order issued July 7, 2006, apply to the amendments to MREP's petitions, or only to the original petitions discussed in the declaratory order?

8. What is the legal effect on this case of the FERC order issued May 14, 2008, terminating IPL's mandatory purchase obligation? Is there a difference in the legal effect of the order on the original MREP petitions filed July 26, 2005, and the legal effect of the order on the amendments to the MREP petitions filed on January 3, 2007?

9. Since FERC has stated that avoided cost does not include green credits, does the Board have the authority to order MREP to sell the green credits to IPL along with the sale of energy and capacity to IPL? Why or why not? If yes, what is the basis of this authority?

10. If the Board does have such authority, should it order MREP to sell the green credits to IPL? Why or why not? If yes, at what cost?

IT IS THEREFORE ORDERED:

1. Each party must file an initial post-hearing brief with the Board on or before August 29, 2008.

2. Each party must file a post-hearing reply brief with the Board on or before September 19, 2008.

UTILITIES BOARD

/s/ Amy L. Christensen
Amy L. Christensen
Administrative Law Judge

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

Dated at Des Moines, Iowa, this 5th day of August, 2008.