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June 9, 2010

Via Federal Express

Jeff DeRouen
Executive Director
Public Service Commission
211 Sower Boulevard, P.O. Box 615
Frankfort, Kentucky 40602-0615

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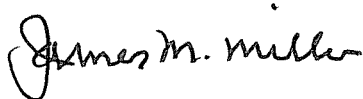
PUBLIC SERVICE
COMMISSION

Re: In the Matter of: Application of Big Rivers Electric Corporation
for Approval to Transfer Functional Control of Its Transmission
System to Midwest Independent Transmission System
Operator, Inc., PSC Case No. 2010-00043

Dear Mr. DeRouen:

Enclosed for filing are an original and nine copies of the first set of data requests of Big Rivers Electric Corporation ("Big Rivers") to Kentucky Industrial Utility Customers, Inc. ("KIUC"), and the Response of Big Rivers to the testimony of KIUC witness Dr. Mathew Morey. I certify that copies of this letter and attachments have been served on each of the persons on the attached service list.

Sincerely yours,



James M. Miller

JMM/ej
Enclosures

cc: David Crockett
Albert Yockey
Douglas Beresford
John Lilyestrom
Service List

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Service List
Case No. 2010-00043

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**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

In the Matter of:

The Application of Big Rivers Electric Corporation for Approval to Transfer Functional Control of its Transmission System to Midwest Independent Transmission System Operator, Inc.)	
)	Case No. 2010-00043
)	
)	
)	

**FIRST SET OF DATA REQUESTS
OF
BIG RIVERS ELECTRIC CORPORATION
TO
KENTUCKY INDUSTRIAL UTILITY CUSTOMERS, INC.**

Big Rivers Electric Corporation ("Big Rivers") requests that Kentucky Industrial Utility Customers, Inc. ("KIUC") respond to this First Set of Data Requests.

DEFINITIONS

1. "Document(s)" is used in its customary broad sense and includes electronic mail and all written, typed, printed, electronic, computerized, recorded or graphic statements, communications or other matter, however produced or reproduced, and whether or not now in existence, or in your possession.

2. "Study" means any written, recorded, transcribed, taped, filmed, or graphic matter, however produced or reproduced, either formally or informally, on a particular issue or situation, in whatever detail, whether or not the consideration of the issue or situation is in a preliminary stage, and whether or not the consideration was

discontinued prior to completion, whether preliminary or final, and whether or not referred to in KIUC's direct testimony.

3. "You" or "your" means the person whose filed testimony is the subject of these requests and, to the extent relevant and necessary to provide full and complete answers to any request, "you" or "your" may be deemed to include any person with information relevant to any request who is or was employed by or otherwise associated with the witness or who assisted, in any way, in the preparation of the witness' testimony.

INSTRUCTIONS

4. The Requests shall be deemed continuing so as to require or prompt further and supplemental production if at any time during this proceeding in the event you locate or obtain possession, custody or control of additional responsive Documents.

5. Any Studies, Documents, or other subject matter not yet completed that will be relied upon during the course of this proceeding should be provided as soon as they are completed. You are obliged to change, supplement and correct all answers to these Requests to conform to available information, including such information as it first becomes available to you after the answers hereto are served.

6. If any document requested herein was at one time in existence, but has been lost, discarded or destroyed, identify such document as completely as possible, including the type of document, its date, the date or approximate date it was lost, discarded or destroyed, the identity of the person (s) who last had possession of the document and the identity of all persons having knowledge of the contents thereof.

7. Unless otherwise expressly provided, each interrogatory should be construed independently and not with reference to any other interrogatory herein for purpose of limitation.

8. The answers should identify the person(s) supplying the information.

9. Please answer each designated part of each information request separately. If you do not have complete information with respect to any interrogatory, so state and give as much information as you do have with respect to the matter inquired about, and identify each person whom you believe may have additional information with respect thereto.

FIRST SET OF DATA REQUESTS

1. Referring to the Resume of Dr. Mathew J. Morey attached to his Direct Testimony and Exhibits, please provide the following documents listed therein:

Publications

- a. "Managing Transmission Risk in Wholesale Power Markets," with Laurence D. Kirsch, *The Electricity Journal*, Volume 22, Issue 9, October 2009, pp. 26-37.
- b. "Efficient Allocation of Reserve Costs in RTO Markets," with Laurence D. Kirsch, *The Electricity Journal*, Volume 19, Issue 8, October 2006, pp. 43-51.
- c. "RTOs and Electricity Restructuring: the Chasm Between Promise and Practice," with B. Kelly Eakin and Laurence D. Kirsch, *The Electricity Journal*, Volume 18, Number 1, January/February 2005, pp. 1-21.

- d. "The Role of the Independent Transmission Company in Wholesale Electricity Markets," with Eric Hirst, *The Electricity Journal*, Volume 16, Number 4, May 2003, pp. 31-45.

Professional Papers

- e. "Economic Impacts of Alternative Resources: East Kentucky Power Cooperative," with Robert Camfield, Bruce Chapman, Jeremy Morton, and Michael Welsh, February 1, 2010.
- f. "The Regional Transmission Organization Report Card: Wholesale Electricity Markets and RTO Performance Evaluation," 3rd Edition, prepared for the National Rural Electric Cooperative Association, with Laurence D. Kirsch, Brad Wagner, Bruce Chapman, February, 2009.
- g. "Managing Transmission Risk Through Forecasts of Transmission Loading Relief Calls," with Laurence Kirsch, Brad Wagner, and Dave Armstrong, Electric Power Institute, EPRI Report ID #1015871, November, 2008.
- h. "The Regional Transmission Organization Report Card: Wholesale Electricity Markets and RTO Performance Evaluation," 2nd Edition, prepared for the National Rural Electric Cooperative Association, with Laurence D. Kirsch, Brad Wagner, Bruce Chapman, Emilie McHugh, August, 2007.
- i. "Hedging Long-term Transmission Price Risks Associated With Generation Investments," with Laurence D. Kirsch, prepared for the Electric Power Research Institute, December, 2005.
- j. "Transmission Price Risk Management," with L.D. Kirsch, Electric Power Research Institute, Product ID #1012475, October, 2005.

Presentations

- k. "The Costs and Benefits of Regional Transmission Organizations," Large Public Power Council Rates Committee Seminar, San Antonio, Texas, October 2, 2005.

Prepared Testimony, Expert Testimony

- l. Before the Kentucky Public Service Commission, on behalf of LGE Energy Corporation, Additional Supplemental Rebuttal Testimony in the matter of "Investigation into the Membership of Louisville Gas and Electric Company and Kentucky Utilities Company in the Midwest Independent Transmission System Operator, Inc.," Case No. 2003-00266, filed April 1, 2005.
2. To the extent not provided in your response to Request No. 1, please provide a copy of all publicly available documents and/or studies prepared by Dr. Morey in connection with the following items listed in the "Major Projects" section of the Resume of Dr. Mathew J. Morey attached to his Direct Testimony and Exhibits:
 - a. "Assisted a national trade association with the analysis of RTO and regional LMP-based market performance."
 - b. "Assisted an investor-owned electric utility with evaluation of feasible options to membership in a Regional Transmission Organization."
3. Referring to the Direct Testimony of Dr. Morey at p. 2, lines 3-10, has Dr. Morey ever prepared an analysis and/or testified in any regulatory proceeding in support of a utility's decision to join a regional transmission organization (RTO) or independent system operator (ISO), or advocating that a utility join an RTO or ISO? If so, please provide a copy of any such analysis or testimony.
4. Referring to the Direct Testimony of Dr. Morey at p. 5, lines 5-9, has Dr. Morey performed any analyses of the likelihood that any or all of the individual projects

encompassed in the “investment of more than \$22 billion in an extra high voltage transmission overlay” will be built? If so, please provide copies of those analyses.

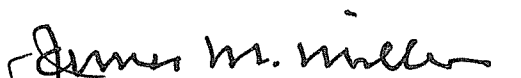
5. Referring to the Direct Testimony of Dr. Morey at p. 6, lines 14-15, please provide the basis for the statement that “there is a significant possibility that [Big Rivers] would join [the Midwest ISO] for a much longer period [than five years].”
6. Referring to the Direct Testimony of Dr. Morey at p. 8, lines 20-22, please provide the basis for Dr. Morey’s calculation of a 1.78% load ratio share for Big Rivers.
7. Referring to the Direct Testimony of Dr. Morey at p. 8, line 22-p. 9, line 1, please provide the basis for Dr. Morey’s calculation of a 1.14% allocation to Big Rivers.
8. Referring to the Direct Testimony of Dr. Morey at p. 8, line 3-p. 9, line 18, has Dr. Morey performed any analyses of possible revenues that may accrue to Big Rivers as a result of participation in the Midwest ISO? If so, please provide copies of those analyses.
9. Referring to the Direct Testimony of Dr. Morey at p. 11, lines 11-13, and Exhibit 1, the annual increase in the “Decreased Cost to BR Load” in Exhibit 1 from 2016 to 2025 does not appear to be an annual increase of 7.70%. Please confirm your calculation.
10. Referring to the Direct Testimony of Dr. Morey at p. 17, line 21-p. 18, line 1, does Dr. Morey agree that at the time when Mr. Luciani filed his testimony, the Smelters had not yet offered to provide “up to 320 MW of interruptible power” to Big Rivers?
11. Referring to the Direct Testimony of Dr. Morey at p. 17, lines 19-20, Dr. Morey states that he is advised that Big Rivers and the Smelters have not even begun

pricing negotiations on the cost of interruptible power that the Smelters could provide Big Rivers as part of a plan to satisfy Big Rivers' Contingency Reserve requirement. To Dr. Morey's knowledge, have Big Rivers and the Smelters begun negotiations on any of the following elements of a solution to Big Rivers' Contingency Reserve requirement that includes reliance on an interruptible power arrangement with the Smelters? If the answer to any of these items is "Yes," please explain in detail your understanding of the state of those negotiations.

- a. Interruption of the Smelter load for more than 90 minutes;
- b. Allocation of risk in the event of inability to obtain replacement power when and as needed;
- c. Length of commitment of each Smelter to interruptible service arrangements;
- d. How Big Rivers would meet its Contingency Reserve requirement if one or both Smelters ceases operations; and
- e. Changes to the interruptible arrangements that would occur if a Smelter closes.

12. Please provide electronic copies of Exhibits 1 and 2 to the Direct Testimony of Dr. Morey, with cells and formulas intact, along with all computer models, workpapers and other documents that support these exhibits.

SULLIVAN, MOUNTJOY, STAINBACK
& MILLER, P.S.C.



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Counsel for Big Rivers Electric Corporation

June 9, 2010

**COMMONWEALTH OF KENTUCKY
BEFORE THE
PUBLIC SERVICE COMMISSION OF KENTUCKY**

Case No. 2010-00043

**RESPONSE OF
RALPH L. LUCIANI**

**ON BEHALF OF
APPLICANTS**

JUNE 2010

RESPONSE OF RALPH L. LUCIANI

1 **Q. Please state your name, title and business address.**

2

3 A. My name is Ralph L. Luciani. I am a Vice President of Charles River Associates
4 (“CRA”). My business address is 1201 F St., NW, Washington, DC 20004.

5

6 **Q. Are you the same Ralph L. Luciani that filed Direct Testimony in this**
7 **proceeding?**

8

9 A. Yes.

10

11 **Q. What is the purpose of this response?**

12

13 A. Big Rivers Electric Corporation (“Big Rivers”) has asked me to provide
14 comments on the Direct Testimony of Dr. Mathew J. Morey filed in this
15 proceeding in May 2010.

16

17 **Q. In his Direct Testimony, Dr. Morey performs an analysis comparing the**
18 **economics of Big Rivers joining the Midwest ISO to the “status quo today”**
19 **(page 14). Does this analysis contribute in a positive way to the discussion**

1 **about the best way for Big Rivers to solve its Contingency Reserve**
2 **requirement?**

3
4 A. No. At best, Dr. Morey’s analysis would quantify the potential change in costs to
5 Big Rivers of satisfying its Contingency Reserve requirement through Midwest
6 ISO membership rather than through the defunct Midwest Contingency Reserve
7 Sharing Group (“MCRSG”). That is a purely academic exercise, the results of
8 which are irrelevant to the question of whether Midwest ISO membership is the
9 best viable means of satisfying Big Rivers’ Contingency Reserve requirement.

10
11 Big Rivers’ witnesses explained in their testimony that they have been seeking a
12 less complex and less expensive option than Midwest ISO membership for
13 satisfying Big Rivers’ Contingency Reserve requirement. But the fact remains
14 that in the near term, Big Rivers has no viable options for meeting its
15 Contingency Reserve requirements other than stand-alone self-supply or joining
16 the Midwest ISO. There are no other reserve sharing groups currently available to
17 Big Rivers. Yet, Dr. Morey performs an analysis over the 2011 to 2025 period
18 comparing the costs and benefits of Big Rivers joining the Midwest ISO to Big
19 Rivers’ membership in the MCRSG. The MCRSG arrangement terminated
20 December 31, 2009. Thus, Dr. Morey is comparing the economics of Big Rivers
21 joining the Midwest ISO to an alternative that is not available to Big Rivers. As
22 such, Dr. Morey’s analysis is not relevant to the decision facing Big Rivers and

1 does not inform the Commission in evaluating Big Rivers' request to join the
2 Midwest ISO.

3

4 **Q. Dr. Morey asserts that the timeframe of Big Rivers' economic analysis of**
5 **joining the Midwest ISO at five years is too short (page 6). Can you**
6 **comment?**

7

8 A. Yes. Dr. Morey asserts that Big Rivers could be a member of the Midwest ISO
9 for longer than five years and thus the five-year cost-benefit analysis presented by
10 Big Rivers is too short. However, this approach incorrectly assumes that Midwest
11 ISO membership is an inescapable, very long-term commitment. In fact, Big
12 Rivers would be allowed to withdraw from the Midwest ISO in 2015, the end of
13 the five year period analyzed by Big Rivers. After that point, Big Rivers could
14 withdraw at the end of any calendar year (on at least one year's notice). Big
15 Rivers would address each year the costs and benefits of continuing to remain in
16 the Midwest ISO, and if membership is found to be disadvantageous, could elect
17 the membership termination "exit ramp." Thus, the first five years are the key
18 years to analyze for purposes of evaluating a decision by Big Rivers to join the
19 Midwest ISO. As Mr. Crockett notes, the Big Rivers exit fee in 2015 is estimated
20 to be \$3.3 million, excluding any Big Rivers allocation of Midwest ISO
21 transmission costs approved from 2011 to 2014. In contrast, the net benefit to Big
22 Rivers of joining the Midwest ISO in comparison to the Stand-alone option (as
23 described in my Direct Testimony) over the 2011 to 2015 five-year period is

1 \$132.8 million. While Midwest ISO transmission costs approved through 2014
2 are an additional cost factor that would be faced by Big Rivers if it were to
3 withdraw from the Midwest ISO, it must be compared to this \$130 million
4 advantage, net of the exit fee, of the Midwest ISO alternative at the end of five
5 years.

6

7 **Q. Dr. Morey asserts that in evaluating the Midwest ISO alternative, Big Rivers**
8 **should include an estimate of the Midwest ISO MTEP costs it would incur**
9 **(pages 4-6). Can you comment?**

10

11 A. Yes. In his testimony, Dr. Morey states that Midwest ISO Transmission
12 Expansion Plan (“MTEP”) costs are “the costs of the high voltage transmission
13 investment in MISO that are deemed to have region-wide benefits” (page 4,
14 emphasis added). Dr. Morey further notes that “the MTEP planning process
15 anticipates \$22 billion in investment in an extra high voltage transmission overlay
16 designed to transport vast amounts of wind generation from the upper Midwest”
17 and that “if BREC joins MISO, then it will be responsible for its share of these
18 transmission projects, if they are built.” (page 5, emphasis added). With this
19 explanation, Dr. Morey then argues that an estimate of the MTEP costs that would
20 be allocated to Big Rivers should be applied to the cost of the Midwest ISO
21 alternative.

22

1 In doing so, Dr. Morey ignores two fundamental issues that he himself raises.

2 The first is that these future Midwest ISO transmission expansion costs are
3 uncertain (i.e., “if they are built”). The second is that the transmission lines will
4 only be built if they provide “region-wide benefits” by transporting “vast amounts
5 of wind power”. The transmission lines will only provide regional benefits if
6 they support the transmittal of large amounts of cost-effective wind power to the
7 Midwest ISO region, i.e., the benefits of wind power must exceed the capital costs
8 of the wind power and the new transmission needed to transport it. In turn, for
9 wind power to economically support the billions of dollars of capital investment
10 required would depend in large part on the development and implementation of
11 national carbon regulations and renewable energy standards, the prospects for
12 which are currently uncertain.

13
14 In an economic analysis, it is inappropriate to consider costs without considering
15 offsetting benefits. If the Midwest ISO transmission lines are constructed, the
16 decision will be based on an analysis that the lines provide the Midwest ISO
17 regional benefits that exceed costs. As I noted in my Direct Testimony, if there
18 are such regional benefits, as a member of the Midwest ISO, Big Rivers would
19 benefit under an integrated market from increased wind power access if the lines
20 are constructed. Of course, Big Rivers also will be able to evaluate these MTEP
21 costs on an on-going basis in deciding whether it would be appropriate to
22 withdraw from membership. Finally, along with the uncertainty of the amount of
23 transmission that will be built under uncertain carbon regulations, the MTEP cost

1 allocation itself is uncertain. As an example, Dr. Morey uses the proposed
2 injection-withdrawal MTEP cost allocation approach in his testimony, but it is my
3 understanding that this method is no longer being considered by the Midwest ISO.

4
5 In sum, as I noted in my Direct Testimony, given uncertainties in how much
6 transmission will be built, how much it will cost, how the costs will be allocated
7 and the resulting offsetting benefits from increased access to wind power, I have
8 not quantified the net impact of these potential MTEP costs and benefits.

9 However, ultimately, transmission costs are likely to be spread region-wide only
10 with a showing that there are region-wide benefits.

11
12 **Q. Dr. Morey expresses concern that GFA status for Big Rivers' Member**
13 **contracts may not take place (page 3). Is his concern justified?**

14
15 A. No. On May 26, 2010, the Federal Energy Regulatory Commission ("FERC")
16 accepted the inclusion of Big Rivers' Member contracts as Grandfathered
17 Agreements ("GFA") in connection with the integration of Big Rivers in the
18 Midwest ISO as a transmission-owning member. A copy of that order is attached
19 to my comments as Exhibit RLL-4. GFAs are not allocated Midwest ISO MTEP
20 costs, and this FERC decision will decrease the MTEP costs that Big Rivers
21 would have to pay as a member of the Midwest ISO.

22

1 **Q. Dr. Morey seeks to include certain “minor” uplift costs in the analysis of**
2 **Midwest ISO costs to Big Rivers (page 8). Can you comment?**

3
4 A. Yes. Dr. Morey seeks to include the costs of two specific uplift payments,
5 revenue neutrality uplift and infeasible long-term transmission rights uplift costs.
6 As I noted in my Direct Testimony, there are a number of uplift payments and
7 charges assessed by the Midwest ISO to market participants that take place as part
8 of the Midwest ISO market process, including revenue sufficiency guarantee
9 payments, revenue neutrality uplift amounts, and excess congestion
10 disbursements. These uplifts are designed to leave the Midwest ISO in a revenue-
11 neutral position. From Big Rivers’ perspective, these uplifts may largely offset
12 one another, but ultimately could impact Big Rivers in a positive or negative
13 direction. Dr. Morey has highlighted two of the uplift charges, but not quantified
14 any uplift payments. Dr. Morey also ignores that transmission revenues for
15 wheeling “through or out” of the Midwest ISO are shared among Midwest ISO
16 entities according to formulations in the Midwest ISO tariff. Given that the Big
17 Rivers transmission system is surrounded by the TVA, E.ON and Midwest ISO
18 transmission systems, it currently can often be “bypassed” by entities seeking to
19 transport power to/from TVA, SPP and the Midwest ISO. Thus, inclusion in the
20 Midwest ISO may permit Big Rivers to collect additional transmission revenues
21 under the Midwest ISO OATT than it would otherwise as a non-Midwest ISO
22 member.

23

1 Q. Dr. Morey recommends that the Commission in this proceeding “require and
2 assist in the search for a lower-cost option” to joining the Midwest ISO (page
3 4). Can you comment?
4

5 A. Yes. Dr. Morey is suggesting a delay to further evaluate Big Rivers’ Contingency
6 Reserve alternatives, but delay is not an option as Big Rivers faces significant
7 risks that are beyond its control, and potentially substantial penalties if it is unable
8 to meet its Contingency Reserve requirements. The current Midwest ISO
9 Attachment RR reserves service is available for only nine months (until
10 September 2010), leaving no time for delay. Moreover, Dr. Morey has not
11 presented a specific feasible alternative for Big Rivers to consider other than
12 noting that the smelters “may” be able to provide up to 320 MW of interruptible
13 power (page 17). It is unclear if this is meant to be a genuine offer to provide
14 interruptible power capable of meeting Big Rivers’ Contingency Reserve
15 requirement, if the terms on which the smelters might provide interruptible power
16 would make that option workable, if the other necessary elements of an
17 alternative that includes smelter interruptible power are available, and if an option
18 incorporating smelter interruptible power is achievable in a reasonable time
19 frame. It is also unclear if the smelter load can be interrupted for longer than 90
20 minutes, as Big Rivers must restore Contingency Reserve within 90 minutes after
21 the initial 15-minute disturbance period. If not, Big Rivers would be required to
22 contract, if available, for other sources of replacement power at additional cost.
23

1 **Q. Based on Dr. Morey's testimony, do you have any changes to the conclusions**
2 **provided in your Direct Testimony?**

3

4 A. No, my conclusions are unchanged. In the near term, Big Rivers has no viable
5 options for meeting its Contingency Reserve requirements other than stand-alone
6 self-supply or joining the Midwest ISO. There are no other reserve sharing
7 groups currently available to Big Rivers. A stand-alone self-supply alternative is
8 feasible if the smelters on the Big Rivers system are able to provide a significant
9 amount (e.g., 200 MW) of interruptible load to Big Rivers that meets NERC
10 standards. An analysis of the Midwest ISO alternative indicates that it would
11 provide \$32 million in net benefits to Big Rivers over the five-year period from
12 2011 to 2015 in comparison to a Stand-alone Case, excluding any cost for the 200
13 MW of qualifying Contingency Reserve supplied by the smelters in the Stand-
14 alone Case. If the cost of the 200 MW of additional reserves in the Stand-alone
15 Case is based on the cost of new peaking capacity, the net benefit of the Midwest
16 ISO alternative is \$133 million. While other qualitative-type considerations
17 regarding joining the Midwest ISO may result in additional impacts to Big Rivers,
18 these issues have been addressed for many years by a number of existing Midwest
19 ISO G&T cooperatives and there are risks associated with a reserve self-supply
20 option as well. In sum, joining the Midwest ISO is the best available option for
21 Big Rivers to meet its Contingency Reserve requirements at this time.

22

23 **Q. Does this conclude your comments?**

1

2 A. Yes.

VERIFICATION

I verify, state, and affirm that the comments filed with this verification are true and accurate to the best of my knowledge, information, and belief formed after a reasonable inquiry.

Ralph L. Luciani
Ralph L. Luciani

DISTRICT OF COLUMBIA)

SUBSCRIBED AND SWORN TO before me by Ralph L. Luciani on this the 7th day of June, 2010.

Christine McCaffrey
Notary Public, District of Columbia
My Commission Expires October 14, 2012

**CHRISTINE McCAFFREY
NOTARY PUBLIC
DISTRICT OF COLUMBIA
My Commission Expires
October 14, 2012**



FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426

OFFICE OF ENERGY MARKET REGULATION

In Reply Refer To:
Midwest Independent Transmission
System Operator, Inc.

Docket No. ER10-1024-000

May 26, 2010

Duane Morris, LLP
Attention: Daniel M. Malabonga
Counsel
505 Ninth Street, NW
Suite 1000
Washington, DC 20004

Reference: Revised Attachment P (List of Grandfathered Agreements)

Dear Mr. Malabonga:

On April 6, 2010, Midwest Independent Transmission System Operator, Inc. (Midwest ISO) filed revised tariff sheets proposing to classify certain Grandfathered Agreements of Big Rivers Electric Corporation's (Big Rivers) in connection with the integration of Big Rivers into Midwest ISO as a transmission-owning member. Pursuant to authority delegated to the Director, Division of Electric Power Regulation- Central, under 18 C.F.R. 375.307, your submittal in the above referenced docket is accepted for filing, effective September 1, 2010, as requested.

Notice of the filing was published in the *Federal Register* with comments, protests, or interventions due April 27, 2010. Under 18 C.F.R. 385.210, interventions are timely if made within the time prescribed by the Secretary. Under 18 C.F.R. 385.214, the filing of a timely motion to intervene makes the movant a party to the proceeding, if no answer in opposition is filed within fifteen days. No adverse comments or protests were filed. The filing of a timely notice of intervention makes a State Commission a party to the proceeding.

This action does not constitute approval of any service, rate, charge, classification, or any rule, regulation, contract, or practice affecting such rate or service provided for in

the filed documents; nor shall such action be deemed as recognition of any claimed contractual right or obligation affecting or relating to such service or rate; and such action is without prejudice to any findings or orders which have been or may hereafter be made by the Commission in any proceeding now pending or hereafter instituted by or against any of the applicant(s).

This order constitutes final agency action. Requests for rehearing by the Commission may be filed within 30 days of the date of issuance of this order, pursuant to 18 C.F.R. 385.713.

Sincerely,

Penny S. Murrell, Director
Division of Electric Power
Regulation – Central