

**UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION**

Midwest Independent Transmission	)	Docket No. EL10-45-000 et al.
Service Operator, Inc.	)	
v.	)	
PJM Interconnection, L.L.C.	)	

**REPLY COMMENTS OF THE ORGANIZATION OF MISO STATES**

The Organization of MISO States (“OMS”) submits this reply comment out-of-time pursuant to its motion of February 3, 2011.

The OMS urges the Settlement Judge to give thoughtful consideration to the comments of the Wisconsin Public Service Commission and the Indiana Utilities Regulatory Commission, Potomac Economics, Ltd., and the Commission Trial Staff.

**Wisconsin Public Service Commission and the Indiana Utilities Regulatory Commission**

These state commissions urge a two-year limitation on claims to correct or adjust billings under the Joint Operating Agreement (“JOA”). The OMS agrees that a two-year period better matches the biennial review cycle established in the settlement documents and the complexity of discovering errors within the complex inter-RTO settlement process. There is a natural tension between commercial finality and accurate implementation of the JOA and the related tariffs. Because of the importance of accurate pricing of transactions between the PJM and the Midwest ISO markets, the balance should be struck in favor of accuracy.

**Potomac Economics, Ltd.**

Potomac Economics serves as the Independent Market Monitor for the Midwest ISO market. Potomac Economics raises concerns that modifications of the JOA under the section 20.1 of the settlement could grant too much control of changes internal to one RTO to the other

RTO. It is also concerned that section 8 could be interpreted to allow an RTO to evade market settlements where the other RTO has managed a constraint by limiting use of a transmission facility. Potomac Economics asks the Settlement Judge to clarify these provisions to avoid its concerns. The OMS suggests that the observations of the Independent Market Monitor are particularly deserving of the Settlement Judge's attention.

**Commission Trial Staff**

OMS supports Trial Staff's recommendation that the Settlement Judge convene an additional settlement conference to attempt to work out issues that arose in Comments on the filed settlement.

WHEREFORE, the OMS respectfully submits these Reply Comments from the OMS in this docket on February 11, 2011.

The OMS submits this request because a majority of the members have agreed to generally support it. Individual OMS members reserve the right to file separate pleadings regarding the issues discussed herein. The following members generally support this request:

Illinois Commerce Commission  
Indiana Utility Regulatory Commission  
Iowa Utilities Board  
Michigan Public Service Commission  
Minnesota Public Utilities Commission  
Missouri Public Service Commission  
North Dakota Public Service Commission  
South Dakota Public Utilities Commission  
Wisconsin Public Service Commission

The Manitoba Public Utilities Board and the Pennsylvania Public Utility Commission did not participate in this pleading. The Kentucky Public Service Commission, the Montana Public Service Commission, and the Public Utilities Commission of Ohio abstained from the vote.

The Indiana Office of Utility Consumer Counselor, as an associate member of the OMS, participated in these comments and generally supports these comments.

Respectfully Submitted,

*William H. Smith, Jr.*  
William H. Smith, Jr.  
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Dated: February 11, 2011

#### CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated at Des Moines, Iowa, this 11th day of February, 2011.

*William H. Smith, Jr.*  
William H. Smith, Jr.