



Organization of MISO States

**ORGANIZATION OF MISO STATES, INC.  
Board of Directors Meeting  
Conference Call Minutes  
June 11, 2015**

Approved July, 16, 2015

Libby Jacobs, President of the Organization of MISO States, Inc. (OMS), called June 11, 2015 meeting of the OMS Board of Directors to order via conference call at approximately 1:00 p.m. (CST). The following board members or their proxies participated in the meeting:

Ted Thomas, Arkansas  
Angela Weber, Indiana  
Libby Jacobs, Iowa  
Jim Gardner, Kentucky  
Noel Darce, proxy for Eric Skrmetta, Louisiana  
Sally Talberg, Michigan  
Betsy Wergin, Minnesota  
David Carr, proxy for Brandon Presley, Mississippi  
Goldie Tompkins, proxy for Robert Kenney, Missouri  
Kirk Bushman, Montana  
Phil Movish, proxy for Jason Williams, City of New Orleans  
Jerry Lein, proxy for Brian Kalk, North Dakota  
Greg Rislov, proxy for Gary Hanson, South Dakota  
Richard Greffe, proxy for Ken Anderson, Texas  
Mike Huebsch, Wisconsin

Absent

Illinois  
Manitoba

Agency members participating

Dave Johnston – Indiana  
Chancy Bittner – Iowa  
Goldie Tompkins – Missouri  
Andrew Kell, Don Neumeyer, Janet Wheeler – Wisconsin

Others on the call

Jan Brinch – EISPC  
Patrick Clarey – FERC  
Tanya Paslawksi, Bill Smith, Colleen Dougherty – OMS Staff

The directors and proxies listed above established the necessary quorum for the meeting of at least nine directors being present.

**Approval of Minutes from the May 21, 2015 Open & Closed Board Meetings**

The minutes were approved as submitted.

## **Treasurer's Report**

The May 2015 treasurer's report was accepted as submitted.

## **Review of the May 28, 2015 Executive Committee Meeting:**

The May 28, 2015 Executive Committee Meeting was cancelled.

## **Executive Director's Report**

A written report was distributed prior to the meeting. Tanya Paslawski noted the following issues:

- Doc-less intervention in three complaints filed against the MISO tariff;
- Markets Training;
- Associate Members;
- WG Chair Openings;
- Financial Statements;

## **BUSINESS**

### **1. FERC Update**

- Patrick Clarey provided the FERC update for June.

### **2. MISO Advisory Committee**

- Sally Talberg noted that there is no MISO Advisory meeting in June;
- August 26<sup>th</sup> is the next AC meeting and the hot topic is on price formation. Comments are due on August 14<sup>th</sup>;
- The October hot topic is on stakeholder process reform.

### **3. MISO Planning Advisory Committee**

- The May 13, 2015 meeting was cancelled and there was no report.

### **4. Action Item: Approval of IRS Form 990**

- Tanya Paslawski introduced the IRS Form 990 for 2014 and answered questions.

Angela Weber moved to approve the IRS Form 990 for filing. Jim Gardner seconded. The motion was approved by voice vote.

### **5. Action Item: PJM MVP Comments ER10-1971-003**

- David Carr presented the reply comments.

Angela Weber moved to approve the comments. Kirk Bushman seconded. The motion was approved by voice vote with Louisiana, City of New Orleans, Missouri, and Michigan abstaining.

## 6. Action Item: OMS OSPI JCM Comments

- David Johnston led the discussion on these comments. Chancy Bittner offered some edits to the capacity deliverability section.

**Betsy Wergin moved to approve the Iowa edits. Kirk Bushman seconded. The motion was approved by voice vote.**

- Mike Huebsch requested a footnote indicating that Wisconsin did not support the comments. Janet Wheeler indicated that Wisconsin will be filing its own comments on the issue.

**Sally Talberg moved to approve the comments as edited. Kirk Bushman seconded. The motion was approved by voice vote. Wisconsin voted no with Arkansas, Mississippi, and Missouri abstaining.**

## 7. Possible Action Item: DR Collaboration Work Plan

- Andrew Kell gave background on the document and walked the Board through the work plan.

**Angela Weber moved to adopt the work plan. Jim Gardner seconded. The motion was approved by voice vote.**

## 8. Discussion Item: MISO Stakeholder Process

- Libby Jacobs introduced this topic and led the discussion.

**Kirk Bushman moved to approve OMS involvement in the stakeholder process. Betsy Wergin seconded. The motion was approved by voice vote with Texas abstaining.**

## 9. Resource Adequacy Survey

- Libby Jacobs gave an update on the 2015 Resource Adequacy Survey;
- The results will be revealed at the June 19<sup>th</sup> SAWG meeting;
- OMS & MISO will issue a joint press release and joint talking points.

## 10. Possible Update: SPP/MISO Settlement Discussions

- Tanya Paslawksi provided this update.
- The next conference is scheduled for July 21 and there will be another update during the August Board meeting.

## 11. Open Mic

- Libby Jacobs invited Jan Brinch to provide an update on EISPC.
- Libby Jacobs welcomed Tanya Paslawksi into her new role as Executive Director of OMS and Bill Smith as Director Emeritus.
- Julie Urban was thanked for her service with OMS as she leaves the Wisconsin commission and moves on to work in Minnesota state government.

## Updates and Work Group Status Reports

### Demand Response WG

- Andrew Kell provided a verbal update.

### Transmission Cost Allocation WG

- David Carr provided a verbal update.

### Markets and Tariffs WG

- Hwikwon Ham provided a verbal update.

#### Resources WG

- Don Neumeyer provided a verbal update.

#### Regional Planning WG

- Dave Johnston provided a verbal update.

#### Governance and Budget

- Tanya Paslawski provided a verbal update on behalf of Venkata Bujimalla

#### Seams WG

- No report.

#### Administrative Ad Hoc WG

- Libby Jacobs provided an update on Sharepoint implementation;

#### ROE Ad Hoc WG

- Tanya Paslawski provided a verbal update;

### **ADJOURNMENT**

The meeting of the OMS Board of Directors meeting adjourned at 2:05 pm CDT.

Revised 6/10/2015

The Organization of MISO States Board of Directors will hold its monthly meeting via conference call **Thursday, June 11, 2015 at 1:00 pm (Central)**.

- Call-in number is **866-848-2216**. The conference code is **7422895954** followed by the # sign.
- Board members who cannot attend the call should notify Kirk Bushman at [kbushman@mt.gov](mailto:kbushman@mt.gov) with a copy to Colleen at ([colleen@misostates.org](mailto:colleen@misostates.org)) to designate a proxy for this meeting.

### Agenda

Call Meeting to Order – President Libby Jacobs 1:00  
Attendance, Recognition of Proxies, Declaration of a Quorum  
Approval of Minutes from the May 21, 2015 Board meeting – Open & Closed Sessions  
Treasurer’s Reports – May 2015 – Ken Anderson  
Review of Executive Committee meeting – May 28, 2015 **meeting was cancelled**

### Administrative Update

Report from the Executive Director – Tanya Paslawski 1:05

- FERC dockets
- OMS Financial Statements

### Business

1. FERC Update – Patrick Clarey 1:10  
2. MISO Advisory Committee – **No June Meeting** 1:20

- May 27, 2015 AC meeting **cancelled**

3. Planning Advisory Committee – **May 13, 2015 meeting cancelled** 1:20  
4. Action Item: Approval of IRS Form 990 – Tanya Paslawski 1:20  
5. Action Item: PJM MVP Comments ER10-1971-003 – David Carr 1:25  
6. Action Item: OMS OPSI JCM Comments – Dave Johnston 1:35  
7. Possible Action Item: DR Collaboration Work Plan – Andrew Kell 1:45  
8. **Discussion Item: MISO Stakeholder Process – Libby Jacobs (added 6/10)** 1:55  
9. Update: Resource Adequacy Survey Results – Libby Jacobs 2:05  
10. Possible Update: SPP/MISO Settlement Discussions – Tanya Paslawski 2:10  
11. Open Mic – membership comment opportunity 2:15

### OMS Work Group Status Reports

a. Demand Response WG  
b. Transmission Cost Allocation WG  
c. Markets and Tariffs WG  
d. Resources WG  
e. Regional Planning WG  
f. Governance and Budget WG  
g. Seams WG  
h. Administrative Ad Hoc WG  
i. ROE Ad Hoc WG

### Announcements

- Next OMS Executive Committee meeting: Thursday, June 25, 2015 at 1:00 pm CT
- Next regular OMS Board of Directors meeting: Thursday, July 16, 2015 at 1:00 pm CT

### Adjourn

2:30



**Organization of MISO States  
Report of the Treasurer  
Commissioner Ken Anderson, Texas Public Utility Commission  
to the Board of Directors  
Report for May 2015**

**CASH ON HAND**

The beginning balance for the Wells Fargo Business Performance Savings Account on May 1 was \$20,339.84. Interest earned for this month totaled \$0.51 and there was no other activity. The May 31, 2015, ending balance was \$20,340.35.

The beginning book balance for the Chase Bank One Checking account on May 1 was \$5,833.40. The total disbursements from the checking account for May 2015 amounted to \$62,616.09. Deposits, interest and adjustments were \$70,000.52 which includes MISO funding of \$70,000.00. As of May 31, 2015, the checking account bank balance was \$23,584.76 (with 5 check payments outstanding) and the book balance was \$13,217.83.

The total savings plus checking account balance as of May 31, 2015, is \$33,558.18.



TREASURER'S REPORT  
Organization of MISO States  
May 31, 2015

Wells Fargo Business Performance Savings Account

Book Balance as of 04/30/2015				\$	20,339.84
4/30/2015	DEP	Interest on Savings		\$	0.51
					<hr/>
Business Performance Savings Account Balance at 05/31/2015					<u>\$ 20,340.35</u>

Chase Bank One Commercial Checking with Interest

Book Balance as of 04/30/2015				\$	5,833.40
5/1/15	ACH	Midcontinent ISO	\$	70,000.00	
5/29/15	DEP	Interest on checking	\$	0.52	
					<hr/>
Total Deposits					\$ 70,000.52

Checks and Charges

Date	Check #	Descriptions		
5/2/2015	w/d	VISA (Chase Bank One)	\$	8,060.75
5/2/2015	5189	100 Court Investors LLC	\$	1,849.90
5/2/2015	5198	Montana PSC (B. Decker)	\$	1,819.81
5/2/2015	5191	CenturyLink	\$	1,787.75
5/2/2015	5200	State of Iowa (V. Bujimalla)	\$	1,069.99
5/2/2015	5199	State of Iowa (Libby Jacobs)	\$	849.65
5/2/2015	5195	Arkansas AG (S. McMurray)	\$	784.82
5/2/2015	5190	American Business Phones	\$	687.79
5/2/2015	5193	Enventis	\$	416.33
5/2/2015	5196	Bill Smith	\$	328.50
5/2/2015	5197	Chris Devon (MI)	\$	295.74
5/2/2015	5194	Intercall	\$	261.02
5/2/2015	5192	Energy Data LLC	\$	112.50
5/4/2015	5181	Diversified Management Services (DMS)	\$	429.00
5/4/2015	5184	Wisconsin PSC (Julie Urban)	\$	317.80
5/4/2015	5186	Bill Smith	\$	296.50
5/4/2015	5183	Angela Butcher (Michigan)	\$	171.73
5/4/2015	5182	Triplett Office Essentials	\$	101.62
5/4/2015	5185	Bill Smith	\$	49.00
5/4/2015	5187	Bill Smith	\$	45.00
5/5/2015	5188	Andrew Wells (IN)	\$	512.20
5/14/2015	5204	Wisconsin PSC (Don Neumeyer)	\$	550.00
5/14/2015	5201	Stephanie Taylor (MS)	\$	482.70
5/14/2015	5205	Wisconsin PSC (Gail Maly)	\$	400.00
5/14/2015	5202	Wisconsin PSC (A. Kell)	\$	400.00
5/14/2015	5206	Wisconsin PSC (Julie Urban)	\$	400.00
5/22/2015	5215	Ryun.Givens & Co. PLC	\$	1,680.00
5/22/2015	5216	Thor Projects LLC	\$	1,125.00
5/22/2015	5209	Walt Cecil (MO)	\$	502.00
5/22/2015	5208	David Carr (MS)	\$	375.00
5/22/2015	5210	Combined Systems Technology (CST)	\$	159.00
5/22/2015	5214	Premier Copiers	\$	54.35
5/22/2015	5213	King Delivery Service	\$	8.50
5/29/2015	w/d	Paychex Inc. - Payroll	\$	18,353.18
5/29/2015	w/d 2	Paychex Inc. - Taxes	\$	9,074.33
5/29/2015	w/d 3	Paychex- Processing Fee	\$	87.80
5/22/2015	5212	Customized Energy Solutions	\$	3,500.00
5/22/2015	5207	Al Freeman (MI)	\$	180.30
5/22/2015	5211	Crystal Clear Water	\$	17.57
5/29/2015	EFT	Expert Plan - MG Trust Co.	\$	5,018.96

Total Disbursements - Checks and Charges				\$	62,616.09
					<hr/>
CHECKING ACCOUNT BALANCE at 05/31/2015				\$	13,217.83

TOTAL Certificates of Deposit, Savings and Checking Account Balances as of: 05/31/2015				\$	33,558.18
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CHASE CHECKING ACCOUNT RECONCILIATION

Bank Balance 05/31/2015			<u>\$</u>	<u>23,584.76</u>
<u>Less Checks Outstanding</u>				
3/12/2015	5106	Kirk Bushman (MT)	\$	1,650.10
5/22/2015	5212	Customized Energy Solutions	\$	3,500.00
5/22/2015	5207	Al Freeman (MI)	\$	180.30
5/22/2015	5211	Crystal Clear Water	\$	17.57
5/29/2015	EFT	Expert Plan - MG Trust Co.	\$	5,018.96
Total Outstanding Checks			<u>\$</u>	<u>10,366.93</u>
Book Balance 05/31/2015			<u>\$</u>	<u>13,217.83</u>



# OMS

## OMS Treasurer Report for Month of May 2015

### Wells Fargo Business Performance Savings Account

Beginning Balance	20,339.84	
Interest Earned this Month	0.51	
Ending Balance		<u><u>20,340.35</u></u>

### Chase Bank One Checking Account

Beginning Balance	5,833.40	
Total Disbursements	(62,616.09)	
Deposits/Interest/Adjustments	<u>70,000.52</u>	
Ending Balance		<u><u>13,217.83</u></u>
Ending Bank Balance	23,584.76	
Outstanding Deposits	0.00	
Outstanding Checks	<u>(10,366.93)</u>	
Book Balance	<u><u>13,217.83</u></u>	

**Total Savings & Checking Balances as of May 31, 2015** 33,558.18

5 checks outstanding at 5/31/2015



## Organization of MISO States

100 Court Avenue, Suite 315  
Des Moines, Iowa 50309

Phone: 515-243-0742  
Fax: 515-243-0746  
[www.misostates.org](http://www.misostates.org)

### **OMS Executive Director Report June 11, 2015**

#### **FERC**

- MISO Transmission Owner ROE complaint docket (EL14-12) - the OMS Ad Hoc Work Group continues to meet to discuss discovery approach and strategy. Discovery ends July 30<sup>th</sup>. Prehearing briefs are due August 10<sup>th</sup> and hearings are scheduled for August 17-20.
- MISO/SPP settlement negotiations – a meeting to update the parties about the small group discussions between MISO, SPP, and the joint parties was held on June 9<sup>th</sup>.
- MISO PRA Auction Result Complaints – there were three complaints filed against MISO's tariff the week about the Zone 4 auction results. OMS filed docless interventions June 9<sup>th</sup>.

#### **MISO**

- Resource Adequacy Survey – the results from the survey will be released to stakeholders on June 19<sup>th</sup>.
- Resource Adequacy Workshop – MISO held a workshop on June 5<sup>th</sup> to review the latest input on identified resource adequacy issue improvements. OMS will be providing another round of comments which are due July 2<sup>nd</sup>.
- PLEXOS Training – MISO provided a general overview of this modeling tool that is being used for Clean Power Plan analyses.
- Markets Training will be held July 8-9 in Little Rock. Attendees should send travel requests to Colleen as soon as possible.

#### **Public Relations and Other Meetings**

- OMS and MISO provided overview training at the Illinois Commission on May 28<sup>th</sup>.
- OMS and MISO provided overview training at the Wisconsin Commission on June 2<sup>nd</sup>.
- President Jacobs and Bill Smith participated in the World Forum on Energy Regulation in Istanbul, Turkey the week of May 25<sup>th</sup>.
- MARC was held in Milwaukee on June 7-10<sup>th</sup>.

**Items of Interest**

- The Michigan Agency for Energy has joined OMS as a new associate member.
- The Nebraska Power Review Board has requested termination of their associate membership as they have no utilities in the MISO region.
- The Seams and Transmission Planning work groups have open positions for work group chairs due to the departure of Chris Devon from Michigan and Julie Urban from Wisconsin. Interested members should notify Tanya for consideration.

**Upcoming dates:**

- Next Executive Committee Meeting: June 25
- Next Board Meeting: July 16
- Future OMS Board meetings: August 20, September 17
- Future OMS Executive Committee meetings: July 30, September 3

Form **990**

**Return of Organization Exempt From Income Tax**

OMB No. 1545-0047

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

**2014**

Department of the Treasury  
Internal Revenue Service

Do not enter social security numbers on this form as it may be made public.

Open to Public Inspection

Information about Form 990 and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990)

**A For the 2014 calendar year, or tax year beginning and ending**

**B** Check if applicable:  
 Address change  
 Name change  
 Initial return  
 Final return/terminated  
 Amended return  
 Application pending

**C Name of organization**  
 ORGANIZATION OF MISSOURI STATES, INC.  
 Doing business as  
 Number and street (or P.O. box if mail is not delivered to street address) Room/suite  
 100 COURT AVENUE 315  
 City or town, state or province, country, and ZIP or foreign postal code  
 DES MOINES, IA 50309

**D Employer identification number**  
 16-1671529

**E Telephone number**  
 515-243-0742

**F Name and address of principal officer:** TANYA PASLAWSKI  
 same as C above

**G Gross receipts \$** 829,028.

**H(a)** Is this a group return for subordinates?  Yes  No  
**H(b)** Are all subordinates included?  Yes  No  
 If "No," attach a list. (see instructions)  
**H(c)** Group exemption number ▶

**I Tax-exempt status:**  501(c)(3)  501(c)( 4 ) (insert no.)  4947(a)(1) or  527

**J Website:** WWW.MISSOURISTATES.ORG

**K Form of organization:**  Corporation  Trust  Association  Other **L Year of formation:** 2003 **M State of legal domicile:** IA

Part I Summary		Prior Year	Current Year
Activities & Governance	1 Briefly describe the organization's mission or most significant activities: THE ORGANIZATION OF MISSOURI STATES, INC. IS TO COORDINATE REGULATORY OVERSIGHT AMONG THE STATES; MAKING		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	17
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	17
	5 Total number of individuals employed in calendar year 2014 (Part V, line 2a)	5	5
	6 Total number of volunteers (estimate if necessary)	6	0
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
b Net unrelated business taxable income from Form 990-T, line 34	7b	0.	
Revenue	8 Contributions and grants (Part VIII, line 1h)	720,000.	829,000.
	9 Program service revenue (Part VIII, line 2g)	0.	0.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	23.	28.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	0.	0.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	720,023.	829,028.
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0.	0.
	14 Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	230,958.	365,883.
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
	b Total fundraising expenses (Part IX, column (D), line 25)	0.	
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	349,365.	499,365.
	18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	580,323.	865,248.
19 Revenue less expenses. Subtract line 18 from line 12	139,700.	-36,220.	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year 211,467.	End of Year 185,148.
	21 Total liabilities (Part X, line 26)	57,203.	67,104.
	22 Net assets or fund balances. Subtract line 21 from line 20	154,264.	118,044.

**Part II Signature Block**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here**  
 = Signature of officer  
 TANYA PASLAWSKI, DEPUTY EXECUTIVE DIRECTOR  
 = Type or print name and title  
 Date

**Paid Preparer Use Only**  
 Print/Type preparer's name: TIM K. DEVRIES, CPA  
 Preparer's signature: \_\_\_\_\_  
 Date: \_\_\_\_\_  
 Check if self-employed  PTIN: P00299231  
 Firm's name: RYUN, GIVENS & COMPANY, PLC  
 Firm's EIN: 42-0732909  
 Firm's address: 2900 100TH STREET, SUITE 301 URBAN DALE, IA 50322  
 Phone no.: 515-225-3141

May the IRS discuss this return with the preparer shown above? (see instructions)  Yes  No

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III [X]

1 Briefly describe the organization's mission: THE ORGANIZATION OF MISO STATES, INC. IS TO COORDINATE REGULATORY OVERSIGHT AMONG THE STATES; MAKING RECOMMENDATIONS TO THE MIDCONTINENT INDEPENDENT SYSTEM OPERATOR, INC. (MISO), THE MISO BOARD OF DIRECTORS, THE FERC, AND RELEVANT GOVERNMENT ENTITIES, AND STATE COMMISSIONS AS

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? [ ] Yes [X] No If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? [ ] Yes [X] No If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

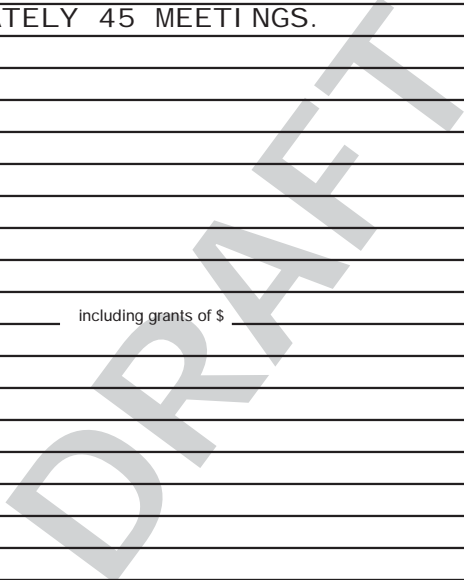
4a (Code: ) (Expenses \$ 655,230. including grants of \$ ) (Revenue \$ ) ORGANIZATION ASSISTS MEMBER STATES TO PARTICIPATE IN MISO STAKEHOLDER PROCESS. THIS ASSISTANCE ASSURES BETTER COORDINATION OF ELECTRICITY DELIVERY WITH STATE POLICIES; REIMBURSED TRAVEL EXPENSES FOR PARTICIPANTS IN APPROXIMATELY 45 MEETINGS.

4b (Code: ) (Expenses \$ including grants of \$ ) (Revenue \$ )

4c (Code: ) (Expenses \$ including grants of \$ ) (Revenue \$ )

4d Other program services (Describe in Schedule O.) (Expenses \$ including grants of \$ ) (Revenue \$ )

4e Total program service expenses 655,230.



**Part IV Checklist of Required Schedules**

		Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>		X
2	Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ?	X	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		X
4	<b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>		
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>		X
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>		X
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		X
9	Did the organization report an amount in Part X, line 21, for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>		X
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>		X
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	X	
b	Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>		X
c	Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>		X
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>		X
e	Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>		X
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>	X	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>	X	
b	Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i>		X
13	Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		X
14a	Did the organization maintain an office, employees, or agents outside of the United States?		X
b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>		X
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i>		X
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i>		X
17	Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i>		X
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>		X
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		X
20a	Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>		X
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		

**Part IV Checklist of Required Schedules** (continued)

		Yes	No
21	Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i> .....		X
22	Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i> .....		X
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i> .....		X
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i> .....		X
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? .....		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? .....		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? .....		
25a	<b>Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i> .....		X
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i> .....		X
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If "Yes," complete Schedule L, Part II</i> .....		X
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i> .....		X
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> .....		X
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> .....		X
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i> .....		X
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> .....		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i> .....		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i> .....		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i> .....		X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i> .....		X
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i> .....		X
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)? .....		X
b	If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i> .....		
36	<b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i> .....		
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i> .....		X
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? .....	X	

**Note.** All Form 990 filers are required to complete Schedule O .....

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

Input box for Schedule O

Main table with columns for line numbers, descriptions, and Yes/No boxes. Includes lines 1a-14b with various tax-related questions.



Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI [X]

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a Enter the number of voting members of the governing body at the end of the tax year; 1b Enter the number of voting members included in line 1a, above, who are independent; 2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?; 3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?; 4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?; 5 Did the organization become aware during the year of a significant diversion of the organization's assets?; 6 Did the organization have members or stockholders?; 7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?; 7b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?; 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: a The governing body? b Each committee with authority to act on behalf of the governing body?; 9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O.

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

Table with 3 columns: Question, Yes, No. Rows include: 10a Did the organization have local chapters, branches, or affiliates?; 10b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?; 11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?; 11b Describe in Schedule O the process, if any, used by the organization to review this Form 990.; 12a Did the organization have a written conflict of interest policy? If "No," go to line 13; 12b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?; 12c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done; 13 Did the organization have a written whistleblower policy?; 14 Did the organization have a written document retention and destruction policy?; 15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?; 15a The organization's CEO, Executive Director, or top management official; 15b Other officers or key employees of the organization; 16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?; 16b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed IN
18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply. [X] Own website [ ] Another's website [X] Upon request [ ] Other (explain in Schedule O)
19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
20 State the name, address, and telephone number of the person who possesses the organization's books and records: ORGANIZATION OF MISSOURI STATES, INC. - 515-243-0742 100 COURT AVE, SUITE 315, DES MOINES, IA 50309

**Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

Check if Schedule O contains a response or note to any line in this Part VII

**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former** directors or trustees that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) ELIZABETH JACOBS PRESIDENT AND DIRECTOR	15.00	X		X				0.	0.	0.
(2) SALLY TALBERG VICE PRESIDENT AND DIRECTOR	10.00	X		X				0.	0.	0.
(3) KENNETH W. ANDERSON, JR. TREASURER AND DIRECTOR	10.00	X		X				0.	0.	0.
(4) KIRK BUSHMAN SECRETARY AND DIRECTOR	10.00	X		X				0.	0.	0.
(5) ANGELA WEBER DIRECTOR	5.00	X						0.	0.	0.
(6) JOHN COLGAN DIRECTOR	5.00	X						0.	0.	0.
(7) BRANDON PRESLEY DIRECTOR	5.00	X						0.	0.	0.
(8) ERIC SKRMETTA DIRECTOR	5.00	X						0.	0.	0.
(9) REGIS GOSSELIN DIRECTOR	5.00	X						0.	0.	0.
(10) DAVID BOYD DIRECTOR	5.00	X						0.	0.	0.
(11) GARY HANSON DIRECTOR	5.00	X						0.	0.	0.
(12) ROBERT KENNEY DIRECTOR	5.00	X						0.	0.	0.
(13) JASON WILLIAMS DIRECTOR	5.00	X						0.	0.	0.
(14) BRIAN KALK DIRECTOR	5.00	X						0.	0.	0.
(15) ERIC CALLISTO DIRECTOR	5.00	X						0.	0.	0.
(16) LINDA K. BREATHITT DIRECTOR	5.00	X						0.	0.	0.
(17) COLETTE HONORABLE DIRECTOR	5.00	X						0.	0.	0.

**Part VII** Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(18) WILLIAM H. SMITH, JR EXECUTIVE DIRECTOR	40.00			X				130,758.	0.	5,230.
(19) TANAYA PASLAWSKI DEPUTY EXECUTIVE DIRECTOR	40.00			X				71,613.	0.	1,933.
<b>1b Sub-total</b> .....								202,371.	0.	7,163.
<b>c Total from continuation sheets to Part VII, Section A</b> .....								0.	0.	0.
<b>d Total (add lines 1b and 1c)</b> .....								202,371.	0.	7,163.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization 1

	Yes	No
3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual .....		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual .....		X
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person .....		X

**Section B. Independent Contractors**

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	NONE	(B) Description of services	(C) Compensation

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization 0

**Part VIII Statement of Revenue**

Check if Schedule O contains a response or note to any line in this Part VIII

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514	
Contributions, Gifts, Grants and Other Similar Amounts	1 a	Federated campaigns .....	1a					
	b	Membership dues .....	1b					
	c	Fundraising events .....	1c					
	d	Related organizations .....	1d					
	e	Government grants (contributions) .....	1e					
	f	All other contributions, gifts, grants, and similar amounts not included above .....	1f	829,000.				
	g	Noncash contributions included in lines 1a-1f: \$ .....						
	h	<b>Total.</b> Add lines 1a-1f .....		829,000.				
Program Service Revenue				<b>Business Code</b>				
	2 a	_____						
	b	_____						
	c	_____						
	d	_____						
	e	_____						
	f	All other program service revenue .....						
g	<b>Total.</b> Add lines 2a-2f .....							
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts) .....		28.			28.	
	4	Income from investment of tax-exempt bond proceeds .....						
	5	Royalties .....						
	6 a	Gross rents .....	(i) Real	(ii) Personal				
	b	Less: rental expenses .....						
	c	Rental income or (loss) .....						
	d	Net rental income or (loss) .....						
	7 a	Gross amount from sales of assets other than inventory .....	(i) Securities	(ii) Other				
	b	Less: cost or other basis and sales expenses .....						
c	Gain or (loss) .....							
d	Net gain or (loss) .....							
8 a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18 .....	a						
		b	Less: direct expenses .....	b				
		c	Net income or (loss) from fundraising events .....					
9 a	Gross income from gaming activities. See Part IV, line 19 .....	a						
		b	Less: direct expenses .....	b				
		c	Net income or (loss) from gaming activities .....					
10 a	Gross sales of inventory, less returns and allowances .....	a						
		b	Less: cost of goods sold .....	b				
		c	Net income or (loss) from sales of inventory .....					
Miscellaneous Revenue			<b>Business Code</b>					
11 a	_____							
e	<b>Total.</b> Add lines 11a-11d .....							
12	<b>Total revenue.</b> See instructions .....			829,028.	0.	0.	28.	

**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21				
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	135,988.	135,988.		
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	193,619.	193,619.		
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	11,634.	11,634.		
9 Other employee benefits	603.		603.	
10 Payroll taxes	24,039.	24,039.		
11 Fees for services (non-employees):				
a Management				
b Legal				
c Accounting	6,936.		6,936.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)				
12 Advertising and promotion				
13 Office expenses	19,792.		19,792.	
14 Information technology	108,622.	108,622.		
15 Royalties				
16 Occupancy	22,623.		22,623.	
17 Travel	244,763.	103,824.	140,939.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	8,961.	950.	8,011.	
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	6,065.		6,065.	
23 Insurance	6,709.	1,660.	5,049.	
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a SUBSCRIPTIONS	61,824.	61,824.		
b CONFERENCE CALLS	8,700.	8,700.		
c TELEPHONE	3,871.	3,871.		
d POSTAGE	499.	499.		
e All other expenses				
25 Total functional expenses. Add lines 1 through 24e	865,248.	655,230.	210,018.	0.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

**Part X Balance Sheet**

Check if Schedule O contains a response or note to any line in this Part X

		(A) Beginning of year		(B) End of year	
Assets	1	Cash - non-interest-bearing	153,303.	1	97,149.
	2	Savings and temporary cash investments	25,330.	2	25,337.
	3	Pledges and grants receivable, net		3	
	4	Accounts receivable, net		4	
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instr). Complete Part II of Sch L		6	
	7	Notes and loans receivable, net		7	
	8	Inventories for sale or use		8	
	9	Prepaid expenses and deferred charges	9,901.	9	40,166.
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	62,448.		
	10b	Less: accumulated depreciation	39,952.		
			22,933.	10c	22,496.
	11	Investments - publicly traded securities		11	
	12	Investments - other securities. See Part IV, line 11		12	
	13	Investments - program-related. See Part IV, line 11		13	
	14	Intangible assets		14	
15	Other assets. See Part IV, line 11		15		
16	<b>Total assets.</b> Add lines 1 through 15 (must equal line 34)	211,467.	16	185,148.	
Liabilities	17	Accounts payable and accrued expenses	57,203.	17	67,104.
	18	Grants payable		18	
	19	Deferred revenue		19	
	20	Tax-exempt bond liabilities		20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23	Secured mortgages and notes payable to unrelated third parties		23	
	24	Unsecured notes and loans payable to unrelated third parties		24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D		25	
	26	<b>Total liabilities.</b> Add lines 17 through 25	57,203.	26	67,104.
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.				
	27	Unrestricted net assets	154,264.	27	118,044.
	28	Temporarily restricted net assets		28	
	29	Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building, or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
33	<b>Total net assets or fund balances</b>	154,264.	33	118,044.	
34	<b>Total liabilities and net assets/fund balances</b>	211,467.	34	185,148.	

**Part XI Reconciliation of Net Assets**

Check if Schedule O contains a response or note to any line in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	829,028.
2	Total expenses (must equal Part IX, column (A), line 25)	2	865,248.
3	Revenue less expenses. Subtract line 2 from line 1	3	-36,220.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	154,264.
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	0.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	118,044.

**Part XII Financial Statements and Reporting**

Check if Schedule O contains a response or note to any line in this Part XII

		Yes	No
1	Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other		
If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?		X
If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both:			
<input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis			
b	Were the organization's financial statements audited by an independent accountant?	X	
If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both:			
<input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis			
c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	X	
If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		X
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits		

Form 990 (2014)

**Schedule B**  
(Form 990, 990-EZ,  
or 990-PF)

Department of the Treasury  
Internal Revenue Service

**Schedule of Contributors**

Attach to Form 990, Form 990-EZ, or Form 990-PF.  
Information about Schedule B (Form 990, 990-EZ, or 990-PF) and  
its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No. 1545-0047

**2014**

Name of the organization

ORGANIZATION OF MISSOURI STATES, INC.

Employer identification number

16-1671529

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)( 4 ) (enter number) organization

4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

**Note.** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

**General Rule**

For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

**Special Rules**

For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.

For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I, II, and III.

For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year ..... ► \$ \_\_\_\_\_

**Caution.** An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF. Schedule B (Form 990, 990-EZ, or 990-PF) (2014)



Name of organization <b>ORGANIZATION OF MISSOURI STATES, INC.</b>	Employer identification number <b>16-1671529</b>
--	---

**Part I Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	MIDCONTINENT INDEPENDENT SYSTEM OPERATOR, INC.  701 CITY CENTER DRIVE  CARMEL, IN 46032	\$ 829,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization  ORGANIZATION OF MISSOURI STATES, INC.	Employer identification number  16-1671529
---	--

**Part II Noncash Property** (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	

Name of organization <b>ORGANIZATION OF MI SO STATES, INC.</b>	Employer identification number <b>16-1671529</b>
---	---

**Part III** Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this info. once.) ▶ \$ \_\_\_\_\_  
Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	

SCHEDULE D (Form 990)

Department of the Treasury Internal Revenue Service

Supplemental Financial Statements

Complete if the organization answered "Yes" to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b. Attach to Form 990.

Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2014

Open to Public Inspection

Name of the organization ORGANI ZATI ON OF MI SO STATES, I NC. Employer identification number 16- 1671529

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows include: 1 Total number at end of year, 2 Aggregate value of contributions to (during year), 3 Aggregate value of grants from (during year), 4 Aggregate value at end of year, 5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?, 6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

Table with 2 columns: Held at the End of the Tax Year. Rows include: 1 Purpose(s) of conservation easements held by the organization (check all that apply), 2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year, 3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year, 4 Number of states where property subject to conservation easement is located, 5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?, 6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year, 7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year, 8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?, 9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

Table with 2 columns: Revenue, Assets. Rows include: 1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items. 1b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items: (i) Revenue included in Form 990, Part VIII, line 1, (ii) Assets included in Form 990, Part X. 2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items: a Revenue included in Form 990, Part VIII, line 1, b Assets included in Form 990, Part X.

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets** *(continued)*

- 3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):
- a  Public exhibition
  - b  Scholarly research
  - c  Preservation for future generations
  - d  Loan or exchange programs
  - e  Other \_\_\_\_\_
- 4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.
- 5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?  Yes  No

**Part IV Escrow and Custodial Arrangements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

- 1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?  Yes  No
- b If "Yes," explain the arrangement in Part XIII and complete the following table:
- |                                 | Amount |
|---------------------------------|--------|
| c Beginning balance             | 1c     |
| d Additions during the year     | 1d     |
| e Distributions during the year | 1e     |
| f Ending balance                | 1f     |
- 2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability?  Yes  No
- b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII

**Part V Endowment Funds.** Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

- 2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:
- a Board designated or quasi-endowment  \_\_\_\_\_ %
  - b Permanent endowment  \_\_\_\_\_ %
  - c Temporarily restricted endowment  \_\_\_\_\_ %
- The percentages in lines 2a, 2b, and 2c should equal 100%.
- 3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:
- |   | Yes    | No |
|---|--------|----|
| (i) unrelated organizations   | 3a(i)  |    |
| (ii) related organizations  | 3a(ii) |    |
| b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? | 3b     |    |
- 4 Describe in Part XIII the intended uses of the organization's endowment funds.

**Part VI Land, Buildings, and Equipment.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment				
e Other		62,448.	39,952.	22,496.
<b>Total.</b> Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				22,496.

**Part VII Investments - Other Securities.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives .....		
(2) Closely-held equity interests .....		
(3) Other .....		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
<b>Total.</b> (Col. (b) must equal Form 990, Part X, col. (B) line 12.)		

**Part VIII Investments - Program Related.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
<b>Total.</b> (Col. (b) must equal Form 990, Part X, col. (B) line 13.)		

**Part IX Other Assets.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 15.)	

**Part X Other Liabilities.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 25.)	

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII

**Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements		1	829,028.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:			
a	Net unrealized gains (losses) on investments	2a		
b	Donated services and use of facilities	2b		
c	Recoveries of prior year grants	2c		
d	Other (Describe in Part XIII.)	2d		
e	Add lines 2a through 2d	2e		0.
3	Subtract line 2e from line 1		3	829,028.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b	Other (Describe in Part XIII.)	4b		
c	Add lines 4a and 4b	4c		0.
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)		5	829,028.

**Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements		1	865,248.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:			
a	Donated services and use of facilities	2a		
b	Prior year adjustments	2b		
c	Other losses	2c		
d	Other (Describe in Part XIII.)	2d		
e	Add lines 2a through 2d	2e		0.
3	Subtract line 2e from line 1		3	865,248.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b	Other (Describe in Part XIII.)	4b		
c	Add lines 4a and 4b	4c		0.
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)		5	865,248.

**Part XIII Supplemental Information.**

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

Part X, Line 2:

The Organization has adopted the accounting standard regarding Accounting for Uncertain Tax Positions. This standard provides detailed guidance for financial statement recognition, measurement, and disclosure of uncertain tax positions recognized in the entity's financial statements. It requires an entity to recognize the financial statement benefit of a tax position when it is more likely than not that the position will be sustained upon examination. The adoption of this standard had no material effect on the Organization's financial position, results of operations, or cash flow.

Part XIII Supplemental Information (continued)

DRAFT



SCHEDULE O  
(Form 990 or 990-EZ)

Department of the Treasury  
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on  
Form 990 or 990-EZ or to provide any additional information.

Attach to Form 990 or 990-EZ.

Information about Schedule O (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990)

OMB No. 1545-0047

2014

Open to Public  
Inspection

Name of the organization

ORGANIZATION OF MISO STATES, INC.

Employer identification number  
16-1671529

Form 990, Part I, Line 1, Description of Organization Mission:

RECOMMENDATIONS TO THE MIDCONTINENT INDEPENDENT SYSTEM OPERATOR, INC.

(MISO), THE MISO BOARD OF DIRECTORS, THE FERC, AND RELEVANT GOVERNMENT

ENTITIES, AND STATE COMMISSIONS AS APPROPRIATE; AND INTERVENING IN

PROCEEDINGS BEFORE THE FERC AND IN RELATED JUDICIAL PROCEEDINGS TO

EXPRESS THE POSITIONS OF THE ORGANIZATION OF MISO STATES.

Form 990, Part III, Line 1, Description of Organization Mission:

APPROPRIATE; AND INTERVENING IN PROCEEDINGS BEFORE THE FERC AND IN

RELATED JUDICIAL PROCEEDINGS TO EXPRESS THE POSITIONS OF THE

ORGANIZATION OF MISO STATES.

Form 990, Part VI, Section A, Line 6:

THE ORGANIZATION OF MISO STATES, INC. (OMS) IS A NONPROFIT, SELF-GOVERNING

ORGANIZATION OF REPRESENTATIVES FROM EACH STATE WITH REGULATORY

JURISDICTION OVER ENTITIES PARTICIPATING IN THE MIDCONTINENT INDEPENDENT

TRANSMISSION SYSTEM OPERATOR, INC. (MISO), A REGIONAL TRANSMISSION

ORGANIZATION AS DEFINED BY THE FEDERAL ENERGY REGULATORY COMMISSION (FERC).

OMS MEMBER STATES AND PROVINCES ARE ARKANSAS, CITY OF NEW ORLEANS,

ILLINOIS, INDIANA, IOWA, KENTUCKY, LOUISIANA, MANITOBA, MICHIGAN,

MINNESOTA, MISSOURI, MISSISSIPPI, MONTANA, NORTH DAKOTA, SOUTH DAKOTA,

TEXAS, AND WISCONSIN.

Form 990, Part VI, Section A, Line 7a:

THE ORGANIZATION'S MEMBERS CAN APPOINT OR ELECT DIRECTORS WHO IN TURN ELECT

THE OFFICERS OF THE ORGANIZATION.

Name of the organization ORGANIZATION OF MISSOURI STATES, INC.	Employer identification number 16-1671529
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Form 990, Part VI, Section B, Line 11:

THE BOARD OF DIRECTORS WILL REVIEW A COPY OF THE FORM 990 AT A BOARD MEETING PRIOR TO THE FORM 990 BEING FILED.

Form 990, Part VI, Section B, Line 15:

THE EXECUTIVE COMMITTEE OF THE BOARD OF DIRECTORS REVIEW AND APPROVE THE SALARIES FOR THE EXECUTIVE DIRECTOR. THE SALARY RECOMMENDATION IS THEN APPROVED BY THE ENTIRE BOARD OF DIRECTORS.

Form 990, Part VI, Section C, Line 18:

FORM 990 AND FORM 1023 ARE AVAILABLE TO THE PUBLIC ON THE ORGANIZATION OF MISSOURI STATES' WEBSITE.

Form 990, Part VI, Section C, Line 19:

ALL GOVERNING DOCUMENTS AND AUDITED FINANCIAL STATEMENTS ARE AVAILABLE TO THE PUBLIC ON THE ORGANIZATION OF MISSOURI STATES' WEBSITE.

FORM 990. PART XII, LINE 2C

THE BOARD OF DIRECTORS FOR THE ORGANIZATION ARE RESPONSIBLE FOR THE OVERSIGHT OF THE AUDIT AND ARE RESPONSIBLE FOR THE SELECTION OF THE INDEPENDENT AUDITORS. THIS PROCESS HAS REMAINED UNCHANGED FROM THE PRIOR YEARS.

# Application for Extension of Time To File an Exempt Organization Return

Department of the Treasury  
Internal Revenue Service

| File a separate application for each return.  
| Information about Form 8868 and its instructions is at [www.irs.gov/form8868](http://www.irs.gov/form8868) .

- If you are filing for an **Automatic 3-Month Extension**, complete only Part I and check this box  ▶
- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only Part II (on page 2 of this form).

*Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.*

**Electronic filing (e-file).** You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit [www.irs.gov/efile](http://www.irs.gov/efile) and click on *e-file for Charities & Nonprofits*.

**Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).**

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete

Part I only  ▶

*All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.*

<b>Type or print</b>	Name of exempt organization or other filer, see instructions.	<b>Enter filer's identifying number</b>
	ORGANI ZATI ON OF MI SO STATES, I NC.	Employer identification number (EIN) or  16- 1671529
	Number, street, and room or suite no. If a P.O. box, see instructions. 100 COURT AVENUE, No. 315	Social security number (SSN)
File by the due date for filing your return. See instructions.	City, town or post office, state, and ZIP code. For a foreign address, see instructions. DES MOI NES, I A 50309	

Enter the Return code for the return that this application is for (file a separate application for each return)   ▶

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

ORGANI ZATI ON OF MI SO STATES, I NC.

- The books are in the care of ▶ 100 COURT AVE, SUITE 315 - DES MOI NES, I A 50309  
Telephone No. ▶ 515-243-0742 Fax No. ▶ \_\_\_\_\_
- If the organization does not have an office or place of business in the United States, check this box  ▶
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) \_\_\_\_\_. If this is for the whole group, check this box . If it is for part of the group, check this box  and attach a list with the names and EINs of all members the extension is for.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until August 15, 2015, to file the exempt organization return for the organization named above. The extension is for the organization's return for:  
▶  calendar year 2014 or  
▶  tax year beginning \_\_\_\_\_, and ending \_\_\_\_\_.

2 If the tax year entered in line 1 is for less than 12 months, check reason:  Initial return  Final return  
 Change in accounting period

3a If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$	0.
b If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$	0.
c <b>Balance due.</b> Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$	0.

**Caution.** If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

**NP-20**

State Form 51062  
(R7 / 8-13)

Check if: Change of Address  
Amended Report  
Final Report: Indicate Date  
Closed

Indiana Department of Revenue  
**Indiana Nonprofit Organization's Annual Report**  
For the Calendar Year or Fiscal Year  
Beginning 01 01 2014 and Ending 12 31 2014  
MM/ DD/ YYYY MM/ DD/ YYYY

Due on the 15th day of the 5th month following the end of the tax year.  
NO FEE REQUIRED.

Name of Organization

ORGANIZATION OF MISO STATES INC

Address

100 COURT AVENUE NO 315

City

DES MOINES, IA 50309

Printed Name of Person to Contact

TANYA PASLAWSKI

Telephone Number

515 243 0742

Indiana Taxpayer Identification Number

County

State

ZIP Code

Federal Identification Number

16 1671529

Contact's Telephone Number

515 243 0742

If you are filing a federal return, attach a completed copy of Form 990, 990EZ, or 990PF.

Note: If your organization has unrelated business income of more than \$1,000 as defined under Section 513 of the Internal Revenue Code, you must also file Form IT-20NP.

**Current Information**

1. Have any changes not previously reported to the Department been made in your governing instruments, (e.g.) articles of incorporation, bylaws, or other instruments of similar importance? If yes, attach a detailed description of changes.
2. Indicate number of years your organization has been in continuous existence. 12 .
3. Attach a schedule, listing the names, titles and addresses of your current officers. SEE STATEMENT 2
4. Briefly describe the purpose or mission of your organization below.

SEE STATEMENT 1

Email Address:

I declare under the penalties of perjury that I have examined this return, including all attachments, and to the best of my knowledge and belief, it is true, complete, and correct.

DEPUTY EXECUTIVE DIRECTOR

Signature of Officer or Trustee

Title

Date

Name of Person(s) to Contact

Daytime Telephone Number

**Important:** Please submit this completed form and/or extension to:  
Indiana Department of Revenue, Tax Administration  
P.O. Box 6481  
Indianapolis, IN 46206-6481  
Telephone: (317) 232-0129

**Extensions of Time to File**

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UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION

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Midwest Independent Transmission	)	Docket No. ER10-1791-003
System Operator, Inc.	)	

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REPLY COMMENTS OF THE ORGANIZATION OF MISO STATES

Pursuant to the Federal Energy Regulatory Commission’s (“Commission” or “FERC”) *Order Establishing Paper Hearing Procedure* issued on January 22, 2015,<sup>1</sup> and the Notice issued on February 26, 2015, establishing July 22, 2015, as the deadline for parties in this proceeding to file reply briefs, the Organization of MISO States (“OMS”) respectfully submits the following Reply Comments in the above captioned docket.

**I. Background**

On January 22, 2015, the Commission established a paper hearing in response to the United States Court of Appeals for the Seventh Circuit’s (“Seventh Circuit”)<sup>2</sup> opinion remanding to the Commission for determination, in light of current conditions, of what if any limitations on export pricing to PJM Interconnection, L.L.C (“PJM”) for Multi-Value Projects (“MVPs”) by MISO is justified.<sup>3</sup>

On April 22, 2015, the OMS submitted Initial Comments in this proceeding, reiterating its support for long-standing Commission “cost causation principles” and asserting that any limitations on export costs to PJM should be line with those long-standing and uncontroversial

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<sup>1</sup> *Midwest Indep. Transmission Sys. Operator, Inc.*, 150 FERC ¶ 61,026 (2015) (“Remand Order”).

<sup>2</sup> *Ill. Commerce Comm’n v. FERC*, 721 F.3d 764, 778-80 (7th Cir. 2013) (“*ICC I*”), *cert. denied*, 134 S.Ct. 1277 (2014), *cert. denied*, 134 S.Ct. 1278 (2014). *ICC II* generally affirmed the Commission orders issued in Docket Nos. ER10 1791-000, et al.: *Midwest Indep. Transmission Sys. Operator, Inc.*, 133 FERC ¶ 61,221 (2010) (“MVP Order”), *order on reh’g and compliance filing*, 137 FERC ¶ 61,074 (2011) (“MVP Rehearing Order”) (collectively the “MVP Orders”).

<sup>3</sup> Remand Order at P 11.



principles.<sup>4</sup> In these reply comments, the OMS addresses portions of the initial comments filed by certain PJM Transmission Owners (“Indicated PJM TOs”),<sup>5</sup> American Municipal Power, Inc., and the Illinois Commerce Commission.

In their initial briefs, several commenters argue that the Commission should reaffirm its prior ruling rejecting the Midcontinent Independent System Operator, Inc. (“MISO”) and certain MISO Transmission Owners<sup>6</sup> (collectively, the “MISO Parties”) proposed MVP usage rate (“MUR”) on exports into PJM. They claim that extending the MUR to such transactions would, among other things, constitute a resumption of impermissible rate pancaking and an involuntary assignment of regional transmission costs, circumvent the PJM-MISO Joint Operation Agreement’s (JOA) interregional transmission planning and cost allocation provisions, and violate Commission precedent requiring joint planning in order to regionally allocate the costs of new transmission facilities.

In addition to these substantive claims, one commenter alleges the Commission is barred from deciding this issue on the merits for procedural reasons. These commenters claim that in order to impose the MUR on exports to PJM, the Federal Power Act (“FPA”) prohibits the Commission from deciding the question remanded to it in this docket. The commenters claim the MISO Parties must instead initiate an entirely new proceeding before the Commission can decide whether the FPA, the aforementioned cost allocation principles, and other relevant judicial and

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<sup>4</sup> OMS Initial Comments, Docket No. ER10-1791-003 (April 22, 2015). OMS argued that this principle should not apply *only* when the parties have agreed to some other cost sharing agreement and said agreement is specific and time-limited. For example, the Entergy utilities in the MISO South region negotiated, as part of their MISO membership, a 5-year transition period during which MVP project costs from the North and Central regions would not be allocated. This is a very specific, time-limited provision that can be distinguished from the Commission’s decision directed at PJM. OMS does not advocate altering that agreement in any way.

<sup>5</sup> See Indicated PJM TOs Comments, Docket No. ER10-1791-003 (April 22, 2015), at n. 2 (listing the PJM TOs taking part in the filing).

<sup>6</sup> See MISO Parties Initial Comments, Docket No. ER10-1791-003 (April 22, 2015), at n. 2 (listing the MISO TOs participating in the filing).

regulatory precedent requires all users of the MISO transmission system to contribute the cost of new transmission facilities from which they benefit.

## II. Argument

As shown below, each of the commenters' substantive arguments ignore current conditions and contradict prior Commission and judicial rulings. Moreover, the commenter's procedural arguments are without merit and contrary to prior Commission rulings. The Commission should reject these arguments and find that current conditions dictate that all users of the MISO transmission system, including those exporting energy from or through MISO to PJM, pay for the benefit MVPs provide.

### A. Imposing the MUR on PJM Exports is Not an Involuntary Assignment of Regional Transmission Costs Because the Rate Only Applies to Customers Taking Service from MISO

In their Initial Comments, the Indicated PJM TOs allege that imposing the MUR on PJM exports violates a Commission Order No. 1000<sup>7</sup> directive forbidding any region from imposing involuntary transmission development costs upon another.<sup>8</sup> This Commission has heard and rejected this interpretation of Order 1000.

When Exelon offered the very same interpretation of Order 1000 earlier in these same proceedings, FERC concluded imposing the MUR on exports and wheel—through transactions *does not* constitute an involuntary assignment of costs. In its original MVP Order,<sup>9</sup> FERC expressly noted that “there is no involuntary assignment of costs here given that the [MUR]

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<sup>7</sup> *Transmission Planning and Cost Allocation by Transmission Owning and Operating Pub. Utils.*, Order No. 1000, FERC Stats. & Regs. ¶ 31,323 (2011), *order on reh'g*, Order No. 1000-A, 139 FERC ¶ 61,132, *order on reh'g and clarif.*, Order No. 1000-B, 141 FERC ¶ 61,044 (2012), *aff'd sub. nom. S.C. Pub. Serv. Auth. v. FERC*, 762 F.3d 41 (D.C. Cir. 2014).

<sup>8</sup> Indicated PJM TO Owners Initial Comments, Docket No. ER10-1791-003 (April 22, 2015), at 34-35 (quoting Order No. 1000 at P 675 (adopting Inter-Regional Cost Allocation Principle no. 4)).

<sup>9</sup> *Midwest Indep. Transmission Sys. Operator, Inc.*, 133 FERC ¶ 61221 (Dec. 16, 2010) (MVP Order).

applies to export and wheel-through transactions (i.e., customers that are taking service from [MISO]), rather than an external entity taking no service or buying no energy from [MISO], which would not be charged under this proposal).”<sup>10</sup> Simply put, imposing the MUR on export and wheel-through transactions, *including those sinking in PJM*, does not equate to an involuntary assignment of costs.<sup>11</sup>

The Commission premised this ruling on a factual finding upheld by the Seventh Circuit – all users of the MISO transmission system benefit from MVPs:

[MVPs] support *all* uses of the system, including transmission on the system that is ultimately used to deliver to an external load, and benefit *all* users of the integrated transmission system, regardless of whether the ultimate point of delivery is to an internal or external load ... By “external” read PJM or any other recipient of electricity that is outside MISO.<sup>12</sup>

Thus, the Indicated PJM Transmission Owners assertion that assignment of MUR on exports and wheel-through transactions from MISO is in violation of the Commission’s Order No. 1000 is patently contrary to prior Commission precedent – applying the MUR on exports and wheel-through transactions, whether they are bound for PJM or other external regions, does not constitute an involuntary assignment of regional transmission costs in violation of Order No. 1000.

B. The MISO-PJM JOA Does Not Prohibit the Imposition of MUR on Exports to PJM.

The MISO-PJM JOA’s inter-regional planning processes is not the sole avenue for MISO and PJM to allocate the costs of transmission facilities built between or within one region that benefits the both regions. As this Commission found earlier in this same docket, the

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<sup>10</sup> MVP Order at P 439.

<sup>11</sup> Notably, no party sought rehearing on this matter or challenged the Commission’s decision before the Seventh Circuit Court of Appeals.

<sup>12</sup> *ICC II* at 779-80 (quoting MVP Order at ¶ 439) (internal citations omitted and emphasis added).

Indicated PJM Owners' argument that the MISO-PJM is the sole avenue for allocating such costs is without merit.

The Indicated PJM TOs' arguments that extending the MUR on exports into PJM violates Commission precedent regarding the MISO-PJM JOA's inter-regional planning provisions are without merit. The MISO-PJM JOA – like any agreement between two parties – is limited in scope and matters not directly addressed therein are not implicitly included.<sup>13</sup>

Moreover, the Commission has already rejected this argument. Previously in this docket, Exelon claimed that MISO's Open Access Transmission, Energy & Operating Reserve Market Tariff ("Tariff") and prior Commission Orders require (a) that projects in MISO which provide benefit to PJM must be planned in concert with PJM,<sup>14</sup> and (b) that the cost allocation methodology associated with such projects must be incorporated into the PJM-MISO JOA.<sup>15</sup> However, as the Commission stated in the MVP Rehearing Order, these arguments are "without merit."<sup>16</sup> While the MISO-PJM JOA contains provisions concerning the joint study and cost allocation of specific types of transmission expansion projects (e.g., Cross-Border Baseline Reliability Projects), that fact alone does not mean that MISO's MVP proposal circumvents the JOA. In fact, the limited scope of the JOA supports the premise that the MVP proposal is a separate and distinct set of projects and costs that are outside of the JOA and therefore cannot be found to circumvent the agreement. Further, the Commission went on to find that the MVP

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<sup>13</sup> See, e.g., *Moriarty v. Svec*, 164 F. 3d 323, 330-31 (7th Cir. 1998) ("If the contract is susceptible to only one reasonable interpretation, it is unambiguous and the court should determine its meaning as a matter of law."); *Hashwani v. Barbar*, 822 F. 2d 1038, 1040 (11th Cir. 1987) ("[T]he plain language must control where there is no ambiguity, and this Court will not rewrite the agreement to make it more favorable to the defendant than the agreement he signed.") (Internal citations omitted).

<sup>14</sup> Indicated PJM TO Initial Comments at 37-39.

<sup>15</sup> Exelon Request for Rehearing at 8-10, FERC Docket No. 10-1791-000 (Jan. 18, 2011).

<sup>16</sup> MVP Rehearing Order at ¶ 262.

Proposal would also not inappropriately prevent the application of the JOA's more general provisions.<sup>17</sup>

The Indicated PJM TOs have not offered any new evidence that would suggest the MISO-PJM JOA is the sole avenue for allocating the costs of beneficial transmission between MISO and PJM. The Commission should rule as it did before, and find this argument is without merit.

C. Imposing the MUR on Exports to PJM Does Not Constitute an Impermissible Resumption of Pancaked Rates

As mentioned earlier and more extensively in MISO Parties' Initial Comments,<sup>18</sup> the "cost causation principles" require *all* users of the MISO transmission system to pay the MUR, including those moving energy from or through MISO to PJM. More importantly, imposing the MUR on such transactions does not violate the Commission's Anti-Pancaking Orders,<sup>19</sup> because MVPs are newly built transmission projects, benefiting all uses of the MISO transmission system, and not existing locally planned transmission facilities.<sup>20</sup> "The requirement of proportionality between costs and benefits requires that all beneficiaries... including users in PJM... shoulder a reasonable portion of MVP costs."<sup>21</sup>

FERC adopted the Anti-Pancaking Orders to address existing local transmission facilities, not newly constructed facilities that provide regional and interregional benefits.<sup>22</sup> FERC mandated the elimination of through and out rates with respect to existing transmission

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<sup>17</sup> *Id.*

<sup>18</sup> See MISO Parties Initial Comments at 10-19.

<sup>19</sup> The Anti-Pancaking Orders are (in order of issuance): Alliance Cos., 100 FERC ¶ 61,137 (2002), order on clarification, 102 FERC ¶ 61,214, order on reh'g & clarification, 103 FERC ¶ 61,274 (2003); Midwest Indep. Transmission Sys. Operator, Inc., 102 FERC ¶ 63,049 (Administrative Law Judge Initial Decision), modified by, 104 FERC ¶ 61,105, at P 35, order on reh'g, 105 FERC ¶ 61,212 (2003).

<sup>20</sup> See, e.g., MVP Order at ¶¶ 194, 439 and 443.

<sup>21</sup> *ICC II* at 780.

<sup>22</sup> See MISO Parties Initial Comments at 21 – 24 (outlining the Commission's rate-pancaking precedent).

facilities, but required RTOs and their transmission owners to develop cost allocation methodology for the construction of new transmission facilities. “The Commission has subsequently found it appropriate to charge certain MISO planning and market costs to exports, including exports to PJM, notwithstanding the Anti-Pancaking Orders, because those transactions benefit from MISO markets and services.”<sup>23</sup>

Although they were developed through the MISO Transmission Expansion Plan (“MTEP”) process, MVPs represent major additions to the MISO transmission system that benefit all users. MVPs are designed to provide regional benefits through the facilitated movement of renewable power across the MISO system to all users of the system regardless of the location of the load, including those in PJM.<sup>24</sup> As such, they are fundamentally different from the locally planned transmission facilities addressed in the Anti-Pancaking Orders.

MURs are structured around a cost causation analysis and not the FERC Anti-Pancaking Orders. The cost causation principle states that costs are allocated to the parties who cause the incurrence of such costs, including those who cause costs to be incurred and those who otherwise benefit from them. MVPs “improve system reliability, reduce congestion, satisfy documented energy policy mandates or laws, and enhance market efficiency, which would benefit all users of the integrated transmission system, regardless of whether the ultimate point of delivery is to an internal or external load.”<sup>25</sup> As FERC initially found and the Seventh Circuit affirmed, all users of the MISO transmission system benefit from MVPs’ construction, including those moving energy through or from MISO to PJM.<sup>26</sup> No party to these proceedings have presented evidence to that would negate this factual finding or the Seventh Circuit’s conclusion that MVPs “are new

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<sup>23</sup> MISO Parties Initial Comments at 22.

<sup>24</sup> *See, e.g.*, OMS Initial Comments at 1.

<sup>25</sup> *MVP Order* at P 439.

<sup>26</sup> *ICC II* at 779-780 (quoting *MVP Order* at ¶ 439).

projects, not yet paid for, and since they will benefit electricity users in PJM, those users should contribute to the costs.”<sup>27</sup>

FERC created the Anti-Pancaking Orders to address local transmission facilities serving local needs. MISO created MVPs to push for new development providing both regional and inter-regional benefits regardless of the location of the load. MVP costs can be allocated based on cost causation to PJM users while not constituting an impermissible resumption of pancaked rates.

D. MISO Need Not File a § 206 Complaint in Order to Impose the MUR on Exports to PJM Because Such an Imposition Would Not Constitute an Impermissible Resumption of Pancaked Rates

MISO may apply the MUR on export and wheel-through transactions sinking in PJM through the present proceeding because the MUR with respect to PJM is not an impermissible resumption of pancaked rates. This Commission has already stated that the MISO Parties may allocate MVP costs to PJM loads in a FPA Section 205 proceeding if such filing “does not involve an impermissible resumption of pancaked rates.”<sup>28</sup>

As shown above and articulated by the MISO Parties in their Initial Comments,<sup>29</sup> applying the MUR to export and wheel-through transactions sinking in PJM does not constitute an impermissible resumption of pancaked rates for two reasons. First, the Rate-Pancaking Orders only apply to existing facilities serving local transmission needs not newly built transmission benefiting both regional and inter-regional loads. Second, the cost causation principle requires those moving energy through or from MISO to PJM to pay their “fair share” of MVP transmission costs because all users of the MISO transmission system benefit from their

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<sup>27</sup> *ICC II* at 779.

<sup>28</sup> *MVP Rehearing Order* at P 292.

<sup>29</sup> See *infra* at Section II.C. and MISO Parties Initial Comments at Section III.B.

construction. For these reasons, MISO's section 205 filing does not constitute an impermissible resumption of pancaked rates, and according to FERC precedent is not required to make a section 206 filing.

### **III. Conclusion**

For the reasons stated herein, the Commission should reject the aforementioned arguments, and require all users of the MISO transmission system, including those moving energy through or from MISO to PJM. All users of the MISO transmission system benefit from MVPs and should pay their "fair share" of any attenuated costs.

The OMS submits this pleading because a majority of its members generally support the contents. The Louisiana Public Service Commission, City of New Orleans, Missouri Public Service Commission and Michigan Public Service Commission abstained. The Illinois Commerce Commission and Manitoba Public Utilities Board were not present for the vote.

Respectfully Submitted,

Tanya Paslawski

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Dated: June 22, 2015

### **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 Lansing, Michigan on this 22nd day of June, 2015.

Tanya Paslawski



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

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Coordination Across the Midcontinent	)	Docket No. AD14-3-000
Independent System Operator, Inc./PJM	)	
Interconnection, L.L.C. Seam	)	

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**JOINT COMMENTS OF THE  
ORGANIZATION OF MISO STATES AND  
THE ORGANIZATION OF PJM STATES, INC.**

Pursuant to Rule 211 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission (Commission), 18 C.F.R. §385.211, the Organization of MISO States (OMS) and the Organization of PJM States Inc. (OPSI) submit these comments in response to the filings made in the above captioned proceeding pursuant to the Commission's February 24, 2015, order requesting additional information from PJM Interconnection, L.L.C. (PJM), Midcontinent Independent System Operator, Inc. (MISO, and collectively RTOs) and their independent market monitors regarding coordination across the MISO and PJM seam.<sup>12</sup>

**I. Background**

In response to discussions regarding progress on MISO-PJM seams issues during the Commission's January 22, 2015 Open Meeting, the Commission issued the February 24 Order to continue gathering information on specific issues regarding the MISO-PJM seam. In particular, the February 24 Order sought information on the following specific

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<sup>1</sup> *Coordination Across the Midcontinent Independent System Operator, Inc./PJM Interconnection, L.L.C Seam*, 150 FERC ¶61,132 (2015) (February 24 Order).

<sup>2</sup> These comments were approved by the OMS Board of Directors on June 11, 2015, with abstentions by the Arkansas Public Service Commission and the Mississippi Public Service Commission. The Wisconsin Public Service Commission voted No, and is filing a separate set of comments in this docket. The OPSI Board of Directors approved these comments on June 11, 2015.

issues: (1) interface pricing; (2) capacity deliverability; (3) Day-Ahead market coordination; (4) modeling of the Ontario/Michigan phase angle regulators for congestion management; (5) Firm Flow Entitlement Freeze Date; and (6) use of commercial flow in the Market-to-Market process.<sup>3</sup> The February 24 Order states that the Commission will use this information to understand what, if any, additional steps the Commission should take to improve the efficiency of operations at the PJM-MISO seam.<sup>4</sup>

## **II. General Observations on Joint and Common Market Issues**

The OMS and OPSI members are encouraged by progress on many of the MISO-PJM Joint and Common Market (JCM) Initiative items and are supportive of the JCM Initiative process as a whole. We observe good progress on many issues to date through the efforts of both RTOs to come to agreement on proposals and implement enhancements, especially in communication and collaboration. State regulators continue to underscore the importance of further efforts on some outstanding issues and a continued sense of urgency in addressing these issues on which the Commission has sought additional information.

OMS and OPSI reassert their concern with the current state of interregional transmission planning between MISO and PJM. Further attention and significant continued work is needed to properly address this vital seams issue. Interregional planning should be addressed just as robustly as other seams issues and should not be left by the wayside in light of solutions for other important market issues.

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<sup>3</sup> February 24 Order, at P 1.

<sup>4</sup> February 24 Order, at P 1.

### III. Comments

OMS and OPSI make the following observations and recommendations with respect to the specific issues listed in the February 24 Order, as well as respond to the joint response filed by MISO and PJM in this proceeding.<sup>5</sup>

#### A. Interface Pricing

The largest uncertainty still surrounding a single issue within the JCM process is interface pricing. PJM and MISO have stated that an effective long-term solution requires the RTOs to choose an approach that eliminates the redundant modeling and calculation of congestion charges in each RTO's interface price definition while ensuring the interface price represents the physical impact of the transactions.<sup>6</sup> The RTOs have committed to continue to evaluate solutions in the stakeholder process where these issues can be explored further.<sup>7</sup>

Interface pricing has been through repeated iterations of discussion and study. The issues are nuanced, involve modeling complexities and have significant market impact. Despite the RTOs' efforts, it appears that work to implement a solution may be stalled and a meaningful and timely outcome is still largely in question. Without additional guidance, it appears that the parties may continue to have difficulty reaching a mutually agreed solution within a reasonable timeframe.

While the RTOs state that they tentatively plan to complete the stakeholder informative sessions and submit tariff revisions to the Commission by the third quarter of 2015, the RTOs only *commit* themselves to providing the Commission with an update in this docket in December 2015.<sup>8</sup>

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<sup>5</sup> See, *Responses of the Midcontinent Independent System Operator, Inc. and PJM Interconnection, L.L.C.*, in Docket No. AD14-3. (MISO-PJM Response)

<sup>6</sup> MISO-PJM Response, at 4.

<sup>7</sup> MISO-PJM Response at 5.

<sup>8</sup> MISO-PJM Response, at 6.

The RTOs also recommend that the Commission convene a staff-led technical conference to address interface pricing, Commercial Flow in M2M – to the extent it relates to interface pricing, and Freeze Date issues.<sup>9</sup> The RTOs state that discussions on these topics will help the Commission better understand their nature, interrelationship, and potential solutions. OMS and OPSI strongly support this joint request and recommend that the Commission use the proposed technical conference as a forum to gather information to enable the Commission to subsequently issue a Guidance Order to assist the parties in reaching resolution.

## **B. Capacity Deliverability**

Capacity deliverability has been an ongoing topic in this iteration of the MISO-PJM JCM. We agree with MISO and PJM “that a single capacity product is not a prerequisite for developing capacity deliverability concepts between the two RTO’s.”<sup>10</sup> Instead, the RTO’s state they will “develop a process to implement a capacity deliverability approach from PJM to MISO which will likely focus on the evaluation of the Transmission Service Request approval process.”<sup>11</sup> As the RTOs further note: “The remaining issue requiring resolution is whether and which barriers to transfers of capacity in the PJM to MISO direction exist and which barriers may exist with respect to the transmission service request process.”<sup>12</sup> While PJM will no doubt assist MISO in working on this issue, the resolution might involve tariff changes to MISO’s capacity construct. If so, we think that any such changes must ultimately come from within the MISO arena.

In response to Question #8: “Any impediments to treating capacity as a single product” the RTOs list seven items that would have to be solved to enable a single capacity product across the RTOs. This concept also elicited strong and diametrically opposed

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<sup>9</sup> MISO-PJM Response at 2.

<sup>10</sup> MISO-PJM Response at 13.

<sup>11</sup> MISO-PJM Response at 12.

<sup>12</sup> MISO-PJM Response at 12.

views from the Market Monitors. While the concept may have value from certain perspectives, JCM stakeholders should discuss the potential benefits and costs before significant RTO resources are spent studying the concept. In other words, the threshold question of whether a joint capacity product makes sense needs to be fully debated. We recognize that at this time the concept of a joint capacity product exists only at the conceptual level and is not an item in the JCM Stoplight Report that is expected to be resolved by the RTOs in the near term.

### **C. FFE Freeze Date**

The RTOs state: “In 2014, the RTOs, stakeholders, and the Congestion Management Process Council agreed that there is a need to work on updating or establishing Freeze Date alternatives. The Congestion Management Process (CMP) Council has directed the Congestion Management Process Working Group Freeze Date Task Team to develop a set of guiding principles and options for updating the Freeze Date.”<sup>13</sup> The RTOs also believe that further discussion and analysis among the CMP parties is necessary and requested a technical conference with Commission staff.<sup>14</sup> OMS and OPSI agree with the RTOs’ evaluation of this topic and support a technical conference regarding the FFE Freeze Date.

The Freeze Date process and resulting impact on both market and non-market CMP participants is complex and changes to the process will have significant effects on operations and equity. Because of this complex relationship with other parties beyond just MISO and PJM, it is important to include other parties in these discussions through the CMP Council and attempt to reach consensus while still recognizing historical usage and transmission rights. This consideration of outside parties is important to note and OMS and OPSI recognize that this process may be further complicated by this multi-party aspect. However, OMS and OPSI also recognize that these important seams issues,

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<sup>13</sup> MISO-PJM Response at 24.

<sup>14</sup> MISO-PJM Response at 28.

such as the FFE Freeze Date, must be addressed in a timely manner. Accordingly, the OMS and OPSI urge the RTOs and CMP Council to actively work towards solutions to this issue and urge the Commission to follow up with the CMP Council regularly to ensure a timely resolution.

#### **IV. Conclusion**

Continued discussions and scheduling of technical conferences on certain seams topics will facilitate solutions within a reasonable timeframe. On the issue of interface pricing specifically, the OMS and OPSI members are supportive of a technical conference as requested by the RTOs but also urge the Commission to allow parties to follow up with recommendations for a Guidance Order by the Commission to assist the parties in reaching a mutually agreeable solution to address this interface pricing issue within a reasonable amount of time.

The OMS and OPSI support the current work plan on Capacity Deliverability to reduce or eliminate barriers relating to the transfer of capacity from generators in PJM's footprint to MISO.

Finally, the issues surrounding the FFE Freeze Date must be addressed in a timely manner. To that end, the OMS and OPSI urge the RTOs and CMP Council to actively work towards solutions to this issue, and for the Commission to follow up with the CMP Council regularly to ensure a timely resolution.

Respectfully Submitted,

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Dated: June 15, 2015

Organization of MISO States  
Demand Response and Technology Working Group

**Collaboration Work Plan for 2015/2016<sup>1</sup>**

This work plan is intended to provide guidance to the OMS DR&TWG on educational and collaboration opportunities with regards to demand response (DR), energy storage, and advanced technologies and market mechanisms that engage utility operations for customers. Efforts outlined below support individual state commission policy developments, as well as bolster the on-going engagement between the OMS and relevant stakeholders on demand response issues before MISO and FERC.

- 1) **Pursue low-to-no cost educational opportunities**; particularly on topics of energy storage, advanced technologies, and emerging DR market mechanisms. This can be achieved by organizing webinars and teleconference meetings with subject matter experts.
- 2) **Arrange occasional OMS in-person meetings and small workshops** with key stakeholders on DR topics when there is interest among several state commissions. Based on initial discussion by DR&TWG members, topics could include:
  - Utility “legacy program” best practices;
  - DR program design and participation in RTOs across the US; and
  - Incorporating demand-side resources and storage in resource planning.
- 3) **Participate in potential MISO workshop(s) on DR after legal certainty is achieved on FERC Order 745**. At some point MISO may need to file new tariff language with FERC on DR participation in wholesale markets, and the OMS anticipates stakeholder workshops may support this effort beyond the regular MISO workgroup processes.

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<sup>1</sup> Approved by the OMS Board on June 11, 2015