

BEFORE THE MISSOURI PUBLIC SERVICE COMMISSION

In the Matter of the Revenue Effects Upon)
Missouri Utilities of the Tax Cuts and)
Jobs Act of 2017)

File No. AW-2018-0174

**ITC MIDWEST LLC'S
RESPONSE TO COMMISSION QUESTIONS**

COMES NOW, ITC Midwest LLC ("ITCMW"), and for its response to the
Commission's questions, states as follows:

1. What is the appropriate avenue for effectuating change to utility rates as a result of the federal income tax reductions?
2. Is a different avenue appropriate for regulated corporations and Commission-regulated pass-through entities such as S Corporations, LLCs, and partnerships?
3. What is the appropriate mechanism(s) for effectuating change to utility rates as a result of the federal income tax reductions?
4. How does the change to the federal income tax affect pending rate cases? Can the change be considered in the pending rate cases?
5. Please calculate the first-year approximate annual Missouri jurisdictional change in cost of service for your utility that is projected to result from implementation of the Tax Cuts and Jobs Acts of 2017 (all other things being equal) and provide supporting workpapers for this calculation.

Response:

ITCMW is a transmission-only utility with a single electric transmission line in Missouri that currently has no direct-connected load or generation. Transmission service over ITCMW's facilities is provided by the Midcontinent Independent System Operator, Inc. ("MISO") pursuant to its Open Access Transmission, Energy and Operating Reserve Markets Tariff. ITC Midwest is a Transmission Owner member of MISO, and ITCMW's formula rate is regulated by the Federal Energy Regulatory Commission. ITCMW is currently working with MISO to develop a near term path to reflect the impact of the tax reform in its formula rate and pass those changes through to ITCMW's ratepayers.

Respectfully submitted,

CURTIS, HEINZ, GARRETT & O'KEEFE, P.C.

/s/ Carl J. Lumley

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Respectfully submitted,

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CERTIFICATE OF SERVICE

A true and correct copy of the foregoing document was either mailed, faxed, or emailed this 26th day of January 2018, to the persons listed below service list.

/s/ Carl J. Lumley

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