

**BEFORE THE MISSOURI PUBLIC SERVICE COMMISSION**

In the Matter of the Joint Application                     )  
of Entergy Arkansas, Inc., Mid South                     )  
TransCo LLC, Transmission Company                     )  
Arkansas, LLC and ITC Midsouth LLC                     )  
for Approval of Transfer of Assets and                     )  
Certificate of Convenience and Necessity,                     )  
and Merger and, in connection therewith,                     )  
Certain Other Related Transactions                     )

**File No. EO-2013-0396**

**JOINT APPLICANTS' POSITION STATEMENTS**

**COME NOW** Joint Applicants pursuant to the Commission's Procedural Order of April 18, 2013, and submit their Position Statements.<sup>1</sup>

**1. Does the Commission have jurisdiction over this matter?**

The transmission facilities at issue in this proceeding are solely used for interstate services regulated by FERC. Joint Applicants understand that the Commission nonetheless contemplates jurisdiction pursuant to Sections 393.170 and 393.190. Under such circumstances Joint Applicants request approval of the Transaction out of an abundance of caution as indicated in the Joint Application.

**2. Should the Commission find and conclude that the proposed transfer of EAI's transmission facilities in Missouri to ITC, including all the steps of the Transaction described in the Joint Application, is not detrimental to the public interest in Missouri?**

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<sup>1</sup> Joint Applicants object to the purported list of issues submitted by intervenors. The intervenors do not set out questions presented for decision as required by 4 CSR 240-2.080(19). Instead, they state various arguments they are making with regard to the issue presented for decision which is clearly and concisely stated by Joint Applicants as issue 2 in compliance with the rule. Joint Applicants' position statement addresses the issue and intervenors' arguments.

Yes. EAI only has about 100 miles of interstate transmission facilities in Missouri, and it only serves wholesale customers in the state. The Commission should approve the transfer of those transmission facilities to ITC as not being detrimental to the public interest in Missouri.

ITC is an independent transmission company with a demonstrated capability to operate transmission systems at a high level of quality of service. It has a singular focus on transmission which has been proven to improve transmission performance, safety and reliability. It has the financial strength to meet the escalating capital expenditures which will be required by the challenges and opportunities associated with increasing regulatory requirements and modernization of the US electric grid. It will comply with FERC ratemaking procedures to establish interstate transmission rates that will support such improvements. It will bring a regional view to transmission planning that will benefit all stakeholders, including in connection with the separately proposed integration of the assets into MISO with its Day 2 Market. ITC's existing personnel and the approximately 750 Entergy Operating Company/Entergy Services, Inc. personnel that will join the organization as a result of the Transaction will assure that the proposed Transaction will be accomplished seamlessly without any interruption of service.

ITC's testimony demonstrates that the Transaction involves substantial benefits and is not detrimental to the public interest in Missouri. Impacts that other parties identify as purported detriments are without merit and are irrelevant. Intervenor's pre-filed testimony relates to EAI's separate application to integrate its transmission system into MISO or to the proposed transfer of EAI's transmission facilities in Arkansas to ITC, and their arguments are being addressed in other jurisdictions.

**3. Should the Commission grant TC Arkansas a certificate of convenience and necessity with respect to the transmission assets located in Missouri that are to be transferred from EAI to ITC, grant TC Arkansas waivers of 4 CSR 240-3.145, 3.165, 3.175, and 3.190(1)(3), and authorize TC Arkansas to change its name to ITC Arkansas LLC in conjunction with completion of the Transaction?**

Yes. Granting the certificate is a part of the proposed Transaction given EAI's existing certificate and the regulations to be waived are inapplicable to these interstate transmission facilities.

**4. Should the Commission approve a partial transfer of EAI's existing certificate, or issue a new certificate, to Entergy Arkansas LLC to operate its remaining limited distribution facilities located in Missouri?**

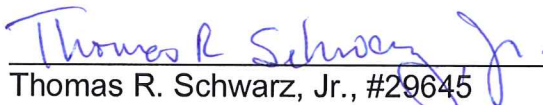
Yes. Amending the certificate or granting a new certificate is a part of the proposed Transaction given EAI's existing certificate.

**WHEREFORE,** Joint Applicants submit the above in compliance with the Commission's Scheduling Orders in this file.

Respectfully submitted,

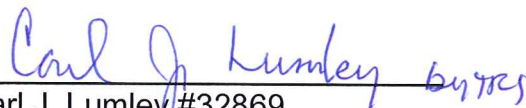
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### **CERTIFICATE OF SERVICE**

The undersigned does hereby certify that a copy of the above and foregoing has been served upon counsel of record by forwarding the same by electronic mail and/or first class mail, postage prepaid, this 12<sup>th</sup> day of June, 2013.

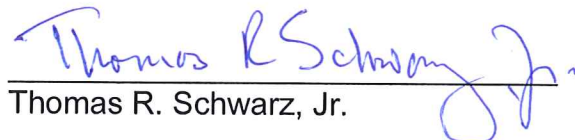
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