

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

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

**ENTERGY ARKANSAS, INC., MID SOUTH TRANSCO LLC,
TRANSMISSION COMPANY ARKANSAS, LLC, AND ITC MIDSOUTH LLC'S
RESPONSE TO JOINTLY PROPOSED PROCEDURAL SCHEDULE**

COME NOW Entergy Arkansas, Inc. ("EAI"), Mid South TransCo LLC, Transmission Company Arkansas, LLC, and ITC Midsouth LLC ("ITC") (collectively, "Joint Applicants"), and for their Response ("Response") to Jointly Proposed Procedural Schedule ("Intervenor Schedule") submitted by the Missouri Joint Municipal Electric Utility Commission ("MJMEUC"), The Empire District Electric Company ("Empire"), and Kansas City Power & Light Company and KCP&L Greater Missouri Operations Company ("KCP&L") (collectively, the "Intervening Parties"), respectfully state as follows:

1. On April 2, 2013, the Missouri Public Service Commission ("Commission") issued an order ("April 2 Order") asking the parties to state how they would like to proceed.

2. On April 8, 2013, Joint Applicants filed a dispositive motion seeking to dismiss certain unrelated issues raised by the Intervening Parties and further responded to the April 2 Order supporting Staff's Status Report filed on March 18, 2013.¹

3. Also on April 8, 2013, the Intervening Parties submitted their Intervenor Schedule proposing an extensive four-month procedural schedule in this matter.

4. In support of the Intervenor Schedule, KCP&L set forth issues pertaining to alleged impacts to its Crossroads facilities in Mississippi of EAI's separate decision to join The Midwest Independent Transmission System Operator, Inc. ("MISO") Regional Transmission Organization ("RTO"). EAI's choice of RTOs is not properly raised in this proceeding or before this Commission at all. The Intervening Parties allege concerns about rate impacts of EAI's decision to join MISO but, at the same time, acknowledge that the impacts "result from placing EAI's transmission facilities under MISO's tariff."² The Intervening Parties fail to explain that MISO's tariff is a federal tariff subject to the jurisdiction of the Federal Energy Regulatory Commission ("FERC"). Such issues do not warrant establishing a procedural schedule in this matter.

5. In further support of the Intervenor Schedule, Empire and MJMEUC alleged issues relating to Empire's substation that Empire asserts is "near the Ozark Beach Hydro Plant"³ and their partial interests in the Plum Point generator located in Arkansas. MJMEUC and Empire are parties to the Arkansas Public Service

¹ In its Status Report, Staff noted that it had not identified any issues in this case requiring a procedural schedule. In light of the fact that no procedural order has yet been issued, Joint Applicants suggest that if adopted, their alternative schedule be adjusted to provide for direct testimony on April 25 and rebuttal testimony on May 24. Nevertheless, Joint Applicants continue to support Staff's Status Report.

² Intervenor Schedule at 3.

³ Id. at 2.

Commission Docket No. 12-069-U, which is the proceeding considering the spin-off and merger of EAI's Arkansas transmission assets to ITC ("APSC ITC Proceeding") and pursued intervention in that proceeding on the basis of these same Arkansas Plum Point interests. Despite basing their interventions on the Plum Point interests and despite using those interests in Missouri to support their proposed four-month procedural schedule including discovery and testimony, Empire is not filing direct testimony on this issue before the APSC. MJMEUC and Empire have had, and continue to have, ample opportunity to pursue evaluation of those Arkansas interests in the APSC ITC Proceeding. These issues set forth by the Intervening Parties are limited in scope or otherwise outside the scope of the proposed transfer of the limited Missouri facilities at issue in this proceeding and do not justify a procedural schedule being established in the instant case.

6. Further, to justify the prolonged schedule proposed by the Intervening Parties, MJMEUC asserts claims regarding ITC's parent company's capital structure. MJMEUC overlooks that ITC's parent company is not a party to this proceeding and that the proposed capital structure of the ITC operating subsidiaries is subject to approval of FERC.

7. The Intervenor Schedule ignores that the matters in the Joint Application pertain only to EAI's limited facilities located in Missouri, which are used to furnish wholesale electric service in Missouri subject to the rate jurisdiction of FERC and electric service to EAI's retail customers in north Arkansas subject to the retail jurisdiction of the Arkansas Public Service Commission. The Intervenor Schedule sets

forth no issue sufficient to justify establishing a procedural schedule in this matter – particularly the excessive, four-month schedule proposed by the Intervening Parties.

8. Should the Commission determine that a procedural schedule is necessary in contrast to Staff's Status Report, Joint Applicants wish to inform the Commission of the following hearing dates in other states, where witnesses will have to appear to address issues concerning more extensive assets before Entergy retail rate regulators:

Texas – May 21-24

Arkansas – July 9-12

Louisiana – July 15-19

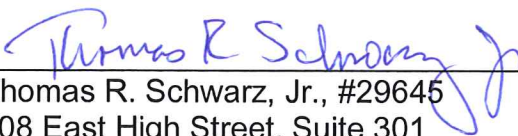
New Orleans – July 23-26

Mississippi – August 6-8

WHEREFORE, Joint Applicants respectfully request the Commission (1) dismiss all issues pertaining to EAI's choice of RTOs from this proceeding; (2) adopt a schedule consistent with Staff's Status Report on March 18, 2013; and (3) grant all other appropriate relief to which Joint Applicants are entitled.

Respectfully submitted,

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CERTIFICATE OF SERVICE

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