

**BEFORE THE PUBLIC SERVICE COMMISSION
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,)	<u>Case No. EO-2013-0396</u>
for Approval of Transfer of Assets and)	
Certificate of Convenience and Necessity,)	
and Merger and, in connection therewith,)	
Certain Other Related Transactions.)	

In the Matter of Entergy Arkansas, Inc.'s)	
Notification of Intent to Change Functional)	
Control of Its Missouri Electric Trans-)	
mission Facilities to the Midwest)	
Independent Transmission System)	<u>Case No. EO-2013-0431</u>
Operator, Inc., Regional Transmission)	
System Organization or Alternative)	
Request to Change Functional Control)	
and Motions for Waiver and Expedited)	
Treatment.)	

**PUBLIC COUNSEL'S STATEMENT OF POSITIONS
AND MOTION FOR LEAVE TO LATE FILE**

COMES NOW the Office of the Public Service Counsel and for its Statement of Position on the Issues and Motion for Leave to Late File states as follows:

STATEMENT OF POSITIONS ON THE ISSUES

Case No. EO-2013-0396:

1. Does the Commission have jurisdiction over this matter?

Yes. Public counsel concurs in the analysis of the Staff Counsel on this issue.

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?

Public Counsel takes no position on this issue at this time, but reserves the right to take a position after evidence is adduced and the record is complete.

3. Have the Joint Applicants in Case No. EO-2013-0396 met their burden to provide sufficient information to the Commission so that the Commission may make a determination regarding whether the transfer of EAI's Missouri transmission assets and its certificate of convenience and necessity is not detrimental to the public interest?

Public Counsel takes no position on this issue at this time, but reserves the right to take a position after evidence is adduced and the record is complete.

4. Have the Joint Applicants in Case No. EO-2013-0396 demonstrated that there is no net detriment to Missouri customers that may result from the contemplated merger?

Public Counsel takes no position on this issue at this time, but reserves the right to take a position after evidence is adduced and the record is complete.

5. Have the Joint Applicants in Case No. EO-2013-0396 documented and supported the increase in transmission rates that is likely to occur as a result of the merger?

Public Counsel takes no position on this issue at this time, but reserves the right to take a position after evidence is adduced and the record is complete.

6. Have the Joint Applicants documented any incremental benefit to Missouri customers that will offset the projected increases in transmission rates caused by the increased ROE and higher equity component in capital structure associated with the transfer of its Missouri transmission assets to ITC?

Public Counsel takes no position on this issue at this time, but reserves the right to take a position after evidence is adduced and the record is complete.

7. 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 ITC Arkansas to change its name to ITC Arkansas LLC in conjunction with completion of the Transaction?

Public Counsel takes no position on this issue of granting the certificate of convenience and necessity at this time, but reserves the right to take a position after evidence is adduced and the record is complete. Public Counsel agrees with Staff's position regarding Rules 4 CSR 240-3.190(3)(E) and (4)-(10).

8. Have the Joint Applicants adequately addressed the issues of safety and reliability that may arise as a result of the proposed transaction?

Yes.

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

Public Counsel agrees with Staff's position.

Case No. EO-2013-0431:

1. Does the Commission have jurisdiction over this matter?

Yes. Public counsel concurs in the analysis of the Staff Counsel on this issue.

2. Should the Commission find and conclude that the proposed MISO integration is not detrimental to the public interest in Missouri?

Public Counsel takes no position on this issue at this time, but reserves the right to take a position after evidence is adduced and the record is complete.

3. Has EAI met its burden to provide sufficient information to the Commission so that the Commission may make a determination regarding whether the transfer of functional control of EAI's Missouri transmission assets to MISO is not detrimental to the public interest?

Public Counsel takes no position on this issue at this time, but reserves the right to take a position after evidence is adduced and the record is complete.

4. Has EAI documented and supported the increase in transmission rates that is likely to occur as a result of the transfer of functional control to MISO?

Public Counsel takes no position on this issue at this time, but reserves the right to take a position after evidence is adduced and the record is complete.

5. Has EAI adequately addressed the issues of safety and reliability that may arise as a result of the proposed transaction?

Yes.

6. Has EAI demonstrated that there will be no net detriment to Missouri transmission operations and the power market seam in Missouri as a result of the proposed transaction?

Public Counsel takes no position on this issue at this time, but reserves the right to take a position after evidence is adduced and the record is complete.

7. Has EAI demonstrated any incremental benefit to Missouri customers that will offset the projected increases in transmission rates caused by the application of Through and Out rates as a result of transmission service moving to the MISO Tariff?

Public Counsel takes no position on this issue at this time, but reserves the right to take a position after evidence is adduced and the record is complete.

8. Has EAI demonstrated a net benefit to Missouri customers that will offset the rate impacts to such customers as a result of the decrease in KCP&L's off-system sales margin?

Public Counsel takes no position on this issue at this time, but reserves the right to take a position after evidence is adduced and the record is complete.

9. Has EAI demonstrated that KCP&L, GMO, Empire, and MJMEUC will be held harmless with respect to cost compensation due to EAI's voluntary choice to place its transmission assets under MISO?

Public Counsel takes no position on this issue at this time, but reserves the right to take a position after evidence is adduced and the record is complete.

10. Are there conditions that the Commission could impose on this transfer that would allow for a finding that the transfer of functional control is not detrimental to the public interest?

Public Counsel takes no position on this issue at this time, but reserves the right to take a position after evidence is adduced and the record is complete.

MOTION FOR LEAVE TO LATE FILE

By its order issued April 18, 2013, the Commission established June 10, 2013 as the deadline for filing the list of issues, with position statements to be filed the same day. Most parties filed position statements on June 12, 2013, and the Staff filed its position statement on June 14, 2013. Because of the involvement of the undersigned in other Commission-related matters (including the filing of an appellate brief on June 13), Public Counsel was unable to timely file its statement of positions.

WHEREFORE, Public Counsel respectfully submits this Statement of Position and requests leave to file it out of time.

Respectfully submitted,

OFFICE OF THE PUBLIC COUNSEL

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing has been emailed to parties of record this 17th day of June 2013.

Missouri Public Service Commission

Service List for Case No. **EO-2013-0396** Last Updated: **5/21/2013**

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Service List for Case No. **EO-2013-0431** Last Updated: **4/30/2013**

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