
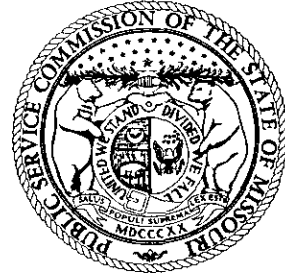


## Notice of *Ex Parte* Contact

TO Data Center  
All Parties in Case No EO-2008-0134

FROM Commissioner Terry Jarrett 

DATE October 30, 2008



On October 30, 2008, we received the attached electronic mail message and letter from Mr T Graham Edwards, Chief Executive Officer of Midwest ISO. The Commission recently had an active case involving AmerenUE and The Midwest Independent Transmission System Operator, Inc (Midwest ISO), Case No EO-2008-0134, which is referred to in the letter. The Commission is bound by its *ex parte* rule, and we are therefore giving notice to the parties this communication has been received.

Although communications from members of the public, members of the Legislature or others are always welcome, those communications must be made known to all parties to a contested case so that all parties have the opportunity to respond. According to the Commission rules (4 CSR 240-4.020(8)), when a communication (either oral or written) occurs outside the hearing process, any member of the Commission or Regulatory Law Judge who received the communication shall prepare a written report concerning the communication and submit it to each member of the Commission and the parties to the case. The report shall identify the person(s) who participated in the *ex parte* communication, the circumstances which resulted in the communication, the substance of the communication, and the relationship of the communication to a particular matter at issue before the Commission.

Therefore, we submit this report pursuant to the rules cited above. This will ensure that any party to this case will have notice of the attached information and a full and fair opportunity to respond to the comments contained therein.

cc Commissioners  
Executive Director  
Secretary/Chief Regulatory Law Judge  
General Counsel

**Adrian, Barb**

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**From** Jarrett, Terry  
**Sent** Thursday, October 30, 2008 8 59 AM  
**To** Adrian, Barb  
**Subject** FW Letter from Graham Edwards RE Case No EO-2008-0134  
**Attachments** Missouri Public Service Commission - RECB - October 29, 2008 pdf

Please prepare ex parte notice for me

Terry M Jarrett  
Commissioner  
Missouri Public Service Commission  
573-751-3243  
terry.jarrett@psc.mo.gov

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**From:** Ruby Gillen [mailto:RGillen@midwestiso.org]  
**Sent:** Wednesday, October 29, 2008 3 44 PM  
**To:** Davis, Jeff, Murray, Connie, Clayton, Robert, Jarrett, Terry, Gunn, Kevin  
**Cc:** Keith Beall  
**Subject:** Letter from Graham Edwards RE Case No EO-2008-0134

Please find letter attached from Graham Edwards

Regards,  
Ruby Gillen  
Sr. Executive Associate

10/30/2008

# Midwest

Energizing the Heartland

**T. Graham Edwards**  
**Chief Executive Officer**  
**(317) 249-5430**  
**gedwards@midwestiso.org**

October 29, 2008

Chairman Jeff Davis  
Commissioner Connie Murray  
Commissioner Robert M. Clayton III  
Commissioner Terry Jarrett  
Commissioner Kevin D. Gunn  
Missouri Public Service Commission  
200 Madison Street, Governor Office Building  
Jefferson City, Missouri 65101

Dear Chairman Davis and Commissioners

As you will recall, during the on-the-record presentation of August 18, 2008 in Case No. EO-2008-0134, I testified before the Missouri Public Service Commission in support of the Stipulation and Agreement providing for AmerenUE's continued participation in the Midwest ISO. As part of that proceeding, I stated that the Midwest ISO would commence a stakeholder process in early September to address improvements to the transmission cost-sharing mechanism commonly referred to as RECB – Regional Expansion Criteria and Benefits. We recognized that this was of particular interest to both Ameren and the Missouri Commission. At that time, I expected that the official formation of a new stakeholder task force to address cost allocation issues – to be known as the RECB Task Force – would be approved later that same month.

I would like to provide you with an update on the progress of that effort.

The day following the August 18 proceedings, the Midwest ISO officer team participated in a regularly scheduled sector meeting with the Organization of MISO States (OMS). At that meeting, the OMS expressed strong interest in taking a leadership role in improving the current transmission cost allocation practices at the Midwest ISO. I believe the increased involvement and leadership of the OMS is a necessary and important step that will result in a superior outcome from our transmission cost allocation discussions. However, this change meant that additional discussions were necessary to address coordination of the work planned by the OMS Working Group with those efforts to be undertaken by the RECB Task Force. Those discussions have been ongoing since late August.

Letter to MISSOURI PSC

October 29, 2008

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Most recently, at the October 14 OMS sector meeting, there was open discussion and general agreement that an iterative approach, in which one group provided feedback to the other, would be the best way to make progress toward a solution. Based on that decision, we are initiating the Midwest ISO governance process to establish the RECB Task Force. Under that process the Steering Committee that reports to the Midwest ISO Advisory Committee will take up the matter, as it is responsible for evaluating the need for new stakeholder organizations. The Steering Committee will meet in mid-November to consider the RECB Task Force proposal, which I expect to be endorsed. Its recommendation will be presented to the Advisory Committee for formal approval on December 3, 2008. If approved, the RECB Task Force will begin meeting early in 2009. Commissioner Lauren Azar of the Wisconsin Public Service Commission has agreed to play a leadership role in both the Midwest ISO and OMS efforts, and, if elected, is expected to chair the RECB Task Force.

Although the formation of the RECB Task Force has been delayed, the effort to advance solutions to transmission cost allocation issues continues through conversations with all Midwest ISO Stakeholders. In addition to ongoing discussions with the OMS, the December 3 Advisory Committee meeting will feature stakeholder sector presentations to the Midwest ISO Board of Directors and senior management on a series of questions related to transmission cost allocation. This feedback will serve as a key input not only to the management of the Midwest ISO, but also to the efforts of the RECB Task Force.

The Midwest ISO remains committed to moving forward quickly to address needed improvements to the transmission cost-sharing procedures in the Midwest ISO. As always, I remain available to answer any questions regarding the above that you, or any of your fellow Commissioners, may have.

Sincerely,



T. Graham Edwards

cc Ms Maureen Borkowski  
Mr James B Lowery  
Mr Steven Dottheim  
Mr Lewis Mills  
Ms Diana M Vuylsteke  
Mr Dean L Cooper  
Mr Curtis D Blanc  
Mr David Linton  
Mr Karl Zobrist