

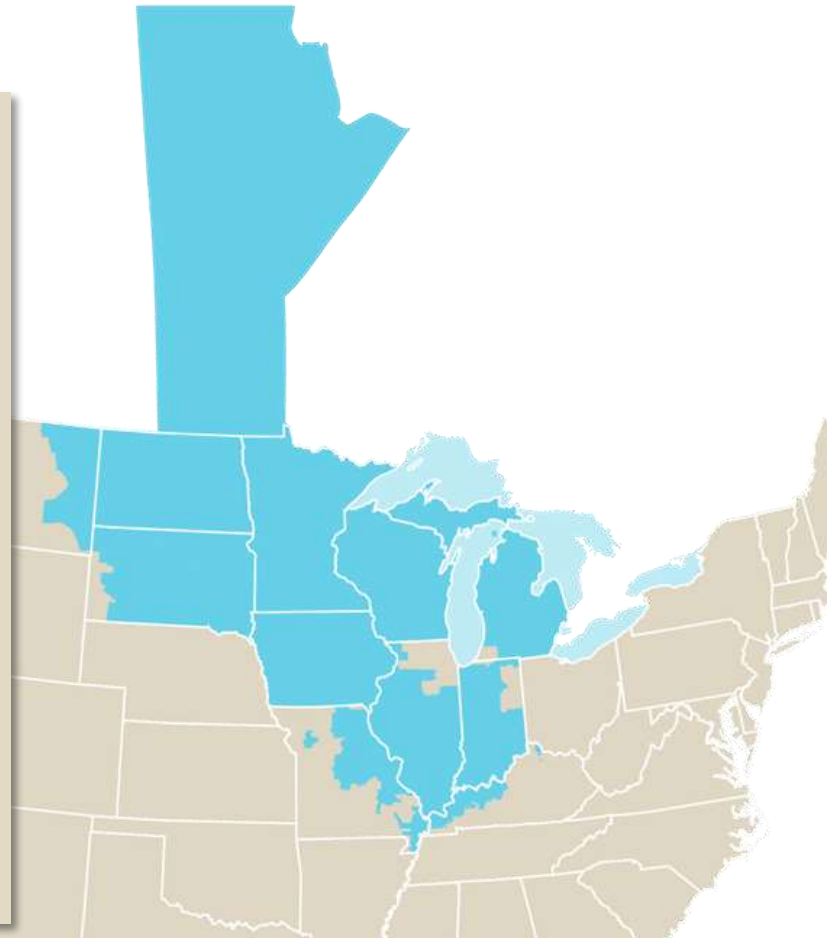
Resource and Transmission Planning for a Reliable and Efficient Grid: MISO's Perspective

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September 12, 2012

Who is MISO? Independent, Not-for-profit

Lower Costs, Greater Reliability

- Nation's first regional transmission organization
- Three Primary Roles:
 - ✓ Delivering lowest cost energy
 - ✓ Improving reliability
 - ✓ Value-based regional planning
- 374 market participants serving 40.3 million people
- *\$2.1-\$3 billion in savings value*

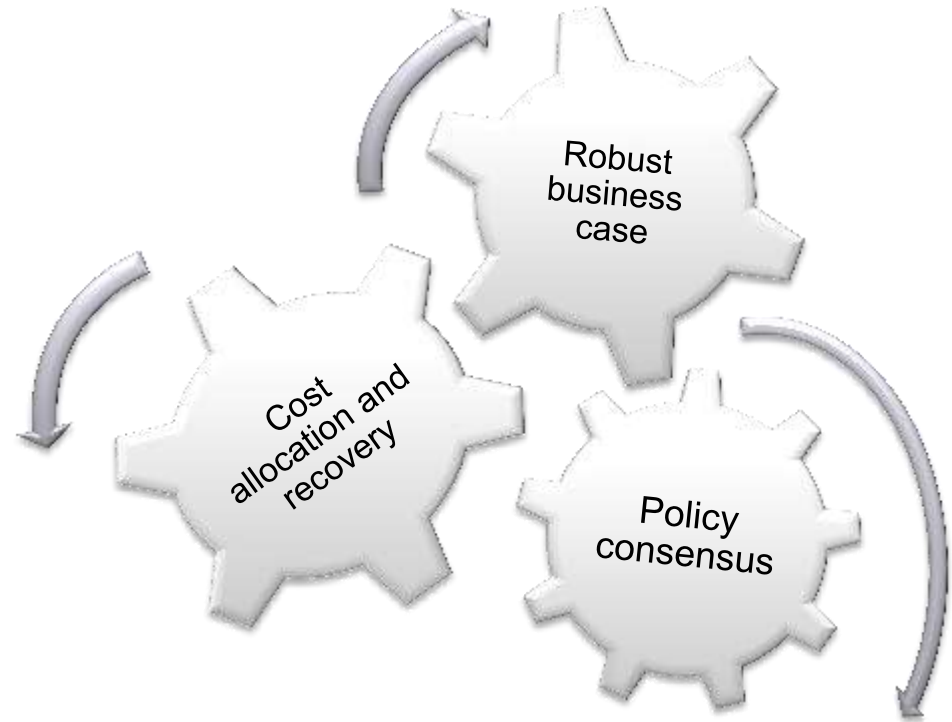


Ensuring Valued Transmission is Built

Fundamental Goal: The development of a comprehensive expansion plan that meets reliability needs, policy needs, and economic needs.

Before transmission is built a number of conditions must be met:

- Consensus on energy policies (current and future).
- A robust business case that demonstrates value sufficient to support the construction of the transmission project.
- A regional tariff that matches who benefits with who pays over time.
- Cost recovery mechanisms that reduces financial risk.

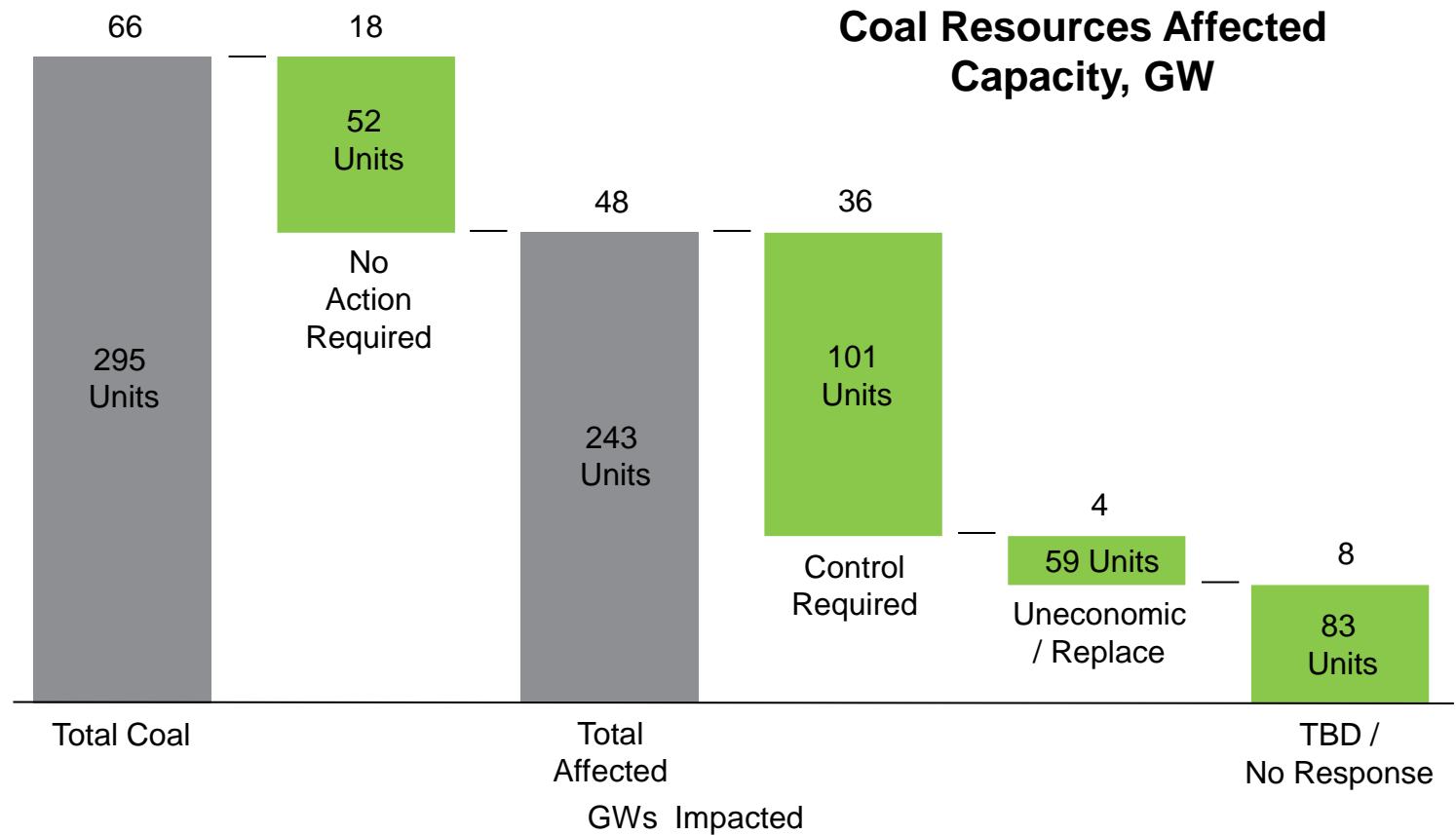


FERC Order 1000: MISO Compliance

	Requirement	Status	Comment
Regional 12 Month Compliance	Planning		Already Compliant*
	Cost Allocation		Already Compliant*
	Right of First Refusal		Highly polarized, proposed Tariff language posted
Interregional 18 Month	Planning		Multiple boundaries on tight timeline; discussions ongoing
	Cost Allocation		Highly polarized, tight timeline

* MISO believes current rules comply with, wholly or in part, FERC Order 1000 requirements. Compliance will ultimately be determined by FERC following compliance filings .

MISO's recent survey indicates many EPA compliance decisions are under evaluation

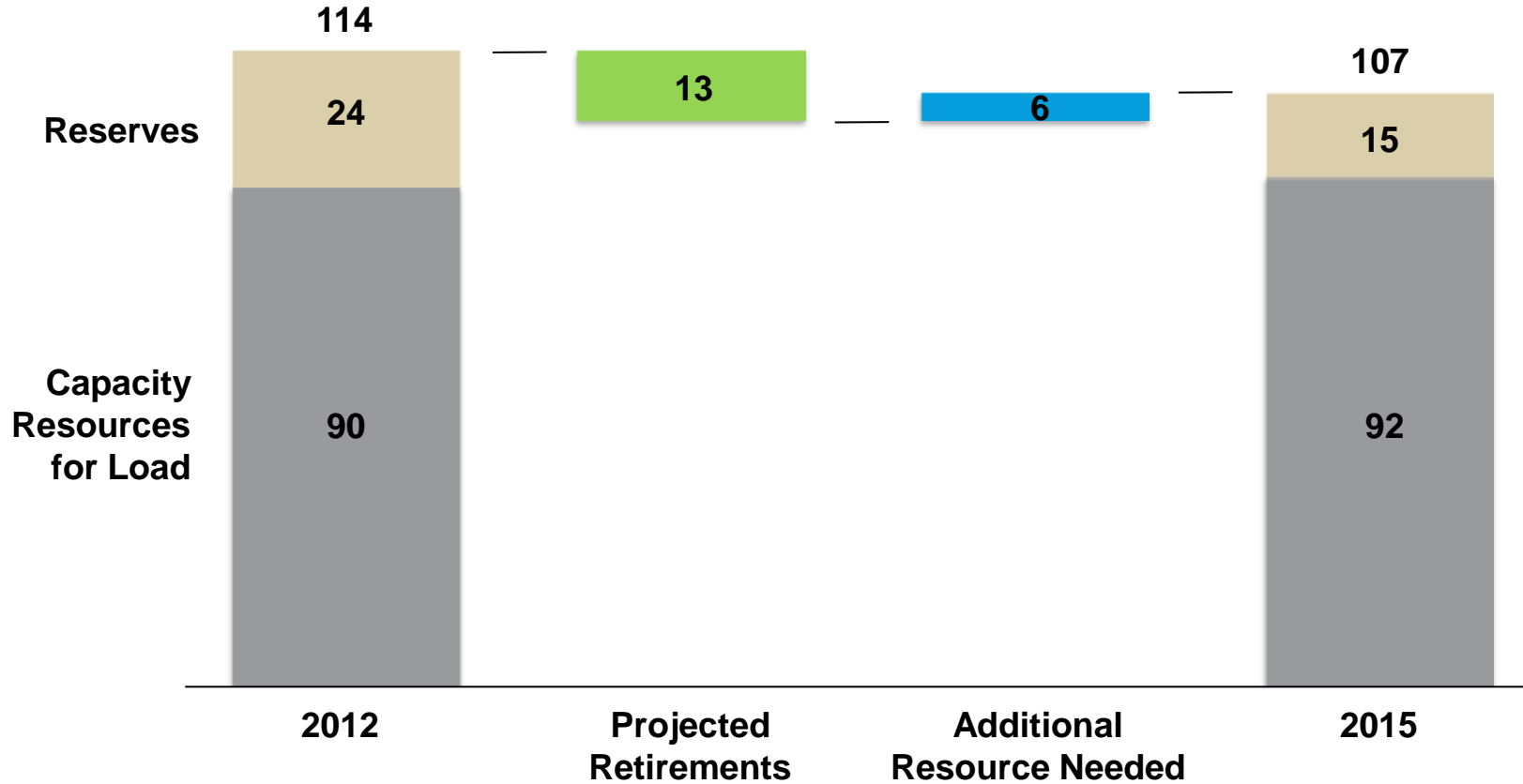


Q2 Survey Results (06/2012)	66	18	48	36	4	8
MISO Study (10/2011)	66	9	57	44	13	-



6 GW of resource capacity may be needed by 2015 to maintain an appropriate planning reserve margin

Capacity Resources, GW



27.4%

Planning Reserve Margin

16.5%



Questions?