

ITC Transmission and Michigan Electric Transmission Company, LLC collective responses to the MPSC Expectations for Midwest ISO Transmission Expansion Plan 2009 (MTEP 09) Process document

ITC Transmission and Michigan Electric Transmission Company, LLC (collectively referred herein as ITC) understand the issues and concerns of stakeholders and participants alike that occurred as part of the MTEP08 process. ITC believes that the Michigan Planning Consortium provides a valuable forum to exchange information, understand stakeholders' perspectives, and have productive dialogue among stakeholders on regional planning issues while the Midwest Independent Transmission System Operator, Inc.'s (Midwest ISO) Order 890 compliance process continued to evolve. Both the Midwest ISO and ITC have significantly adjusted their processes for MTEP09 in response to stakeholder concerns. For instance, the Midwest ISO, in compliance with Order 890 directives and in reaction to stakeholder feedback, has made changes for MTEP09 and has reviewed these changes with all Midwest ISO stakeholders including the Michigan Planning Consortium participants.

Transmission planning within the ITC footprint is an important duty that the Company takes very seriously since ITC is the entity that must adhere to the mandatory North American Electric Reliability Corporation (NERC) Reliability Standards that deal with transmission planning and operations and is the entity liable for financial penalties for noncompliance of these standards. While it may not be possible to always reach a consensus on: 1) whether or not a project is the best project to address a particular problem, 2) whether or not a problem exists; 3) the planning criteria ITC uses to evaluate its system; and 4) the appropriate interpretation of the NERC reliability standards, ITC believes that the MISO stakeholder process, in conjunction with MISO's Michigan Technical Task Force, provides the opportunity for early resolution of the differences that might occur from stakeholders' reactions to ITC's projects.

Further, ITC believes that MTEP09 is a new and evolving process and that changes and improvements will continue to be required for the MTEP10 process and beyond. ITC believes that the MPSC and stakeholder expectations will be met by the new and improved Midwest ISO MTEP09 process and that going forward, ad hoc meetings can be convened as necessary to address issues that may arise among stakeholders and ITC.

Based on the above comments, coupled with the progress made at the Consortium, ITC believes the Michigan Planning Consortium could achieve further progress before July 31st, 2009 by addressing the following issues:

- Information sharing on what will be included in the participating utility filings' in the renewable energy / energy optimization plans as

data from those plans can be instructive to the transmission planning process.

- A determination of what information is included in each load serving entity's load forecast including economic metrics, effects of energy optimization plans on load forecasting, etc. and a means by which information can be shared.
- A move toward consensus on a transmission owner load forecasting procedure for transmission planning purposes or, at the very least, an agreement on an improved load forecasting process using relevant economic data.
- Determination of all benefits of Extra High Voltage (345 kV and above) projects, the measures needed to evaluate those benefits, and the evaluation of those benefits that have been identified as having the most importance.
- Development of the next steps to interconnect the renewable generation currently being evaluated by the Wind Energy Zone Board.