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2005 JUN -1 P 4:49

FEDERAL ENERGY
REGULATORY COMMISSION

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June 1, 2005

VIA HAND DELIVERY
Honorable Magalie R. Salas
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Re: *Midwest Independent Transmission System Operator, Inc.,*
Docket Nos, ER05-6-000, et al.

Dear Secretary Salas:

Please find enclosed the original and fourteen copies of the attached letter of the Michigan Public Service Commission to Chairman Pat Wood and Commissioners Brownell, Kelliher and Kelly pertaining to the above-referenced proceedings.

A copy of this document is being served upon all parties on the Commission's service lists.

Thank you for your attention to this matter.

Sincerely,

STINSON MORRISON HECKER LLP

David D'Alessandro

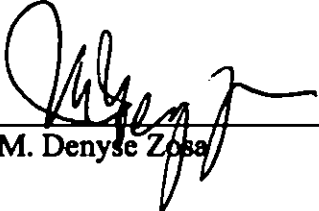
cc: All parties listed
on service lists.

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- OVERLAND PARK
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- OMAHA
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CERTIFICATE OF SERVICE

I hereby certify that I have served a copy of the foregoing document upon each person designated on the official service lists compiled by the Secretary in these proceedings.

Dated at Washington, D.C., this 1st day of June, 2005.



M. Denyse Zosa

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Jennifer M. Granholm
GOVERNOR

2005 JUN -1 P 11:06

STATE OF MICHIGAN
PUBLIC SERVICE COMMISSION
DEPARTMENT OF LABOR & ECONOMIC GROWTH
DAVID C. HOLLISTER
DIRECTOR

J. Peter Lark
CHAIRMAN

Robert B. Nelson
COMMISSIONER

Laura Chappelle
COMMISSIONER

FEDERAL ENERGY
REGULATORY COMMISSION

June 1, 2005

The Honorable Pat Wood, Chairman
The Honorable Nora Mead Brownell
The Honorable Joseph T. Kelliher
The Honorable Suedeen G. Kelly
Federal Energy Regulatory Commission
888 First Street N.E.
Washington D.C. 20426

2005 JUN -1 P 11:50
OFFICE OF THE
SECRETARY
FEDERAL ENERGY
REGULATORY COMMISSION

**RE: *Midwest Independent Transmission System Operator, Inc.
Docket Nos. ER05-6, et al***

Dear Chairman and Commissioners:

The Michigan Public Service Commission (MPSC) has been an active participant in the above-cited proceeding. The MPSC has demonstrated in its numerous filings throughout the long history of this proceeding that it firmly supports FERC goals to establish a non-discriminatory and seamless regional transmission grid that, among other objectives, eliminates pancaking of transmission rates. Furthermore, the MPSC has strongly promoted expeditious resolution of the issues in this proceeding in as equitable a manner as possible.

Recently it has been brought to our attention that several load serving entities in Michigan have expressed to the Commission their belief that dire consequences could materialize if emergency relief is not forthcoming on several issues. Specifically, alternative energy suppliers and electric utilities, both of which are load serving entities, have filed letters and motions requesting relief from the Commission. These entities have requested the Commission to swiftly and definitively determine the parameters for several issues that are currently outstanding. The MPSC, while not currently advancing a position on the merits of these claims, is persuaded that the magnitude of the consequences warrants expeditious Commission action.

While the Commission has authorized the Midwest ISO and PJM to begin billing for the Seams Elimination Charge/Cost Adjustments/Assignments (SECA) as of December 1, 2004, the Commission has left several issues to be resolved that will have a dramatic effect on the amount

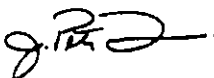
The Honorable Pat Wood
The Honorable Nora Mead Brownell
The Honorable Joseph T. Kelliher
The Honorable Suedeen G. Kelly
June 1, 2005
Page 2

of the SECA for many parties. The Commission has provided for the refund of charges in the event that parties prevail on their issues. However, we believe the Commission has failed to adequately assess the immediate burden that large increased costs may place on some of the parties. And given that some of the issues have already been at least partially resolved, such as the supplier as shipper, while other major issues remain pending on rehearing, it may be unfair to require parties to pay large SECA charges that will ultimately have to be refunded. It would seem more appropriate for the Commission to promptly rule on these issues, particularly issues in the pending requests for rehearing, or hold the implementation of the SECA charges in abeyance until these issues are resolved.

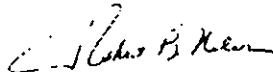
The MPSC shares the concerns expressed by several Michigan parties that expeditious resolution of these issues is critical to the final determination of the SECA charge. The current imposition of very large charges could have a severe effect on parties and retail competition, even if those charges are later refunded. Some of the alternative electric suppliers serving Michigan customers have indicated that the SECA charge will impose such an enormous burden on them that they may be driven out of business long before refunds are granted.

In conclusion, the MPSC urges the Commission to expeditiously review and rule on the pending motions for rehearing and other pleadings which will help to resolve the amount of the SECA charge that will be assessed on load serving entities and/or consider deferring payment of the SECA charges until all issues that will affect the final charges are resolved.

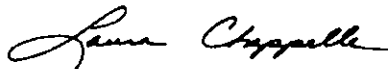
Very truly yours,



J. Peter Lark, Chairman
Michigan Public Service Commission



Robert B. Nelson, Commissioner
Michigan Public Service Commission



Laura Chappelle, Commissioner
Michigan Public Service Commission