THE
CITY of PELLA
ELECTRIC DISTRIBUTION
222 Truman Road • P.O. Box 88 • Pella, Iowa 50219
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"A Touch of Holland"

"Home of the Famous Tulip Festival"

Ms. Gloria Bryant
Manager, Transmission Settlements
MISO
P.O. Box 4202
Carmel, IN 46082-4202

March 8, 2018

Re: Submittal of Attachments O and GG and Supporting Workpapers to MISO

Dear Ms. Bryant:

The accompanying Attachment O, along with any other supporting workpapers requested by MISO submitted for the City of Pella are based on the audited financial statements and underlying financial records for the electric utility for the year ended June 30, 2017. The expenses, assets, liabilities and proprietary capital data provided by the City of Pella in the EIA Form 412, Attachment O, and supporting workpapers are consistent with the Uniform System of Accounts cited in the EIA Form 412 template (which the City of Pella will continue to use so long as MISO requires the EIA Form 412 template).

Allocations of expenses made in the City of Pella's financial statements are based on historical cost allocation reviews conducted by the electric utility staff. The City of Pella confirms that its audited financial statements and workpapers submitted with the Attachment O data will be publicly available for review and inspection.

The City of Pella is not a jurisdictional utility under the Federal Power Act and Federal Energy Regulatory Commission (FERC) regulations. Therefore, it does not file a FERC Form 1 nor keep its books and records in accordance with the Uniform System of Accounts. However, the City of Pella has completed an EIA Form 412 consistent with historical allocations and record keeping. The City of Pella confirms that these allocations and categorizations of rate base balances and expense detail are reasonable and consistent with the intent of MISO's Attachment O, EIA Form 412 templates and the Uniform System of Accounts.

Respectfully,

Nate Spurgeon
Electric Director