CITY OF TIPTON
ESTABLISHED 1840

March 21st 2017

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

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

Dear Ms. Bryant:

The accompanying Attachment O and Attachment GG, along with any other supporting work papers requested by MISO submitted for the City of Tipton are based on the audited financial statements and underlying financial records for the electric utility for the year ended June 30, 2016. The expenses, assets, liabilities and proprietary capital data provided by Tipton in the EIA Form 412, Attachment O, Attachment GG and supporting work papers are consistent with the Uniform System of Accounts cited in the EIA Form 412 template (which Tipton will continue to use so long as MISO requires the EIA Form 412 template).

Allocations of expenses made in the Tipton's financial statements are based on historical cost allocation reviews conducted by the electric utility staff; a full description of these allocation methodologies is attached. These cost allocations have been audited by certified professional accountants and are an accurate representation of the financial condition of the electric utility. Tipton will notify MISO in writing, explaining the new allocation methodology, before changing the methodology used to allocate these expenses in future financial statements and in its Attachment O, Attachment GG and supporting work papers submittals to MISO. Tipton confirms that the utility's audited financial statements and work papers submitted with the Attachment O and Attachment GG data will be publicly available for review and inspection.

Tipton 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, Tipton has completed an EIA Form 412 consistent with historical allocations and record keeping. Tipton 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.

Very truly yours,

Floyd K. Taber
Electric Superintendent