August 21, 2012

Overview and Summary – ICT Transition from SPP to MISO

I. General Stakeholder Interaction with the ICT

As of December 1, 2012, MISO will become the ICT for the Entergy Transmission System¹ ("Entergy"), and the ICT points of contact will transition from SPP employees to MISO employees. The same services provided by SPP will be provided by MISO. MISO employees assigned to lead the ICT stakeholder committees are available now to discuss any ICT-related concerns. These MISO employees and their corresponding ICT committees are listed below:

- ICT Stakeholder Policy Committee: Eric Laverty (<u>elaverty@misoenergy.org</u>)
- AFC Task Force: John Harmon (jharmon@misoenergy.org)
- Reliability Task Force: Tim Aliff (taliff@misoenergy.org)
- System Impact Study Task Force: Paul Muncy (pmuncy@misoenergy.org)
- WPP Task Force: Aaron Casto (<u>acasto@misoenergy.org</u>)
- ICT Users Group: Kun Zhu (kzhu@misoenergy.org)

On December 1, 2012, these contacts, and others, will replace the SPP contacts currently listed on Entergy's OASIS, providing stakeholders with the appropriate contact for any given ICT issue. Additionally, MISO will have a section on its website devoted to the ICT arrangement and responsibilities, providing related information to stakeholders.

II. Planning

The planning process will not be materially affected by the transition of ICT services to MISO. The planning requirements will be fulfilled leveraging off of MISO's existing systems and methods, including providing stakeholders with increased visibility into the planning process by incorporating MISO's Subregional Planning Meeting approach. MISO is planning on hosting at least one, and possibly two, 2013 stakeholder meetings in addition to the Planning Summit.

For reliability planning, it is intended that SPP will complete and post the final ICT 2013 Base Plan prior to December 1, 2012. It is likewise intended that Entergy will complete and post the 2013-2017 Construction Plan prior to December 1, 2012. Economic planning will proceed in a similar manner. SPP, acting as Entergy's ICT, will complete

The six Entergy Operating Companies are Entergy Arkansas, Inc., Entergy Gulf States Louisiana, L.L.C., Entergy Texas, Inc., Entergy Louisiana, LLC, Entergy Mississippi, Inc., and Entergy New Orleans, Inc.. Each Operating Company is a wholly-owned subsidiary of Entergy Corporation ("Entergy"). The transmission assets of these six Operating Companies are referred to collectively as the "Entergy Transmission System."

the 2012 ICT Strategic Transmission Expansion Plan ("ISTEP") study and the Entergy/SPP Regional Planning Process ("ESRPP") study, and post final reports for each prior to December 1, 2012.

As of December 1, 2012, MISO will assume ICT responsibilities for reliability and economic planning for the Entergy Transmission System. These responsibilities will include the completion and distribution of the Differences Report based on the ICT 2013 Base Plan and the 2013-2017 Entergy Construction Plan.

III. Long Term Transmission Service and Generation Interconnection Requests

A draft timeline is being developed for the transition of transmission and generator interconnection request processing and responsibility from SPP to MISO. This timeline will provide details regarding the execution of study agreements, the completion of studies, and the customer's interface with the ICT and Entergy's OASIS during and after the transition. After receiving stakeholder feedback on the draft timeline, a final transition timeline will be posted on OASIS and distributed to the E-RSC Working Group exploder list.

While this timeline will provide detail as to which entity will be performing studies during the transition, customers should experience no delay or loss of quality in the processing of Generation Interconnection and Long Term Service requests.

IV. Short Term Service Requests

Stakeholders will experience no immediate direct impact as a result of MISO assuming Tariff Administration and AFC responsibilities as they relate to requests for short-term transmission service. The Tariff is unchanged, and therefore the process will be run by MISO in the same way it was run by SPP; and stakeholders will be provided with a transition plan in advance of the December 1 transition.

V. Tariff Administration

On December 1, 2012, MISO will operate the OASIS and Tariff Administration Desk for the Entergy Transmission System. The primary interface for stakeholders will not be impacted by this transition. OASIS will remain the same except for administrative changes such as replacing letterheads and contact information.

To prepare for its role as the Tariff Administrator, MISO will begin parallel operations with SPP beginning on September 4, 2012. These parallel operations will be accompanied by regular conference calls to address any issues and ensure that MISO is prepared to execute its Tariff Administration role proficiently, transitioning from SPP in a seamless manner.

VI. Reliability Coordination

As of December 1, 2012, MISO will be the Reliability Coordinator for the Entergy Transmission System. Stakeholders who procure transmission or generator interconnection services from Entergy will not be immediately impacted by this transition.

NERC will perform a Reliability Coordinator review with MISO during the last week of August 2012 to render preliminary certification results and outline any additional action needed by MISO. Beginning the first week of September 2012, MISO will begin parallel operation with SPP as the Reliability Coordinator in real-time. This shadowing of SPP's processes will include outage coordination. During this time, MISO will address any outstanding issues raised by NERC such that NERC will provide its final certification by the end of October 2012, well in advance of the December 1, 2012 transition date.

As with the processing of long term service and generator interconnection requests, stakeholders will receive a timeline for the transition of outage coordination responsibilities in advance of the transition. This timeline will provide detail as to which entity will be performing outage coordination functions during the transition.

Finally, as part of the transition to MISO as Reliability Coordinator, there may be additional requirements for generators relating to metering and telemetry equipment. MISO and Entergy are engaging in significant stakeholder education and outreach efforts with affected generators with respect to these additional requirements.

VII. Weekly Procurement Process

Stakeholders will experience no direct impact as a result of MISO assuming the responsibilities for WPP implementation. The process will be run by MISO in the same way it has been run by SPP. The only material change expected on December 1, 2012, is that WPP will be one of the processes monitored by Potomac Economics, MISO's Independent Market Monitor. Entergy is engaging in discussions with Potomac Economics regarding a contract for additional monitoring functions to be performed by Potomac Economics. Such additional monitoring functions are expected to be performed under that separate contract; monitoring activities performed under the ICT contract are limited to the WPP monitoring provided under Entergy's existing contract with SPP.