

VIA ELECTRONIC MAIL

June 17, 2016

Mr. Deral Danis
Director, Engineering & Transmission
Clean Line Energy Partners, LLC
1001 McKinney Street, Suite 700
Houston, TX 77002

Dear Mr. Danis,

Thank you for your questions on the MISO interconnection process sent on June 6, 2016. Below are MISO's responses for your consideration. If there are further questions, please let me know.

1) Q: Does MISO's interconnection process ensure compliance with NERC, regional, and local planning/reliability standards?

MISO's interconnection process ensures compliance with all applicable standards. MISO studies interconnection requests under the NERC Standard FAC-002 which requires new interconnection requests to be studied under applicable NERC reliability standards. Those standards include TPL-001 standard which defines the time horizon, load conditions, contingency events, and other aspects of the Reliability Assessment in general. MISO also considers the Local Planning Criteria of the affected Transmission Owners in ensuring interconnections are made in a reliable manner.

2) Q: Is it anticipated that MISO's HVDC interconnection process, currently under development, would also ensure compliance with NERC, regional, and local planning/reliability standards?

Yes

3) Q: What is the intent of the readiness milestones in the interconnection process such as the M2 deposit?

Readiness milestone payments, specifically the M2, are meant to gauge the readiness of any project entering the MISO queue. The M2 milestone, as implemented today, was instituted in the 2012 queue reform because projects were languishing in the queue with uncertain intention of whether or not they would progress further. The current M2 milestone payment is based on MISO's Point to Point Transmission service rate and the Planning level estimate of Network Upgrades needed.

4) **In line with the fourth paragraph of the Moeller Letter (Attached), Q: Are merchant transmission projects, like the Grain Belt Express Project, able to recover their costs through MISO's MTEP cost allocation processes?**

No. As stated in Attachment FF of the MISO Tariff "A proposed merchant transmission developer assumes all financial risk and funding requirements for developing its transmission project(s) and constructing the proposed transmission facility(ies)." Projects that are defined as merchant transmission projects are not eligible for cost allocation through the MTEP process as they do not meet the criteria for cost allocation.

Respectfully,

A handwritten signature in blue ink, appearing to read 'T. Aliff', is written over a faint, illegible printed name.

Tim Aliff
Director, Reliability Planning