

Short Form

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

OMB No. 1545-1150

2008

Open to Public Inspection

Form 990-EZ

Department of the Treasury
Internal Revenue Service

Sponsoring organizations of donor advised funds and controlling organizations as defined in section 512(b)(13) must file Form 990. All other organizations with gross receipts less than \$1,000,000 and total assets less than \$2,500,000 at the end of the year may use this form. The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2008 calendar year, or tax year beginning and ending

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type. See Specific Instructions.	C Name of organization ORGANIZATION OF MISO STATES, INC.		D Employer identification number 16-1671529
		Number and street (or P.O. box, if mail is not delivered to street address) Room/suite 100 COURT AVENUE 315		E Telephone number 515-243-0742
		City or town, state or country, and ZIP + 4 DES MOINES, IA 50309		F Group Exemption Number ▶

Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

G Accounting method: Cash Accrual
Other (specify) ▶

I Website: WWW.MISOSTATES.ORG

H Check if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF).

J Organization type (check only one) 501(c) (4) (insert no.) 4947(a)(1) or 527

K Check if the organization is not a section 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.

L Add lines 5b, 6b, and 7b, to line 9 to determine gross receipts; if \$1,000,000 or more, file Form 990 instead of Form 990-EZ. \$ 361,188.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions for Part I.)

		1	2	3	4	5a	5b	5c	6a	6b	6c	7a	7b	7c	8	9	10	11	12	13	14	15	16	17	18	19	20	21
Revenue	1	Contributions, gifts, grants, and similar amounts received														360,000.												
	2	Program service revenue including government fees and contracts																										
	3	Membership dues and assessments																										
	4	Investment income														1,188.												
	5a	Gross amount from sale of assets other than inventory																										
	5b	Less: cost or other basis and sales expenses																										
	5c	Gain or (loss) from sale of assets other than inventory (Subtract line 5b from line 5a) (attach schedule)																										
	6	Special events and activities (complete applicable parts of Schedule G). If any amount is from gaming, check here <input type="checkbox"/>																										
	a	Gross revenue (not including \$ of contributions reported on line 1)																										
b	Less: direct expenses other than fundraising expenses																											
c	Net income or (loss) from special events and activities (Subtract line 6b from line 6a)																											
7a	Gross sales of inventory, less returns and allowances																											
b	Less: cost of goods sold																											
c	Gross profit or (loss) from sales of inventory (Subtract line 7b from line 7a)																											
8	Other revenue (describe ▶)																											
9	Total revenue. Add lines 1, 2, 3, 4, 5c, 6c, 7c, and 8														361,188.													
Expenses	10	Grants and similar amounts paid (attach schedule)																										
	11	Benefits paid to or for members																										
	12	Salaries, other compensation, and employee benefits														196,465.												
	13	Professional fees and other payments to independent contractors														3,937.												
	14	Occupancy, rent, utilities, and maintenance See Statement 4														18,282.												
	15	Printing, publications, postage, and shipping														663.												
	16	Other expenses (describe ▶ See Statement 1)														184,852.												
17	Total expenses. Add lines 10 through 16														404,199.													
Net Assets	18	Excess or (deficit) for the year (Subtract line 17 from line 9)														-43,011.												
	19	Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return)														139,336.												
	20	Other changes in net assets or fund balances (attach explanation)																										
	21	Net assets or fund balances at end of year. Combine lines 18 through 20														96,325.												

Part II Balance Sheets. If Total assets on line 25, column (B) are \$2,500,000 or more, file Form 990 instead of Form 990-EZ.

(See the instructions for Part II.)

		(A) Beginning of year	(B) End of year
22	Cash, savings, and investments	166,277.	109,570.
23	Land and buildings		
24	Other assets (describe ▶ See Statement 2)	18,636.	20,462.
25	Total assets	184,913.	130,032.
26	Total liabilities (describe ▶ See Statement 3)	45,577.	33,707.
27	Net assets or fund balances (line 27 of column (B) must agree with line 21)	139,336.	96,325.

Part III Statement of Program Service Accomplishments (See the instructions for Part III.)	Expenses (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts; optional for others.)
What is the organization's primary exempt purpose? SEE ATTACHMENT A	
Describe what was achieved in carrying out the organization's exempt purposes. In a clear and concise manner, describe the services provided, the number of persons benefited, or other relevant information for each program title.	
28 See Statement 6	
(Grants \$) If this amount includes foreign grants, check here <input type="checkbox"/>	28a 326,930.
29	
(Grants \$) If this amount includes foreign grants, check here <input type="checkbox"/>	29a
30	
(Grants \$) If this amount includes foreign grants, check here <input type="checkbox"/>	30a
31 Other program services (attach schedule)	
(Grants \$) If this amount includes foreign grants, check here <input type="checkbox"/>	31a
32 Total program service expenses (add lines 28a through 31a)	32 326,930.

Part IV List of Officers, Directors, Trustees, and Key Employees. List each one even if not compensated. (See the instructions for Part IV.)				
(a) Name and address	(b) Title and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-.)	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
JOHN NORRIS, 350 MAPLE STREET, DES MOINES, IA 50319	PRESIDENT 15.00	0.	0.	0.
LAUREN AZAR PO BOX 7854, MADISON, WI 53707-7854	VICE PRESIDENT 10.00	0.	0.	0.
VALERIE LEMMIE, 180 EAST BROAD STREET, COLUMBUS, OH 43215-3793	SECRETARY 10.00	0.	0.	0.
GARY HANSON, 500 EAST CAPITOL AVENUE, PIERRE, SD 57501	TREASURER 10.00	0.	0.	0.
MONICA MARTINEZ, 6545 MERCANTILE WAY, LANSING, MI 48911	EXECUTIVE COMMITTEE AT-LARGE 10.00	0.	0.	0.
ROBERT LIEBERMAN, 160 N. LASALLE ST SUITE C-800, CHICAGO, IL 60601	DIRECTOR 5.00	0.	0.	0.
GREGORY SERVER, 302 WEST WASHINNGTON ST SUITE E-306, INDIANAPOLIS, IN	DIRECTOR 5.00	0.	0.	0.
DAVID ARMSTRONG, 211 SOWER BLVD PO BOX 615, FRANKFORT, KY 40602	DIRECTOR 5.00	0.	0.	0.
TOM PUGH, 121 7TH PLACE EAST, #350, ST PAUL, MN 55101-2147	DIRECTOR 5.00	0.	0.	0.
JEFF DAVIS, 200 MADISON STREET, SUITE 900, JEFFERSON CITY, MO 65101	DIRECTOR 5.00	0.	0.	0.
GRAHAM LANE, 400-300 PORTAGE AVENUE, WINNIPEG, CANADA R3C 0C4	DIRECTOR 5.00	0.	0.	0.
GREG JERGESON PO BOX 202601, HELENA, MT 59620-2601	DIRECTOR 5.00	0.	0.	0.
KIM PIZZINGRILLI, 400 NORTH STREET, HARRISBURG, PA 17120	DIRECTOR 5.00	0.	0.	0.
EUGENE BADE, 301 CENTENNIAL MALL SOUTH, LINCOLN, NE 68509	DIRECTOR 5.00	0.	0.	0.
SUSAN WEFALD, 600 EAST BOULEVARD AVE DEPT 408, DISMARCK, ND 58505-0480	DIRECTOR 5.00	0.	0.	0.
WILLIAM SMITH, JR, 100 COURT AVENUE SUITE 218, DES MOINES, IA 50309	EXECUTIVE DIRECTOR 40.00	119,410.	4,547.	0.

Part V Other Information (Note the statement requirements in the instructions for Part VI.)

33 Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity
34 Were any changes made to the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes
35 If the organization had income from business activities, such as those reported on lines 2, 6a, and 7a (among others), but not reported on Form 990-T, attach a statement explaining your reason for not reporting the income on Form 990-T.
a Did the organization have unrelated business gross income of \$1,000 or more or section 6033(e) notice, reporting, and proxy tax requirements?
b If "Yes," has it filed a tax return on Form 990-T for this year?
36 Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," complete applicable parts of Sch. N
37a Enter amount of political expenditures, direct or indirect, as described in the instructions.
b Did the organization file Form 1120-POL for this year?
38a Did the organization borrow from, or make any loans to, any officer, director, trustee, or key employee or were any such loans made in a prior year and still unpaid at the start of the period covered by this return?
b If "Yes," complete Schedule L, Part II and enter the total amount involved
39 Section 501(c)(7) organizations. Enter:
a Initiation fees and capital contributions included on line 9
b Gross receipts, included on line 9, for public use of club facilities
40a Section 501(c)(3) organizations. Enter amount of tax imposed on the organization during the year under:
section 4911; section 4912; section 4955
b Section 501(c)(3) and (4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," complete Schedule L, Part I
c Enter amount of tax imposed on organization managers or disqualified persons during the year under sections 4912, 4955, and 4958
d Enter amount of tax on line 40c reimbursed by the organization
e All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction? If "Yes," complete Form 8886-T
41 List the states with which a copy of this return is filed.
42a The books are in care of
Located at
b At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)?
If "Yes," enter the name of the foreign country:
See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.
c At any time during the calendar year, did the organization maintain an office outside of the U.S.?
If "Yes," enter the name of the foreign country:
43 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-EZ in lieu of Form 1041 - Check here
and enter the amount of tax-exempt interest received or accrued during the tax year
44 Did the organization maintain any donor advised funds? If "Yes," Form 990 must be completed instead of Form 990-EZ
45 Is any related organization a controlled entity of the organization within the meaning of section 512(b)(13)? If "Yes," Form 990 must be completed instead of Form 990-EZ

Schedule B
(Form 990, 990-EZ,
or 990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ Attach to Form 990, 990-EZ, and 990-PF.

OMB No. 1545-0047

2008

Name of the organization

Employer identification number

ORGANIZATION OF MISO STATES, INC.

16-1671529

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)(4) (enter number) organization

4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**. (Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.)

General Rule

For organizations filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

Special Rules

For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33 1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on Form 990, Part VIII, line 1h or 2% of the amount on Form 990-EZ, line 1. Complete Parts I and II.

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. (If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year.) ▶ \$ _____

Caution. Organizations that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF), but they **must** answer "No" on Part IV, line 2 of their Form 990, or check the box in the heading of their Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990. These instructions will be issued separately.

Schedule B (Form 990, 990-EZ, or 990-PF) (2008)

Name of organization ORGANIZATION OF MISO STATES, INC.	Employer identification number 16-1671529
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Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	MIDWEST INDEPENDENT TRANSMISSION SYSTEM OPERATOR, INC. 701 CITY CENTER DRIVE CARMEL, IN 46032	\$ 360,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Form 990-EZ Other Expenses Statement 1

Description	Amount
MEETINGS AND TRAVEL	144,738.
WEBSITE HOSTING AND COMPUTER MAINT.	7,943.
INSURANCE	6,438.
SUPPLIES	1,075.
PHONE AND CONFERENCE CALLS	22,364.
BOOKS, SUBSCRIPTIONS, MISCELLANEOUS	2,294.
Total to Form 990-EZ, line 16	184,852.

Form 990-EZ Other Assets Statement 2

Description	Beg. of Year	End of Year
PREPAID EXPENSES	7,534.	5,046.
COMPUTERS AND EQUIPMENT, NET OF ACCUM DEPR	11,102.	0.
Other Depreciable Assets	0.	15,416.
Total to Form 990-EZ, line 24	18,636.	20,462.

Form 990-EZ Other Liabilities Statement 3

Description	Beg. of Year	End of Year
ACCOUNTS PAYABLE	14,902.	5,708.
ACCRUED VACATION	30,675.	27,999.
Total to Form 990-EZ, line 26	45,577.	33,707.

Form 990-EZ Occupancy, Rent, Utilities and Maintenance Statement 4

Description	Amount
Depreciation	5,412.
Other Expenses	12,870.
Total to Form 990-EZ, line 14	18,282.

FORM 990-EZ

Information Regarding Transfers
Associated with Personal Benefit Contracts

Statement 5

A) Did the organization, during the year, receive any funds,
directly or indirectly, to pay premiums on a personal
benefit contract? [] Yes [X] No

B) Did the organization, during the year, pay premiums,
directly or indirectly, on a personal benefit contract? . . [] Yes [X] No

ORGANIZATION ASSISTS MEMBER STATES TO PARTICIPATE IN MISO STAKEHOLDER PROCESS. THIS ASSISTANCE ASSURES BETTER COORDINATION OF ELECTRICITY DELIVERY WITH STATE POLICIES; REIMBURSED TRAVEL EXPENSES FOR PARTICIPANTS IN 12 MEETINGS.

Check if: Change of Address
 Amended Report
 Final Report: Indicate Date Closed _____

Indiana Department of Revenue
Indiana Nonprofit Organization's Annual Report
 For the Calendar Year or Fiscal Year
 Beginning 01/01/2008 and Ending 12/31/2008
MM/DD/YYYY MM/DD/YYYY

NP-20
 State Form 51062
 (R2 / 10-07)

Due on the 15th day of the 5th month following the end of the tax year.
NO FEE REQUIRED.

Name of Organization ORGANIZATION OF MISO STATES, INC.		Telephone Number 515-243-0742
Address 100 COURT AVENUE, No. 315	County	Indiana Taxpayer Identification Number
City DES MOINES, IA	State IA	ZIP Code 50309
Federal Identification Number 16-1671529		Contact's Telephone Number 515-243-0742
Printed Name of Person to Contact WILLIAM SMITH, JR		

If you are filing a federal return, attach a completed copy of Form 990, 990EZ, or 990PF.

Note: If your organization has unrelated business income of more than \$1,000 as defined under **Section 513** of the Internal Revenue Code, **you must also file Form IT-20NP.**

Current Information

1. Have any changes not previously reported to the Department been made in your governing instruments, (e.g.) articles of incorporation, bylaws, or other instruments of similar importance? If yes, attach a detailed description of changes.
2. Indicate number of years your organization has been in continuous existence. _____
3. Attach a schedule, listing the names, titles and addresses of your current officers. **See Statement 1**
4. Briefly describe the purpose or mission of your organization below.

Email Address: _____

I declare under the penalties of perjury that I have examined this return, including all attachments, and to the best of my knowledge and belief, it is true, complete, and correct.

EXECUTIVE DIRECTOR

Signature of Officer or Trustee _____

Title _____

Date _____

Name of Person(s) to Contact _____

Daytime Telephone Number _____

Important: Please submit this completed form and/or extension to:
 Indiana Department of Revenue, Tax Administration
 P.O. Box 7147
 Indianapolis, IN 46207-7147
 Telephone: (317) 232-2045

Extensions of Time to File

The Department recognizes the Internal Revenue Service application for automatic extension of time to file, Form 8868. **Please forward a copy of your federal extension, identified with your Nonprofit Taxpayer Identification Number (TID), to the Indiana Department of Revenue, Tax Administration by the original due date to prevent cancellation of your sales tax exemption.** Always indicate your Indiana Taxpayer Identification number on your request for an extension of time to file.

Reports post marked within thirty (30) days after the federal extension due date, as requested on Federal Form 8868, will be considered as timely filed. A copy of the federal extension must also be attached to the Indiana report. In the event that a federal extension is not needed, a taxpayer may request in writing an Indiana extension of time to file from the: Indiana Department of Revenue, Tax Administration, P.O. Box 7147, Indianapolis, IN 46207-7147, (317) 232-2045.

If Form NP-20 or extension is not timely filed, the taxpayer will be notified by the Department pursuant to I.C. 6-2.5-5-21(d), to file Form NP-20. If within sixty (60) days after receiving such notice the taxpayer does not file Form NP-20, the taxpayer's exemption from sales tax will be canceled.

Form NP-20 List of Officers, Directors and Trustees Statement 1

Name and Address	Title
JOHN NORRIS 350 MAPLE STREET DES MOINES, IA 50319	PRESIDENT
LAUREN AZAR PO BOX 7854 MADISON, WI 53707-7854	VICE PRESIDENT
VALERIE LEMMIE 180 EAST BROAD STREET COLUMBUS, OH 43215-3793	SECRETARY
GARY HANSON 500 EAST CAPITOL AVENUE PIERRE, SD 57501	TREASURER
MONICA MARTINEZ 6545 MERCANTILE WAY LANSING, MI 48911	EXECUTIVE COMMITTEE AT-LARGE
ROBERT LIEBERMAN 160 N. LASALLE ST SUITE C-800 CHICAGO, IL 60601	DIRECTOR
GREGORY SERVER 302 WEST WASHINNGTON ST SUITE E-306 INDIANAPOLIS, IN 46204	DIRECTOR
DAVID ARMSTRONG 211 SOWER BLVD PO BOX 615 FRANKFORT, KY 40602	DIRECTOR
TOM PUGH 121 7TH PLACE EAST, #350 ST PAUL, MN 55101-2147	DIRECTOR
JEFF DAVIS 200 MADISON STREET, SUITE 900 JEFFERSON CITY, MO 65101	DIRECTOR
GRAHAM LANE 400-300 PORTAGE AVENUE WINNIPEG, CANADA R3C 0C4	DIRECTOR
GREG JERGESON PO BOX 202601 HELENA, MT 59620-2601	DIRECTOR

KIM PIZZINGRILLI
400 NORTH STREET
HARRISBURG, PA 17120

DIRECTOR

EUGENE BADE
301 CENTENNIAL MALL SOUTH
LINCOLN, NE 68509

DIRECTOR

SUSAN WEFALD
600 EAST BOULEVARD AVE DEPT 408
DISMARCK, ND 58505-0480

DIRECTOR

WILLIAM SMITH, JR
100 COURT AVENUE SUITE 218
DES MOINES, IA 50309

EXECUTIVE DIRECTOR

Attachment A - Page 1

**2008 Tax Year
IRS Form 990-EZ - Part III.**

**Organization of MISO States, Inc. (aka OMS)
EIN - 16-1671529**

PURPOSE OF THE ORGANIZATION OF MISO STATES, INC. (OMS)

The OMS was formed to advance the work of its member state and provincial agencies with respect to electricity transmission issues by providing a means of performing some functions on a collaborative basis. The work of the OMS relates to electricity transmission and wholesale energy markets. As described more completely below, state agencies are responsible for regulating electric service at the retail level. Nevertheless, they have found that in order to regulate retail markets effectively, they must be aware of trends and activities in the wholesale markets.

In the United States, wholesale electric activities are regulated by the Federal Energy Regulatory Commission (FERC) pursuant to the Federal Power Act and other statutes. Since 1992, the Congress and the FERC have promoted more competition in wholesale electric markets. In particular, the FERC has urged development of regional transmission organizations (RTO) and has required independent management of transmission systems and open access to their services. In the Midwest, utilities and other market participants formed the Midwest Independent Transmission System Operator, Inc. (MISO) in 1998. Its membership now includes electric transmission systems operating in 14 states and Manitoba. As a part of its emphasis on regional operations and planning of the transmission systems, the FERC has encouraged the formation of regional state committees to enhance the links between state retail regulatory agencies, the new regional institutions, and the federal regulatory agency. The OMS is the first such regional state committee to be created.

In furtherance of their governmental roles, state and provincial regulatory agencies in this region have participated in these developments. They have found that participation in regional and federal developments imposes increasing burdens in terms of cost and staff time as the issues become more complex. For several years, state agencies have cooperated in their regional activities and in 2002 began exploring ways to improve their cooperation through a more permanent organization. That planning resulted in the formation of the OMS in 2003. The activities of the OMS can be grouped into five areas, although there is significant overlap among them.

Attachment A - Page 2

2008 Tax Year
IRS Form 990-EZ - Part III.

Organization of MISO States, Inc. (aka OMS)
EIN - 16-1671529

HOW OMS SERVES ITS MEMBERS

First, the OMS provides coordination of state participation in the MISO stakeholder advisory process by consultation on upcoming issues and by reimbursing travel costs for the state representatives to meetings of stakeholder groups. The MISO Advisory Committee is composed of sector representatives, with three representatives of state regulatory agencies. The Committee meets monthly at the MISO headquarters in Carmel, Indiana. Agendas typically include more than a dozen information and action items. The OMS, through conference calls just prior to Advisory Committee meetings, provides a way to provide information on agenda items for state agency personnel and for all member states to furnish their views on these issues to the state representatives to the Committee. Reimbursement of travel costs to attend meetings allows participation by states without regard to travel limitations imposed by state budget conditions or other constraints, thus ensuring more balanced participation from the entire region. While the AC is the most prominent of the MISO stakeholder meetings, there are numerous task forces and work groups that deal with specific issue areas. OMS provides coordination and financial support for participation in several of these efforts without increasing the cost burden on state agency budgets. These activities began in July 2003 and will continue indefinitely. The Advisory Committee representatives for 2008 are the Public Service Commission of Wisconsin, the Michigan Public Service Commission, and the Public Utilities Commission of Ohio. Since January 2004, OMS staff has assisted these activities.

Second, the OMS facilitates the submission of joint comments to the MISO on proposed service offerings and regulatory filings. As a provider of electric transmission service, MISO develops modifications of its service offerings. MISO requests input from its stakeholder groups on concepts for service modifications. The OMS provides a way for its member states to analyze these concepts in a collaborative way, and provide consolidated views to the MISO. OMS brings a direct public policy perspective to MISO's deliberations. These activities have been performed since July 2003. They were initially performed by staff of the OMS member agencies. Since January 2004, OMS staff has assisted these activities, but there is still great reliance on the staff of member agencies.

Third, the OMS provides consolidated statements of position to the FERC on behalf of its member agencies, although they retain legal authority to submit separate comments. The FERC has promoted the regional cooperation of state regulatory agencies in order to encourage regional discussion of policy issues and to achieve regional consensus where possible. Providing viewpoints of

Attachment A - Page 3

2008 Tax Year
IRS Form 990-EZ - Part III.

Organization of MISO States, Inc. (aka OMS)
EIN - 16-1671529

state regulatory agencies to the federal regulatory agency is seen as an important way to keep the wholesale and retail markets in alignment and to advance the goals of the Congress and the FERC. The OMS has submitted pleadings in five different FERC dockets since August 2003. Much of the analysis and draftsmanship is conducted by the staff of member agencies. It has been coordinated by the OMS staff since January 2004. These pleadings are listed and can be accessed at the OMS website:
<http://www.misostates.org/fercfilings.htm>.

Fourth, the OMS provides a way for its member state agencies to respond collectively to requests of the FERC for state agency positions or viewpoints on other issues. As with other program areas, states achieve cost savings by working together on these requests while bringing more coherent policy statements to the FERC. Several policies are under study now, including principles for allocating the cost of new transmission facilities, principles for assuring adequate generating resources, and coordination of siting proceedings for multi-state transmission lines. These activities have been formally underway since September 2003. They are conducted principally by the staff of member agencies, with support from the OMS staff since January 2004.

Fifth, the OMS assists the development and sharing among its member agencies of expertise on electric transmission and wholesale market issues. Each activity under the previous headings enhances the understanding of the assigned staff members of the policy issue studied, the dynamics of the wholesale markets, and the regional transmission institutions. This expertise is now available to agencies in other states to supplement their own resources. This activity enhances the analytic capabilities of state agencies without the need for additional budget appropriations. These activities are performed by state staff members, with support from the OMS staff since January 2004.

OMS MEMBERSHIP

Under the OMS bylaws, membership is open to all state and provincial regulatory authorities that:

- a) regulate the retail electricity or distribution rates of transmission-owning members or transmission-dependent utility members of the Midwest Independent System Operator (MISO), or

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- b) are the primary regulatory authority responsible for siting electric transmission facilities in states or provinces where there are transmission-owning members of the MISO or independent transmissions companies that own or operate transmission facilities associated with the MISO.

Associate membership is open to all state and provincial agencies that: are

- a) involved with energy planning, and or environmental issues that relate to electric transmission, or
- b) are involved with consumer advocacy issues that relate to electric transmission, or
- c) are approved by the Board of Directors for associate member status.

Under these provisions, the following state agencies are members:

Illinois Commerce Commission
Indiana Utility Regulatory Commission
Iowa Utilities Board
Kentucky Public Service Commission
Manitoba Public Utilities Board
Michigan Public Service Commission
Minnesota Public Utilities Commission
Missouri Public Service Commission
Montana Public Service Commission
Nebraska Power Review Board
North Dakota Public Service Commission
Ohio Public Utilities Commission
Pennsylvania Public Utility Commission
South Dakota Public Utilities Commission
Wisconsin Public Service Commission

Associate members currently are:

Iowa Office of Consumer Advocate
Minnesota Department of Commerce
Missouri Office of Public Counsel
Office of the Ohio Consumers' Counsel
Indiana Office of Utility Consumer Counselor
Illinois Citizens Utilities Board

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At this time, the Manitoba Public Utilities Board is the only Canadian member. It is a provincial regulatory authority. There are no Mexican members.

It is not accurate to say that these OMS member agencies are “overseen by the Midwest Independent System Operator, Inc. (MISO).” MISO is a Regional Transmission organization (RTO) that manages transmission of electricity over facilities owned by electric utilities and serves the needs of various participants in wholesale electric markets such as generators, distributors, marketers. OMS member agencies have authority under state or provincial law to regulate some of the operations of those utilities and market participants. These regulatory responsibilities include issues such as assuring adequate supply, cost control, open market operation, and consumer welfare.

The OMS is not a Regional Transmission organization (RTO). Neither the OMS nor its members have any operating control over electric transmission facilities. They are not participants in the electricity markets as buyers or sellers of energy or energy services. Their role is to regulate the activities of market participants according to their state and provincial laws and to advocate public policies that facilitate their governmental roles and their states.

HOW OMS PROMOTES THE PUBLIC INTEREST AND SOCIAL WELFARE OF THE COMMUNITIES IT SERVES.

Under the regulatory system of the United States, particularly the Federal Power Act, Part II, 16 U.S.C. 824a, et seq., states have primary authority for the regulation of retail electricity service while wholesale markets are regulated by the Federal Energy Regulatory Commission (FERC). In order to fulfill their responsibilities for retail regulation, state regulatory agencies have come to realize the need to understand the wholesale market, understand decisions utilities must make in the wholesale market, and participate in FERC matters to shape the wholesale market in ways beneficial to retail markets and customers. State agencies are also called on to decide matters such as the value of the reliability of electric service, the adequacy of electricity supply to meet future usage levels, and land use when needed for new electric transmission facilities.

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State regulatory agencies in this region have formed the OMS to conduct some of these activities in a coordinated and collaborative manner. Working together allows them to accomplish their responsibilities more efficiently, providing better results at lower taxpayer cost. The OMS promotes the public interest of its member states by allowing them to perform more complete analysis of policy questions in regional electricity markets and to express those positions more effectively to the MISO and to the FERC. The OMS also helps its member agencies to develop more thorough expertise on electric transmission issues and provides better access within the region to that expertise.

As the description of individual activities suggests, the OMS promotes the public interest objectives of the FERC by providing it a point of contact with states in a particular region. It also provides its member state agencies with greater analytic capabilities, provides more cost-effective abilities to participate in regional and national policy issues, and promotes more consistent state response to those issues.

The inquiry asks what specific programs are directed at improving and maintaining the safety of the electric delivery system. The inquiry may be prompted by references to reliability and security in the articles of incorporation. These are among the policy objectives shared by federal and state regulators of the electric system. MISO and its members also seek to promote these goals. In the particular terminology of the electric industry, reliability includes both adequacy of supply resources and operational reliability. MISO's operational reliability is a subject that arises with regularity in its stakeholder process. Security issues have also come up in Advisory Committee agendas and OMS has addressed it through our participation. Adequacy of supply resources is addressed by one of OMS's working groups.