

1 **Undertaking 27**

**Exhibit No.** \_\_\_\_\_

2 Potomac Economics to review the issues discussed on the bottom of page 46 of CSI-1 dealing  
3 with the 17-percent above forecast on-peak price finding that was made and whether the  
4 justification is to the satisfaction of Potomac Economics or whether there are other concerns.  
5

6 **RESPONSE:**

7 As stated in our report, we recognize the potential for MH to earn a premium on opportunity  
8 sales [REDACTED]. We also understand that the additional revenue  
9 from opportunity sales will include premium for short-term forward contracts and other  
10 transactions in MISO such as earnings on Financial Transmission Rights. MH also referred us to  
11 [REDACTED] in its response to a La Capra Associates  
12 Information Request (*viz.*, LCA II 471B). In response to that IR, MH provided [REDACTED]  
13 [REDACTED] day-  
14 ahead MISO price revenue. This data is more complete than the data we relied on in our report  
15 which was taken from a separate MH analysis. This more complete data is supportive of [REDACTED]  
16 [REDACTED] premium that MH use in modeling future revenue. Based on the data provided, [REDACTED]  
17 [REDACTED] premium going forward appears reasonable.

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