

ATTACHMENT S-1

INDEPENDENT MARKET MONITOR RETENTION AGREEMENT

June 27, 2002

Dr. David B. Patton, President

Potomac Economics, Ltd.

4029 Ridge Top Road

Fairfax, VA 22030

Retention Agreement

Dear David:

This is to confirm the terms of the agreement by which the Midcontinent Independent System Operator, Inc. ("MISO"),¹ will retain, as of July 1, 2002, Potomac Economics in connection with implementing the Independent Market Monitor function for the MISO. As the Independent Market Monitor, you will review market power and other competitive conditions in the markets administered by the MISO and make reports and recommendations as appropriate, perform the tasks and responsibilities of the Independent Market Monitor specified in Module D of the MISO Tariff, and undertake such related tasks that fall under the normal responsibilities of a market monitor, such as filing testimony or working on design improvements.

You will lead this engagement on behalf of Potomac Economics, assisted as may be appropriate in the interests of economy and complying with applicable deadlines, or as may otherwise be requested by the MISO, by members or employees of Potomac Economics working under your direction and supervision.

The term of this Agreement shall begin on July 1, 2002 and shall end on July 1, 2004, unless terminated earlier as provided herein or renewed for an additional two-year term by the MISO and approved by the Federal Energy Regulatory Commission ("FERC"). If the MISO is

dissatisfied with your work performance, it may make a filing with FERC requesting permission to either terminate this Agreement on 30 days written notice or to not renew this Agreement upon its expiration. Potomac Economics shall have the right to comment on, or protest, any such filing. The MISO may not terminate this Agreement with Potomac Economics, or otherwise replace Potomac Economics as its Independent Market Monitor, nor may the MISO or Potomac Economics change the scope of work set out in Module D unless FERC first issues an order approving such change, termination, or replacement. In the event that this Agreement is terminated, Potomac Economics shall be reimbursed for any time and expenses properly incurred in the course of this engagement prior to such termination. If you should determine that Potomac Economics is no longer willing or able to serve as the Independent Market Monitor, it will provide not less than 120 days notice before withdrawing from the position of Independent Market Monitor.

The Independent Market Monitor shall report directly to the MISO Board of Directors. Your primary point of contact with the MISO will be a Market Monitoring Liaison Officer appointed by the MISO Board of Directors.

As the Independent Market Monitor and consistent with the requirements of Module D, you will notify the Commission upon determining that the Independent Market Monitor has identified a significant market problem that may require: 1) further investigation; 2) a change in the MISO Tariff or market rules or practices; or 3) action by the FERC and/or one or more state commissions.

We understand that you and Potomac Economics have no present engagements or other relationships that present a conflict of interest or other impediment that would preclude your serving as the Independent Market Monitor. We further understand that you and Potomac Economics are able to conform, and agree to conform while serving as the Independent Market Monitor, to the ethics standards set forth in section 52.2 of the Tariff for the Independent Market Monitor and its employees.

In furtherance of this engagement, the MISO, participants in the MISO administered markets, and others will be transmitting information in document or other forms in confidence to you and Potomac Economics. Your treatment of this information will be governed by Module D.

Work performed shall be billed at the hourly rates negotiated between the MISO and Potomac Economics. The billing rates may be adjusted annually by mutual agreement of the MISO and Potomac Economics in January of subsequent years. In the event that the MISO and Potomac Economics do not reach agreement on adjusted billing rates, the billing rates from the preceding year shall remain in effect. Potomac Economics shall have the unilateral right to petition FERC for relief if it determines that MISO actions with respect to its billing rates, or any other MISO action, will compromise its ability to independently monitor and provide objective information about the MISO's conduct, market rules and procedures.

Professional time and disbursements will be billed on a monthly basis directly to the MISO. Potomac Economics will provide the Market Monitoring Liaison Officer with a copy of all bills. The MISO will pass the costs associated with these bills on to its customers pursuant to

Schedule 10 of the MISO Tariff ("ISO Recovery Cost Adder"), but shall render payment of all undisputed amounts within 30 days of receipt of each bill.

An annual budget for the Independent Market Monitoring function shall be prepared by Potomac Economics and submitted to the Market Monitoring Liaison Officer not less than 120 days prior to end of the calendar year. This budget will be available for stakeholder review and Board of Director approval through the MISO budget process. The annual market monitoring budget approved by the Board of Directors is incorporated by reference herein.

Potomac Economics is responsible for informing the Market Monitoring Liaison Officer when total accrued amounts for services and expenditures reach 75% of the total agreed annual budget. Upon such notification, the MISO may make a filing at FERC proposing modifications to the scope of work in Module D of the MISO Tariff to manage the costs incurred under this Agreement. Potomac Economics shall have the right to comment on, or protest, any such filing.

This Agreement, and the rights and obligations of the parties thereunder, shall be governed by the laws of the Commonwealth of Virginia. Please confirm your acceptance of this Agreement on behalf of yourself and Potomac Economics by executing and dating this letter and returning it to us.

We look forward to your working with the MISO as it brings into being and maintains robust, competitive and reliable electric markets in its region.

Sincerely,

/s/ James Torgerson
James Torgerson
Chief Executive Officer
Midcontinent Independent System Operator, Inc.

Agreed:

Potomac Economics, Ltd.

By: /s/ Dr. David B. Patton
Dr. David B. Patton
President
Potomac Economics, Ltd.

Date: June 27, 2002

AMENDMENT NO. 1

TO

INDEPENDENT MARKET MONITOR RETENTION AGREEMENT

Dr. David B. Patton, President

Potomac Economics, Ltd.

9990 Fairfax Boulevard, Ste. 560

Fairfax, VA 22030

Dear David:

This is to amend the terms of the Independent Market Monitor Retention Agreement between the Midcontinent Independent System Operator, Inc. (“MISO”) and Potomac Economics, Ltd., dated June 27, 2002, as set forth in Attachment S-1 of MISO’s Open Access Transmission, Energy and Operating Reserve Markets Tariff (“Tariff”).

Pursuant to *Wholesale Competition in Regions with Organized Electric Markets, Order No. 719*, 73 Fed. Reg. 64100, issued by the Federal Energy Regulatory Commission (“FERC”)

Effective On: November 21, 2015

on October 17, 2008, the MISO adopts FERC-conformed ethics standards for its Independent Market Monitor (“IMM”) and the IMM’s employees in section 52.2 of the Tariff. This Amendment confirms the agreement of the MISO and Potomac Economics, Ltd., to replace the current IMM Conflicts Policy, as set forth at Exhibit A to the Independent Market Monitor Retention Agreement, with the ethics standards set forth in section 52.2 of the Tariff, as approved by the FERC.

Potomac Economics, Ltd., in its capacity as the MISO’s IMM, shall abide by the ethics standards for the IMM and its employees, as set forth in section 52.2 of the Tariff or a successor provision, as may be further revised or amended. The parties agree that this Amendment shall be filed with the FERC as part of the MISO’s Order No. 719 compliance filing and shall be included in Attachment S-1 of the Tariff.

Sincerely,

/s/ John Bear

John Bear

Chief Executive Officer

Midcontinent Independent System

Operator, Inc.

Agreed:

Potomac Economics, Ltd.

By: /s/ Dr. David Patton

Dr. David Patton

President

Potomac Economics, Ltd.

Date: April 27, 2009

¹ All references in this Agreement to the MISO shall be construed as encompassing any successor in interest to the MISO.