

**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI**

In the Matter of the Application of Grain Belt )  
Express Clean Line LLC for a Certificate of )  
Convenience and Necessity Authorizing it to )  
Construct, Own, Operate, Control, Manage, and ) Case No. EA-2023-0017  
Maintain a High Voltage, Direct Current )  
Transmission Line and an Associated Converter )  
Station Providing an Interconnection on the )  
Maywood-Montgomery 345 kV Transmission )  
Line )

**GRAIN BELT EXPRESS' POSITION STATEMENT**

Pursuant to Order Amending Procedural Order, Grain Belt Express, LLC (“Grain Belt Express” or “Company”), files this Position Statement.

**I. Statement of the Case**

1. This case concerns the Missouri Public Service Commission’s (“Commission’s”) review of Grain Belt Express’ Application to Amend Existing Certificate of Public Convenience and Necessity (“Application”)<sup>1</sup> to allow Grain Belt Express to make certain material changes to the certificate of public convenience and necessity (“CCN”) that was awarded to Grain Belt Express in the Commission’s March 20, 2019 Report & Order on Remand (“CCN Order”) in File No. EA-2016-0358 (“CCN Docket”).<sup>2</sup>

2. In the CCN Docket, Grain Belt Express was granted authority to construct, install, own, operate, maintain, and otherwise control and manage an approximately 800-mile, overhead, multi-terminal ±600 kilovolt (“kV”) high-voltage, direct current (“HVDC”) transmission line and

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<sup>1</sup> Filed on Aug. 24, 2022.

<sup>2</sup> Grain Belt Express has requested the Commission take administrative notice of its findings in the CCN Docket. *See* Application at ¶ 40 (“Administrative notice is appropriate where ‘the instant case and the ... prior cases are so related and interdependent as to make it necessary to refer to those prior cases for a proper understanding of the present case.’ *State ex rel. St. Louis Public Serv. Co. v. PSC*, 291 S.W.2d 95, 97 (Mo. en banc 1956).”).

associated facilities including converter stations and alternating current (“AC”) connector lines (the “Certificated Project,” and as modified by the proposed amendments in the Application, the “Amended Project”). The CCN was granted to Grain Belt Express with the understanding that any material changes to the engineering or project design would require an updated application for Commission approval.<sup>3</sup>

3. The Application seeks Commission approval of the following material changes to the design and engineering of the Certificated Project:

- a. Relocating the Missouri converter station from Ralls County to Monroe County and increasing the capacity of the Missouri converter station from 500 MW to 2500 MW;
- b. Relocating the AC connector line from Ralls County to Monroe, Audrain, and Callaway Counties, allowing for greater access of renewable power to Missouri and increasing benefits to Missouri; and
- c. Constructing the Project in two phases, allowing Missouri to realize the benefits of the Project earlier than it otherwise would.

## **II. Statement of Position on the Joint List of Issues**

*Issue 1. Does the evidence establish that the following amendments to the Certificate of Convenience and Necessity (“CCN”) held by Grain Belt Express LLC (“Grain Belt Express”) are “necessary or convenient for the public service” within the meaning of that phrase under section 393.170, RSMo:*

- a. Relocating the Missouri converter station from Ralls County to Monroe County and increasing the capacity of the Missouri converter station from 500 MW to 2500 MW.*
- b. Relocating the AC connector line (the “Tiger Connector”) from Ralls County to Monroe, Audrain, and Callaway Counties.*
- c. Constructing the Project in two phases.*

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<sup>3</sup> CCN Order, p. 36.

*i. If the Commission determines that constructing the project in two phases is “necessary or convenient for the public service,” should the Commission approve a modification to the “Financing Conditions,” as set forth in Section I of Exhibit 1 to the Report & Order on Remand in Case No. EA-2016-0358, to allow for constructing the Project in two phases?<sup>4</sup>*

4. Yes. The evidence plainly shows that the requested amendments are necessary and convenient for the public interest and satisfy the *Tartan* Criteria.

5. The Commission has stated that it will apply five criteria in CCN cases to determine whether the proposed service is necessary or convenient for the public service: (a) There must be a need for the service the applicant proposes to provide; (b) The proposed service must be in the public interest; (c) The applicant’s proposal must be economically feasible; (d) The applicant must have the financial ability to provide the service; and (e) The applicant must be qualified to provide the proposed service. *See In re Tartan Energy Co.*, 1994 WL 762882, No. GA-94-127, Order Granting Certificate of Convenience and Necessity (Sept. 16, 1994) (“*Tartan*”); *In re Entergy Arkansas, Inc.*, No. EA-2012-0321, Order Granting Certificate of Convenience and Necessity at 2 (July 11, 2012). The Amended Project meets each of these criteria and is, therefore, necessary or convenient for the public service.

6. The Commission’s findings in the CCN Order regarding the Certificated Project remain applicable here, and should be integrated into how the Commission views whether the proposed amendments should be approved.

A. *Need for the Amended Project*

7. In the CCN Order, the Commission found that the Project was needed to serve potential and expected customers—primarily evidenced by Grain Belt Express’ contract with

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<sup>4</sup> Joint List of Issues, Order of Witnesses, Order of Cross-Examination, and Order of Opening Statements, ¶ 1 (“Joint List of Issues”).

Missouri Joint Municipal Electric Utility Commission (“MJMEUC,” now “MEC”).<sup>5</sup> In addition to considering just the MJMEUC contract, the Commission also noted that:

Of course, MJMEUC and Missouri industrial customers are not the only energy customers we must consider in this analysis. In a state whose regulated utilities participate in two regional transmission organizations, it is appropriate to consider the Project’s effect on other market participants. There was substantial evidence of demand for this project, both on the production and delivery side, within the relevant regional markets.<sup>6</sup>

8. The MJMEUC contract remains in place and that demand for electricity supplied by the transmission line continues to grow.<sup>7</sup>

9. Need for the Amended Project is demonstrated by the executed MOUs, carbon emission reduction goals by local utilities, demand from municipalities, and demand from commercial and industrial customers. There is also evidence of demand for the Project outside of Missouri, as demonstrated by the vast majority of large utilities having net-zero equivalent targets or moving to comply with aggressive carbon emission reduction mandates.<sup>8</sup>

10. Economic needs of ratepayers in Missouri are always a consideration in determining need for a project. In that regard, Grain Belt Express has provided evidence that the Amended Project is projected to lower energy and capacity costs in Missouri by approximately six-point-one percent (6.1%) over the 2027-2066 period, resulting in over \$17.6 billion of savings

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<sup>5</sup> App. at ¶ 37; CCN Order at 41-42.

<sup>6</sup> CCN Order at 41-42.

<sup>7</sup> See App. at ¶¶ 60-66.

<sup>8</sup> See Direct Testimony of Shashank Sane at 12-16 (discussing evidence of demand); 32 (discussing economic need for the project) and see App. at ¶¶ 41-57 (discussing economic need and benefits of the Amended Project).

for Missouri residents, on an undiscounted basis. In addition, the Amended Project is projected to result in \$7.6 billion in social benefits from avoided emissions in the 2027-66 period.<sup>9</sup>

11. Finally, the Amended Project is needed to improve the reliability and resilience of Missouri's and the region's transmission and distribution networks. Grain Belt Express has provided evidence that the Amended Project will mitigate high energy prices during extreme weather events, mitigate against High Resource Auction Prices, improve transmission system restoration capabilities, and provide HVDC operational flexibility.<sup>10</sup>

12. Reliability and resilience of the transmission grid are also a matter of national security. Grain Belt Express has provided additional evidence of how the Amended Project improves certain goals of the Department of Defense, both in supplying military installations with more domestic, renewable energy, and with diversifying sources of electricity.<sup>11</sup>

*B. Public Interest*

13. In the CCN Order, the Commission found that the Certificated Project promotes the public interest because:

There can be no debate that our energy future will require more diversity in energy resources, particularly renewable resources. We are witnessing a worldwide, long-term and comprehensive movement towards renewable energy in general and wind energy specifically. Wind energy provides great promise as a source for affordable, reliable, safe, and environmentally-friendly energy. The Grain Belt Project will facilitate this movement in Missouri, will thereby benefit Missouri citizens, and is, therefore, in the public interest.<sup>12</sup>

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<sup>9</sup> Direct Testimony of Mark Repsher at 1 *and see generally* Schedule MR-2 (report on how the Amended Project will affect power costs and emissions reductions in Missouri and other states).

<sup>10</sup> *See App.* at ¶¶ 63-66; Direct Testimony of Anthony Petti (adopted by Robert Baker) at 6-13 *and see generally* Schedule AP-2 *and see also App.* at ¶¶ 41-57 (discussing economic need and benefits of the Amended Project).

<sup>11</sup> *See* Direct Testimony of Jonathon Monken at 4-12 and Schedule JM-2.

<sup>12</sup> CCN Order at 47.

14. The purpose of and types of benefits provided by the Amended Project are the same as the Certificated Project.<sup>13</sup> The Amended Project only increases the magnitude and number of the benefits. Accordingly, the Amended Project will continue to promote the public interest.

15. The Amended Project will advance the public interest in the following ways: the Amended Project will provide local economic, fiscal, and employment benefits;<sup>14</sup> reduced energy costs;<sup>15</sup> improved energy reliability and resilience;<sup>16</sup> and benefits to national security interests.<sup>17</sup> Further, Grain Belt Express' proposal meets public interest goals by mitigating impacts on nearby landowners and habitats through appropriate routing procedures, environmental compliance, and continued application of the Missouri Landowner Protocols, Code of Conduct, and the Missouri Agricultural Mitigation Protocols.<sup>18</sup>

*C. Economic Feasibility*

16. In 2019, the Commission found that the Project is economically feasible because the Project links customers in Missouri who desire to purchase low-cost wind power from western Kansas with wind generation companies who supply the power.<sup>19</sup> The evidence presented by Grain Belt Express reflects that this economic modeling remains the same, but that demand from

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<sup>13</sup> Direct Testimony of Shashank Sane at 35-36.

<sup>14</sup> Direct Testimony of David Loomis at 7-8 *and see* Schedule DL-2.

<sup>15</sup> Direct Testimony of Mark Repsher at 1 *and see generally* Schedule MR-2

<sup>16</sup> Direct Testimony of Anthony Petti (adopted by Robert Baker) at 6-13 *and see generally* Schedule AP-2

<sup>17</sup> Direct Testimony of Jonathon Monken at 4-12 and Schedule JM-2.

<sup>18</sup> Direct Testimony of Kevin Chandler at 6-21 (discussing how Grain Belt Express will manage relations with landowners on or around the proposed route); Direct Testimony of Jennifer Stelzleni at 5-11 (discussing how Grain Belt Express will comply with environmental law); and Direct Testimony of Andrew Burke at 5-9 *and* Schedule AB-2 (discussing how the Tiger Connector route was selected and how numerous interests were balanced to create a reasonable route).

<sup>19</sup> CCN Order at 43-44.

customers and utilities has grown significantly in recent years, as stated above in the economic need section.<sup>20</sup> There is also a significant interest in wind development in Kansas as evidenced by the many gigawatts of projects in SPP's queue.<sup>21</sup> This interest will only grow given the recent passage of the Inflation Reduction Act.<sup>22</sup>

17. Although the revised projected cost of the entire Amended Project (\$4.95 billion) is higher than the 2016 projected cost (\$2.35 billion), the Amended Project remains economically feasible because the cost of alternative resources has also significantly increased, while the demand for renewable energy continues to grow. Accordingly, even with the higher projected cost, the energy and capacity offered by Grain Belt Express is more economically attractive than the alternatives.<sup>23</sup> Further, Grain Belt Express has demonstrated that it has a clear and viable plan to raise the capital necessary to construct the Amended Project.<sup>24</sup>

18. Finally, Invenergy Transmission and Grain Belt Express will continue to bear the financial risk of the Project and the cost of the Project will continue to be recovered through a merchant business model.

19. Section I of CCN Order Attachment 1 prohibits Grain Belt Express from installing transmission facilities on easement property in Missouri until it has obtained commitments for funds in an amount equal to or greater than the total cost to build the entirety of the multi-state transmission project. As part of this Application, Grain Belt Express is seeking to modify that condition to permit the construction of Phase I prior to Phase II, but Grain Belt Express will still

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<sup>20</sup> See Direct Testimony of Shashank Sane at 28-31 and see *supra* at ¶¶ 7-12.

<sup>21</sup> *Id.*

<sup>22</sup> *Id.*

<sup>23</sup> *Id.*

<sup>24</sup> Direct Testimony of Rolanda Shine at 7-10; Surrebuttal Testimony of Rolanda Shine at 7-8; Schedule RS-3 (Grain Belt Express' financing model).

be required to have full financing in place for the respective phase of the Project before construction begins on that phase. Accordingly, Grain Belt Express will continue to bear all financial risk of the Amended Project.

*D. Financial Ability*

20. The Commission previously found that “Grain Belt and Invenergy together have ... the financial ability to develop, construct, and operate the Project,” concluding that “Invenergy’s financial condition is very strong.”<sup>25</sup> And in the Commission’s September 11, 2019 Report and Order in Docket No. EM-2019-0150, the Commission restated that Invenergy possessed requisite financial abilities.<sup>26</sup>

21. Grain Belt Express continues to have access to the necessary financial resources to carry out the necessary development work for the Amended Project prior to engaging in project specific financings for the construction of the Amended Project. Invenergy Renewables has sufficient capital resources to provide the funding necessary to enable Invenergy Transmission and its subsidiaries to undertake the initial development and permitting work for the Amended Project.<sup>27</sup>

22. Grain Belt Express has also provided ample evidence that it has a viable plan for raising the capital necessary to finance the cost of constructing the Project on a project financing basis.<sup>28</sup> Specifically, after advancing development and permitting activities to a status at which

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<sup>25</sup> CCN Order at 43. In the Commission’s Findings of Fact, it referenced, among other things, that: Invenergy has raised more than \$30 billion of financing in connection with the successful development of more than 20,046 MW in projects in the United States, Canada, Europe, Central America, and Japan (*id.* at ¶ 60, p. 21); and that Invenergy and its affiliates have in excess of \$9 billion in total assets and \$3 billion in total equity on a consolidated basis (as of December 31, 2017) (*id.* at ¶ 59, p. 21).

<sup>26</sup> Report and Order, Docket No. EM-2019-0150 (June 5, 2019) at ¶ 7.

<sup>27</sup> App. at ¶¶ 74-79.

<sup>28</sup> See Direct Testimony of Rolanda Shine at 5-14.



developers of wind and solar generation facilities and other potential customers of the transmission line are willing to enter into commercial agreements for an undivided interest (purchase or lease) or long-term contracts for transmission capacity on the Amended Project, Grain Belt Express will enter such contracts with interested parties that satisfy necessary creditworthiness requirements.<sup>29</sup> Grain Belt Express will then raise debt capital using the aforementioned contracts as security for the debt. Grain Belt Express may also raise additional equity capital.<sup>30</sup>

*E. Applicant Qualifications*

23. In the Commission’s CCN Order, the Commission found that “Grain Belt and Invenenergy together have the qualifications ... to develop, construct, and operate the Project,” citing Invenenergy’s management team’s extensive experience in developing, constructing and operating transmission and energy infrastructure projects and Invenenergy’s impressive record of development and construction of energy projects, including hundreds of miles of transmission lines, substations and transformers.<sup>31</sup> And in the Commission’s September 11, 2019 Report and Order approving Invenenergy’s acquisition of Grain Belt Express, the Commission restated that Invenenergy possessed requisite technical abilities.<sup>32</sup>

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<sup>29</sup> *Id.* at 7-8.

<sup>30</sup> *Id.*

<sup>31</sup> CCN Order at 43. In the Commission’s Findings of Fact, it referenced, among other things, that Invenenergy’s senior management executives, each with more than 25 years of experience in the energy generation industry, have worked together for more than two decades; Invenenergy’s project management team has extensive experience in construction of energy generation projects, contract negotiation, material procurement, right-of-way issues, utility interconnections, and construction of electrical transmission and substations (*id.* at ¶ 57, p. 20); and that since 2001, Invenenergy has built all required transmission and distribution lines, generator step-up transformers, and substations for its facilities in numerous regions, including within the regions managed by SPP, MISO and PJM. Invenenergy developed, permitted and constructed this infrastructure across various terrains, state and local jurisdictions, and in vastly differing environmental and regulatory conditions. This experience has resulted in over 392 miles of high-voltage transmission lines, over 1,748 miles of distribution lines, 59 substations, and 73 generator step-up transformers (*id.* at ¶ 58, p. 21).

<sup>32</sup> Report and Order, Docket No. EM-2019-0150 (June 5, 2019) at ¶ 7.

24. Grain Belt Express has shown through the testimony of each of its witnesses that it continues to possess the degree of expertise required to carry out the engineering, procurement, construction, equipment design, routing and land acquisition tasks required to construct the Amended Project and place it into operation.<sup>33</sup>

*Issue 2. Should the Commission approve a modification of the Landowner Protocols, as referenced and incorporated into the Report & Order on Remand in Case No. EA-2016-0358, to modify the compensation package offered to Tiger Connector landowners?*<sup>34</sup>

25. Yes, the Commission should approve the modifications included in Schedule KC-5, which was attached to the Direct Testimony of Kevin Chandler.

*Grain Belt Express' Proposed Payment Modification*

26. For public utilities filing applications for line CCNs after August 28, 2022, House Bill 2005 creates a requirement to pay owners of agricultural or horticultural land 150% of the fair market value of such land in the event of condemnation.<sup>35</sup> Although House Bill 2005 does not apply to this Project, Grain Belt Express is not opposed to paying 150% of fair market value to landowners along the Tiger Connector, but certain modifications to the Landowner Protocol are required to allow for that payment structure. Additionally, Grain Belt Express recognized that some stakeholders, including the Missouri Farm Bureau, have called for 150% payment values.<sup>36</sup>

27. Grain Belt Express proposes a modification to the Landowner Protocols specifying that different compensation methodologies apply to the AC portion of the Amended Project than for the HVDC portion. As the original Landowner Protocol was designed for the HVDC route and

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<sup>33</sup> App. at 67-73.

<sup>34</sup> Joint List of Issues, ¶ 2.

<sup>35</sup> Direct Testimony of Kevin Chandler at 20-21.

<sup>36</sup> *Id.* at 16, fn. 2.

did not consider the AC connector lines involved with the Project, the current Protocols do not allow Grain Belt Express to control for the difference in transmission siting concerns when determining landowner payments.<sup>37</sup>

28. While the modifications will mean Tiger Connector landowners will not receive the one-time structure payment of \$6,000 (for monopole structures), Grain Belt Express agrees with Missouri Farm Bureau that many Tiger Connector landowners will receive more value from 150% of fair market value without a structure payment than 110% of fair market value plus the structure payment. This is especially true in a period of increasing land values. Therefore, Grain Belt Express made the proposed modifications to the Landowner Protocols to accommodate Missouri Farm Bureau's request.<sup>38</sup>

*Staff's Proposed Payment Modifications*

29. Staff recommends the Commission reject Grain Belt Express' Modification.<sup>39</sup> Staff's recommendation appears to be based on concern about the loss of structure payments for Tiger Connector landowners, but Staff does not undertake any analysis regarding the offsetting benefit of easement payments at 150% of fair market value, nor does Staff address the fact that the 150% payments for Tiger Connector landowners was requested by the Missouri Farm Bureau.<sup>40</sup>

30. Staff's alternative recommendation is that the Commission adopt Grain Belt Express' Modification but also modify all previously order conditions consistent with House Bill 2005. Staff's alternative recommendation is both impractical and illegal. Staff is essentially asking

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<sup>37</sup> *Id.* at 20-21.

<sup>38</sup> Surrebuttal of Kevin Chandler at 14-15.

<sup>39</sup> Staff Report at 10.

<sup>40</sup> *See* Rebuttal Testimony of Claire Eubanks at 9.

the Commission to retroactively enforce a statute that the legislature has already recognized cannot be applied retroactively.<sup>41</sup>

*Issue 3. Should the Commission approve a modification of Ordering Paragraph 5 in the Report & Order on Remand in Case No. EA-2016-0358, such that easements obtained by means of eminent domain must be returned to the fee simple title holder if Grain Belt Express LLC does not satisfy the Financing Conditions within seven years, rather than five years, from the date that such easement rights are recorded with the appropriate county recorder of deeds?*<sup>42</sup>

31. Grain Belt Express withdraws its requested modification of Ordering Paragraph 5 in the Report and Order on Remand in Case No. EA-2016-0358. Grain Belt initially proposed to change the easement expiration term from “five years” to “seven years” for fairness and consistency with House Bill 2005, and in deference to the General Assembly.<sup>43</sup> However, the change is not essential for Grain Belt Express to deliver the benefits promised by this Project. In order to focus on the essential changes requested in the Application, Grain Belt Express withdraws this request. Accordingly, Staff’s alternative recommendation to incorporate the entirety of HB 2005 into Ordering Paragraph 8, as proposed by Claire Eubanks, is no longer applicable and should not be considered.<sup>44</sup> Again, Staff’s alternative recommendation is both impractical and illegal. The legislature has already recognized that House Bill 2005 cannot be applied retroactively. Staff’s request is nothing more than a request for retroactive application.<sup>45</sup>

*Issue 4. If the Commission approves any or all of the foregoing amendments, what conditions, if any, should the Commission impose?*<sup>46</sup>

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<sup>41</sup> See Surrebuttal Testimony of Kevin Chandler at pp. 12-13.

<sup>42</sup> Joint List of Issues, ¶ 3.

<sup>43</sup> Direct Testimony of Kevin Chandler at 19-20.

<sup>44</sup> Rebuttal Testimony of Claire Eubanks, p. 5-6.

<sup>45</sup> See Surrebuttal Testimony of Kevin Chandler at pp. 12-13.

<sup>46</sup> Joint List of Issues, ¶ 4.

32. Grain Belt Express has requested or agreed to a number of terms requested by various parties that should be included in the Commission's order approving the Application.

These terms are:

- a. All conditions established by the Existing CCN Order shall remain in place unless specifically modified by the CCN Amendment Order.
- b. Grain Belt Express shall not install transmission facilities associated with Phase 1 on easement property in Missouri until it has submitted documentation to Commission Staff regarding compliance with all applicable federal and Missouri environmental permits associated with Phase 1. Further, Grain Belt Express shall not install transmission facilities associated with Phase 2 on easement property in Missouri until it has submitted documentation to Commission Staff regarding compliance with all applicable federal and Missouri environmental permits associated with Phase 2.<sup>47</sup>
- c. The "Financing Condition" as set forth in Section I of Exhibit 1 to the CCN Order should be modified as follows:

Grain Belt Express will not install transmission facilities associated with Phase I of the Project on easement property in Missouri until it has obtained commitments for funds in an amount equal to or greater than the total cost to build the entirety of Phase I of the Project. Further, GBE will not install transmission facilities associated with Phase II of the Project on easement property in Missouri until it has obtained commitments for funds in an amount equal to or greater than the total cost to build the entirety of Phase II of the Project. The term "install transmission facilities" means "to affix permanently to the ground transmission towers or other transmission equipment, including but not limited to bases, poles, towers and structures, such wires and cables as Grain Belt shall from time to time suspend therefrom, foundations, footings, attachments, anchors, ground connections, communications devices and other equipment, accessories, access roads and appurtenances, as Grain Belt may deem necessary or desirable in connection therewith, but shall not include (A) preparatory work such as surveys, soil borings, engineering and design, obtaining permits and other approvals from governmental bodies, acquisition of options and easements for right of-way, and ordering of equipment and materials, and (B) site preparation work and procurement and installation of equipment and facilities on property owned in fee by Grain Belt Express including the converter station site." To allow the Commission to verify compliance with this condition, GBE shall file the following documents with the Commission at such a time as GBE is prepared to begin to construct electric

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<sup>47</sup> This condition was requested by Staff Witness Cedric Cunigan. Rebuttal Testimony of Cedric Cunigan, PE at p. 4, ll. 1-9. Grain Belt has stated it is amenable to that condition. Surrebuttal Testimony of Jennifer Stelzleni at 3-4.

transmission facilities in Missouri associated with Phase I and Phase II, respectively:

- i. On a confidential basis, equity and loan or other debt financing agreements and commitments entered into or obtained by GBE or its parent company for the purpose of funding the respective Phase of the transmission project that, in the aggregate, provide commitments for the total cost of such Phase.
  - ii. An attestation by an officer of GBE that GBE has not, prior to the date of the attestation, installed transmission facilities associated with the respective Phase on easement property; or a notification that such installation is scheduled to begin on a specified date.
  - iii. A statement of the total cost of the respective Phase, broken out by the categories of engineering, manufacturing and installation of converter stations; transmission line engineering; transmission towers; conductor; construction labor necessary to complete the Phase; right-of way acquisition costs; and other costs necessary to complete the Phase, and certified by an officer of GBE, along with a reconciliation of the total cost of such Phase in the statement to the total cost of such Phase as of the Application to Amend (i.e., \$3.52 billion for Phase I and \$1.43 billion for Phase II as set forth in the Direct Testimony of Aaron White); and property owned in fee by GBE associated with the respective Phase, including the converter station sites.
  - iv. A reconciliation statement certified by an officer of GBE showing that (1) the agreements and commitments for funds provided in subsection (i), above, are equal to or greater than the total cost of the Phase provided in subsection (iii), above; and (2) the contracted transmission service revenue is sufficient to service the debt financing of the Phase (taking into account any planned refinancing of debt).<sup>48</sup>
- d. The Missouri Landowner Protocols, as referenced and incorporated into the CCN Order at Ordering Paragraph 8, should be modified to allow compensation to Tiger Connector Landowners at 150%. Such modification to the Missouri Landowner Protocols is set forth in Schedule KC-5, filed with the Commission on August 31, 2022.
- e. If Grain Belt Express is designated as a system restoration resource by a regional transmission organization, it shall provide notice of such designation to Commission Staff, subject to external confidentiality protections limiting disclosure of certain documents or information.<sup>49</sup>

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<sup>48</sup> This is a modified condition proposed by Dr. Won in his Rebuttal Testimony at pages 7-8. Grain Belt Express has expanded upon Dr. Won's condition further to include a definition for the term "install transmission facilities." An explanation for the added definition is in the Surrebuttal testimony of Rolanda Shine at 4-5.

<sup>49</sup> This modification was suggested in the Rebuttal Testimony of Claire Eubanks at page 17. Grain Belt Express signaled it does not object to that modification on page 14 of the Surrebuttal Testimony of Carlos Rodriguez.

33. The Commission should reject Staff’s proposed definition of “material change.”

34. Staff Witness Michael Stahlman suggests the Commission define a material change to include: (1) a change in the converter station location or point(s) of interconnection, (2) a modification of 100 MW in converter station design size, (3) a change of a half billion dollars in estimated cost; or (4) a change to injection rights and withdrawal rights.<sup>50</sup>

35. As indicated by the current Application, Grain Belt Express will file an updated application with the Commission if there are design and engineering changes that are materially different from the certificated Project. Staff has not demonstrated why defining material changes is necessary, given Grain Belt Express’ demonstration of compliance with the current condition. Further, Staff’s recommended definitions would establish thresholds that are either too low or too unsubstantial (or both), which could trigger unnecessary additional applications with the Commission that further delay the construction of the Project and result in unnecessary re-litigation of issues. Finally, Staff’s recommendation to establish a cost threshold is not related to “design and engineering” issues and would fundamentally change the purpose of Ordering Paragraph 6. It is unnecessary to expand a “design and engineering” condition to include a financial component when the Project is already subject to (and will continue to be subject to) the Financing Condition or the Amended Financing Condition. Grain Belt Express’ surrebuttal testimony describes why each of Staff’s proposed thresholds are not appropriate.<sup>51</sup>

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<sup>50</sup> Rebuttal Testimony of Michael Stahlman at 8-9.

<sup>51</sup> Surrebuttal Testimony of Rolanda Shine at 13-14 (discussing change in cost); Surrebuttal Testimony of Carlos Rodriguez at 14-15 (discussing injection and withdrawal rights); and Surrebuttal Testimony of Aaron White at 5-9 (discussing changes to converter station location or point(s) of interconnection and modifying converter station design size by 100 MW).

### **III. Conclusion**

36. For the reasons set forth above and based on all the evidence the Commission will hear as part of this evidentiary proceeding, Grain Belt Express requests the Commission grant the Application as modified by the conditions proposed above.

Respectfully submitted,

*/s/ Andrew O. Schulte* \_\_\_\_\_

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ATTORNEYS FOR GRAIN BELT EXPRESS LLC



**CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing document was served upon the parties listed on the official service list by email, this 30th day of May 2023.

*/s/ Andrew O. Schulte* \_\_\_\_\_  
Andrew O. Schulte