

Exhibit No.:
Issues: General Reliability
Witness: Sarah Kliethermes
Sponsoring Party: MO PSC Staff
Type of Exhibit: Surrebuttal Testimony
Case No.: EA-2014-0207
Date Testimony Prepared: October 14, 2014

MISSOURI PUBLIC SERVICE COMMISSION

REGULATORY REVIEW DIVISION

SURREBUTTAL TESTIMONY

OF

SARAH KLIETHERMES

GRAIN BELT EXPRESS CLEAN LINE LLC

CASE NO. EA-2014-0207

*Jefferson City, Missouri
October 2014*

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32

SURREBUTTAL TESTIMONY

OF

SARAH KLIETHERMES

GRAIN BELT EXPRESS CLEAN LINE LLC

CASE NO. EA-2014-0207

Q. Please state your name and business address.

A. My name is Sarah L. Kliethermes and my business address is Missouri Public Service Commission, P. O. Box 360, Jefferson City, Missouri 65102.

Q. Are you the same Sarah Kliethermes who submitted Rebuttal Testimony in this matter, including the replacement page filed September 26, 2014?

A. Yes.

Overview

Q. Have you reviewed the rebuttal testimony of David Desmond on behalf of IBEW Unions, Frank Costanza on behalf of Tradewind Energy, Inc., and Matt Langley on behalf of Infinity Wind Power?

A. Yes. I have reviewed these filed testimonies, among others.

Response to Desmond

Q. Are you familiar with the question and answer that follows from page 5 of Mr. Desmond's rebuttal testimony?

Q. Would Grain Belt's Application impact reliability of electric transmission in Missouri, and if so, how?

A. Yes, approval of the Application would improve reliability of electric transmission. By interconnecting with the Ameren line, Grain Belt Express would provide another line in the State to transmit electricity. It would also provide another – cleaner and lower-cost – source of electricity to those areas.

Surrebuttal Testimony of
Sarah Kliethermes

1 A. Yes. I reviewed this exchange, and requested further information from
2 Mr. Desmond regarding it. Provided below is Staff Data Request 0172, and the Response
3 provided by Sherrie Hall, on behalf of IBEW Local Union No. 53.

4 **Description** Please refer to David Desmond rebuttal at Page 5, lines 5 –
5 10. In this context, was the word “reliability” intended to refer to
6 reliability pursuant to NERC standards? If not, in what sense is the word
7 “reliability” intended? Please provide any analysis that was relied on by
8 the witness to support their statement that the Grain Belt Express project
9 will improve reliability.

10 **Response** No, the word "reliability" was not intended to refer to
11 reliability to NERC standards. In this context, the word "reliability" was
12 intended to have its ordinary meaning. The witness's use of the word
13 "reliability" was based on his forty years of experience working and
14 training in the field of electricity.

15 Q. Is there a technical meaning of “reliability?”

16 A. Yes. As used in NERC standards, reliability consists of the following
17 considerations:

- 18 1) Resource and Demand Balancing (BAL)
- 19 2) Communications (COM)
- 20 3) Critical Infrastructure Protection (CIP)
- 21 4) Emergency Preparedness and Operations (EOP)
- 22 5) Facilities Design, Connections, and Maintenance (FAC)
- 23 6) Interchange Scheduling and Coordination (INT)
- 24 7) Interconnection Reliability Operations and Coordination (IRO)
- 25 8) Modeling, Data, and Analysis (MOD)
- 26 9) Nuclear (NUC)
- 27 10) Personnel Performance, Training, and Qualifications (PER)
- 28 11) Protection and Control (PRC)
- 29 12) Transmission Operations (TOP)
- 30 13) Transmission Planning (TPL)
- 31 14) Voltage and Reactive (VAR)

32 Q. Has Staff indicated its concerns with the potential impact of the Grain Belt
33 Express Project on reliability as that term is used in the NERC standards and also as generally
34 understood?

Surrebuttal Testimony of
Sarah Kliethermes

1 A. Yes. The need for additional study of the impact on aspects of reliability is
2 discussed in my rebuttal testimony, as well as in the additional studies and approvals
3 discussed in the rebuttal of Staff witnesses Michael Stahlman, Shawn Lange, and Robert
4 Leonberger.

5 **Response to Costanza**

6 Q. Are you familiar with Mr. Costanza’s assertion at pages 3 and 4 of his rebuttal
7 testimony that wind facilities are “...best fit when matched with natural gas combustion
8 turbine combined cycle and simple cycle plants....”?

9 A. Yes, I have reviewed his testimony involving this assertion.

10 Q. Is this assertion related to concerns you raised in your rebuttal testimony?

11 A. Yes, it is related to concerns I raised about the impact of the Project on the
12 integrated energy market operation in MISO, specifically see my highly confidential rebuttal
13 testimony beginning at page 22, line 13 through page 24, line 2, and page 28, line 2 through
14 page 30, line 2.

15 **Response to Langley**

16 Q. Are you familiar with Mr. Langley’s statement at page 8 of his rebuttal
17 testimony that “...[o]ne trend that we are seeing in the renewable energy arena is the
18 increasing number of large companies that are directly purchasing renewable power from
19 developers like Infinity. These companies are doing this in part because they recognize the
20 environmental benefits of doing so, but also because the [sic] see the value in purchasing
21 energy at a very low and fixed price for a long period of time...”?

22 A. Yes, I have reviewed his testimony involving this assertion.

Surrebuttal Testimony of
Sarah Kliethermes

1 Q. Is it reasonable to conclude that a potential benefit of the Project, if approved,
2 is that it will enhance the ability of large companies in Missouri to directly purchase
3 renewable power from developers like Infinity?

4 A. No, it is not. I understand that there is only one retail customer in Missouri
5 who can purchase electricity directly on the wholesale market—Noranda Aluminum.
6 Noranda currently obtains its electricity from Ameren Missouri under a tariffed rate, and has
7 done so for a number of years.

8 Q. Does this conclude your Surrebuttal Testimony?

9 A. Yes.