

**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 Maintain a High)	Case No. EA-2016-0358
Voltage, Direct Current Transmission Line)	
and an Associated Converter Station)	
Providing an Interconnection on the)	
Maywood-Montgomery 345 kV)	
Transmission Line.)	

**MISSOURI JOINT MUNICIPAL ELECTRIC UTILITY COMMISSION'S
INITIAL POST-HEARING BRIEF**

The Missouri Joint Municipal Electric Utility Commission (“MJMEUC”) respectfully requests the Commission grant Grain Belt Express Clean Line, LLC (“Grain Belt”) the certificate of convenience and necessity (“CCN”) because, under the applicable law and the evidence presented to the Commission, which is addressed fully in this brief, the project is necessary and convenient for service to the public for whose benefit MJMEUC has intervened. MJMEUC represents here its 68 Missouri municipal members and its advisory member, Citizens Electric Corporation, a rural electric cooperative with more than 21,000 customers. Together, MJMEUC’s members serve some 347,000 retail customers in Missouri and their combined peak load is approximately 2,600 MW.

While MJMEUC owns coal and natural gas generation that supplies most of its member’s energy needs, MJMEUC has primarily used purchase power agreements to provide additional energy, including renewable energy, to its members. Renewable energy, while in demand by the customers of MJMEUC’s members, is often not cost competitive, and is often located in high congestion areas in the SPP and MISO RTOs. The transmission service agreement that MJMEUC has with Grain Belt, and the power purchase agreement that MJMEUC has with

Infinity Wind will allow low cost wind energy to flow across Grain Belt and into MISO, where MJMEUC’s power pool and individual MJMEUC members can deliver the low-cost renewable energy to their customers.

I. The Commission may lawfully issue to Grain Belt the line certificate for which it has applied.

This Commission has previously concluded that Grain Belt is both an “electrical corporation” and a “public utility” over which this Commission may exercise authority because Grain Belt seeks to be a “necessary and important link” in the distribution of electricity by constructing and operating a transmission line to bring electrical energy from electrical power generators to consumers.¹ No party to this case disputes this conclusion. It is also undisputed that this Commission is authorized by §393.170.1 to permit the construction of a transmission line by granting a “line” certificate, and is authorized by §393.170.2 to permit the exercise of a franchise to serve customers by granting an “area” certificate.² Grain Belt seeks to construct a transmission line³ and has applied to this Commission – the only governmental entity from whom authorization is statutorily required – for a line CCN under §393.170.1, which states in full:

No gas corporation, electrical corporation, water corporation or sewer corporation shall begin construction of a gas plant, electric plant, water system or sewer system *without first having obtained the permission and approval of the commission.*⁴

The type of certification authorized by §393.170.1, the line certificate of convenience and necessity, is distinguished from the type of certification authorized by the second subsection of

¹ *Report & Order*, EA-2014-0207, Issued July 1, 2015, pages 18-19.

² *State ex rel. Cass County v. PSC*, 259 S.W.3d 544, 549 (Mo. App. W.D. 2008).

³ The definition of “electric plant” in §386.020(14) Revised Statutes of Missouri includes transmission lines.

⁴ §393.170.1 Revised Statutes of Missouri (Emphasis added).

§393.170.⁵ Under the second subsection of §393.170, an area certificate may be granted if permission is obtained from *both* the Commission and “the proper municipal authorities”:

No such corporation shall exercise any right or privilege under any franchise hereafter granted,...without first having obtained the permission and approval of the commission...[and] the required consent of the proper municipal authorities.⁶

The first sentence of subsection three of §393.170 refers to the Commission’s authority to grant the two types of CCNs referenced in subsections one and two, and requires the Commission to conduct a hearing prior to exercising that authority:

The commission shall have the power to grant the permission and approval herein specified whenever it shall after due hearing determine that *such construction or such exercise of the right, privilege or franchise* is necessary or convenient for the public service. The commission may by its order impose such condition or conditions as it may deem reasonable and necessary....⁷

The first sentence of §393.170.3 plainly refers to the Commission’s authority under subsection one to grant a line certificate by addressing “such construction,” and refers to the Commission’s authority under subsection two to grant an area certificate by addressing “such exercise of the right, privilege or franchise.” In significant contrast, there is *no* link between any of the three subsections of §393.170 with respect to the requirement of “consent of the proper municipal authorities.” That requirement is found only in §393.170.2 and thus applies only to the area certificate statutorily authorized by that subsection.

Similarly, this Commission’s rule which sets forth filing requirements for electric utility applications for CCNs, 4 CSR 240-3.105, follows the distinction between subsections (1) (line certificates) and (2) (area certificates) of §393.170. Subsection (C)

⁵ *State ex rel. Union Electric Company v. PSC*, 770 S.W.2d 283, 285 (Mo. App. W.D. 1989) (“Two types of certificate authority are contemplated under Missouri statutes.”)

⁶ §393.170.2 Revised Statutes of Missouri.

⁷ §393.170.3 Revised Statutes of Missouri (Emphasis added).

of 4 CSR 240-3.105 governs applications for a line certification for which “no evidence of approval of the affected governmental bodies is necessary....” On the other hand, subsection (D) of 4 CSR 240-3.105 governs applications for an area certificate for which “consent or franchise by a city or county is required....”

Therefore, neither the statute nor the Commission’s rule require an applicant for a line certificate to obtain permission from any entity other than the Commission itself. However, although the language of both §393.170 and 4 CSR 240-3.105 appears straight-forward, an issue has arisen in this case and one other previously addressed by this Commission. In EA-2015-0146, ATXI sought a line certificate to construct the Mark Twain electric transmission line. ATXI, like Grain Belt here, did not already possess and was not seeking an area certificate with which to serve customers. This Commission acknowledged the unique nature of the ATXI request in light of the case law precedent, finding that “*Harline* and its progeny did not contemplate a utility having a line certificate without a corresponding area certificate, and thus did not address circumstances where a utility has not already sought county or municipal consent.”⁸ This Commission granted ATXI the requested line certificate, conditioned upon ATXI obtaining assents from each of the five counties that would be crossed by the Mark Twain transmission line, and the issue was thus preserved for appellate review and clarification.⁹

On March 28, 2017, the Missouri Court of Appeals Western District issued its ruling in the ATXI Mark Twain transmission line case, but failed to address the issue presented in this case: whether approval by any local government is necessary before the Commission may issue a

⁸ *Report & Order*, EA-2015-0146, Issued April 27, 2016, page 39, citing *State ex rel. Harline v. Public Service Commission*, 343 S.W.2d 177 (Mo. App. W.D. 1960); *StopAquila.Org v. Aquila, Inc.*, 180 S.W.3d 24 (Mo. App. W.D. 2005) and *State ex rel. Cass County v. PSC*, 259 S.W.3d 544 (Mo. App. W.D. 2008).

⁹ *Report & Order*, EA-2015-0146, Issued April 27, 2016, page 40.

line certificate to a public utility that does not already possess and is not seeking an area certificate to serve customers. At no point in its decision did the Court of Appeals ever address a line certificate authorized by §393.170.1.¹⁰ Instead, the *Neighbors United* Court analyzed the second and third subsections of §393.170 (regarding area certificates and due hearings), and declared, inexplicably, that its “harmonization of the statute preserves the integrity of *both* subdivisions of section 393.170” as though there are only two, and not three, subdivisions of that statute.¹¹ The *Neighbors United* Court then ruled that ATXI must “receive the consent of *local* government authorities before the PSC issues a CCN,” even though ATXI did not seek an area certificate under subsection two of §393.170 which, even if it had been applicable, would have specifically required the consent of the “proper *municipal* authorities,” not “local” or “county” authorities.¹² The *Neighbors United* case thus provides no guidance for the Commission’s ruling in this case.¹³

Pursuant to the plain language of subsection one of §393.170 and 4 CSR 240-3.105(C), this Commission may lawfully issue to Grain Belt the line certificate for which it has applied, prior to and not contingent upon Grain Belt also receiving consent from any municipal, local or county government.

II. The high-voltage direct current transmission line and converter station for which Grain Belt seeks a CCN is necessary and convenient for the public service.

This Commission has the “power to grant the permission and approval” for the line certificate sought by Grain Belt “whenever it shall after due hearing determine that such

¹⁰ *Neighbors United Against Ameren’s Power Line v. PSC*, No. WD79883 (Mar. 28, 2017).

¹¹ *Neighbors United*, Slip Opinion at 8 (Emphasis added).

¹² *Id.*

¹³ The *Neighbors United* case, which is not a final decision, elevates a single county’s decision-making authority to the position of gate-keeper for the entire State of Missouri and even states beyond that would also be served by the Mark Twain transmission line. This troublesome policy established by *Neighbors United* is a strong indicator that the decision will be challenged.

construction or such exercise of the right, privilege or franchise is *necessary or convenient for the public service.*”¹⁴ To make the determination of whether or not the Grain Belt, or any other project, is necessary or convenient for the public service, this Commission has “traditionally applied five criteria, commonly known as the *Tartan* factors, which are as follows:

- a) There must be a need for the service;
- b) The applicant must be qualified to provide the proposed service;
- c) The applicant must have the financial ability to provide the service;
- d) The applicant’s proposal must be economically feasible; and
- e) The service must promote the public interest.”¹⁵

In the 2014 case¹⁶, and again in this case, no party has disputed Grain Belt’s qualifications and financial ability to provide service (the second and third of the five *Tartan* criteria), and so this Commission may again find that Grain Belt has met those two criteria. Therefore, to determine whether the Grain Belt project is necessary or convenient for the public service, this Commission must now determine (a) whether there is a need for Grain Belt; (b) whether Grain Belt is economically feasible; and (c) whether Grain Belt promotes the public interest.

A. MJMEUC’s customers, which at a minimum include the thirty-five MoPEP cities, Kirkwood, Hannibal, Columbia and Centralia (and their hundreds of thousands of citizens), need the Grain Belt transmission line.

As this Commission has previously held, “the term ‘necessity’ does not mean ‘essential’ or ‘absolutely indispensable,’ but that an additional service would be an improvement justifying

¹⁴ §393.170.3 Revised Statutes of Missouri (Emphasis added).

¹⁵ *Report & Order*, EA-2014-0207, Issued July 1, 2015; citing *In re Tartan Energy*, 3 Mo.P.S.C.3d 173, Case No. GA-94-127, 1994 WL 762882, 1994 Mo. PSC LEXIS 26 (September 16, 1994).

¹⁶ *Report & Order*, EA-2014-0207, Issued July 1, 2015, page 21.

its cost.”¹⁷ And, this Commission previously and correctly focused its analysis on the “aspects of the [Grain Belt] Project related to the effect on Missouri utilities and consumers rather than...Kansas wind developers or utilities and consumers from other states.”¹⁸ MJMEUC intervened in this matter to represent the interests of its city members (and their Missouri electric utility customers) – the very utilities and consumers upon which this Commission is properly focused. Indeed, as the *Tartan* Commission recognized over 20 years ago, “who would be in a better position to assess the need [for the service at issue] than the very communities seeking it?”¹⁹

MJMEUC’s CEO and President, Duncan Kincheloe, testified that the 35 MoPEP cities have contracted to purchase 60 MW of renewable energy delivered by Grain Belt, the city of Kirkwood has contracted to purchase 25 MW, the city of Hannibal has contracted to purchase 15 MW, and that he expects commitments will soon come from the city of Columbia for an additional 35 MW and from the city of Centralia for an additional 1 MW.²⁰ Clearly, the elected decision makers for these cities have assessed their need for the renewable energy which will be made available to them by Grain Belt, and these cities have entered into binding contracts for that energy.²¹ These cities are able to make these binding commitments to purchase renewable energy transmitted over Grain Belt because MJMEUC, also bound to perform, recognized the need and entered into the Transmission Service Agreement with Grain Belt, and the Power Purchase Agreement with Infinity Wind.²²

¹⁷ *Id.*

¹⁸ *Id.*

¹⁹ *In re Tartan Energy*, 1994 Mo. PSC LEXIS 26, *18.

²⁰ Transcript, March 23, 2017, page 980 line 21 to page 981 line 15; Page 984 lines 16 to 24; Page 995 line 1 to Page 997 line 2 (“Tr. 980:21 – 981:15; 984:16-24; 995:1 – 997:2”).

²¹ Exhibit 478 MoPEP; Exhibit 479 Kirkwood and Hannibal; Tr. 1003:20 – 1005:21.

²² Tr. 1001:10 – 23.

John Grotzinger, MJMEUC’s Chief Operating Officer, testified that MJMEUC needs Grain Belt to meet its reserve obligation and its load, because the denial of Grain Belt’s CCN will “likely raise the cost” for MJMEUC to meet those obligations.²³ MJMEUC’s current contract with Illinois Power Marketing for 100 MW expires in 2021, and that 100 MW is allocated entirely to the 35 MoPEP cities,²⁴ the same cities that have committed to purchase 60 MW of renewable energy from Grain Belt beginning in 2021. ** [REDACTED]

[REDACTED]

[REDACTED] **²⁵

As of March 23, 2017, the date of Mr. Grotzinger’s hearing testimony, MoPEP is “oversubscribed” in its ability to offer its members renewable retail products and cannot meet the needs and demands of its city members until it adds additional renewable resources.²⁶

Former FERC Commissioner Suedeen Kelly testified at hearing that the determination of “need” is different for a participant-funded project, such as Grain Belt, from the determination of “need” for a traditional regulated utility because the concern of the Commission is different. The customers of a participant-funded transmission line such as Grain Belt are voluntary customers who choose to ship energy on the line,²⁷ and thus don’t require the Commission’s protection as would captive rate-paying customers of a traditional utility.²⁸ Ms. Kelly testified further that FERC began approving merchant or participant-funded transmission lines approximately 14 years ago because it saw the need to expand competitive generational alternatives for customers

²³ Tr. 1011:23 – 1012:4.

²⁴ Tr. 1048:7 – 18.

²⁵ In-Camera Tr. 1027:17 – 1028:12.

²⁶ Tr. 1112:9 – 25.

²⁷ Tr. 536:2 – 17.

²⁸ Tr. 514:10 – 21.

and “liked the prospect of putting the risk on the investors and not on the ratepayers.”²⁹ And, FERC has already authorized Grain Belt to “implement the participant-funded model through open solicitation and bilateral negotiation of rates.”³⁰ As Ms. Kelly testified, “in the Midwest...there’s really a need for more – for a transmission that’s not being met by the local planning RTOs” and Grain Belt can be the solution to the problem of seams as well as the need to move wind power from where it exists to where it is needed.³¹ Ms. Kelly cited MJMEUC’s Transmission Service Agreement with Grain Belt, and “also the transmission service requests that have been provided from the 14 generators to Grain Belt...[as] significant evidence of need.”³²

Grain Belt’s Chief Financial Officer David Berry testified at the hearing that the need for Kansas wind delivered over Grain Belt to Missouri is demonstrated by comparing its price to the price of wind generated within MISO where congestion is a problem. He stated that the cost of the MISO wind “is going to be higher than Kansas wind, but still pretty competitive...[but] the trouble is there’s a lot of congestion between the best wind blocks in MISO and Missouri...[so] it costs \$10 to \$12 MW hour of [additional] congestion cost just because the grid is so clogged up in MISO to get the power to Missouri.”³³ The additional cost caused by congestion was further demonstrated by Show Me’s Paul Glendon Justis, Jr. who, using MJMEUC’s John Grotzinger’s Schedule JG-8, demonstrated how contracts with similar price could end up being much more expensive due to congestion pricing.³⁴

²⁹ Tr. 527:21 – 528:24.

³⁰ Tr. 529:6 – 22.

³¹ Tr. 530:7 – 531:4.

³² Tr. 536:18 – 23.

³³ Tr. 929:1 – 13.

³⁴ In-Camera Tr.1570:6 – 1573:5; 1575:11 – 1576:10 (no quotation cited in this brief so HC treatment unnecessary).

MJMEUC's 35 MoPEP cities, plus at least Kirkwood, Hannibal, Columbia and Centralia, are in the best position to assess their needs, and they have decided they need the service that will be provided by Grain Belt.

B. On behalf of its city members and their hundreds of thousands of citizens, MJMEUC has relied on the evidence of Grain Belt's economic feasibility.

As recognized by the *Tartan* Commission, an investor-funded project which "bears most of the risk" is a "viable project" even "if it has underestimated the economic feasibility of its project, and the public benefit outweighs the potential for underestimating these costs."³⁵ In the 2014 case, despite the fact that Grain Belt was and is an investor or participant-funded project, this Commission found Grain Belt was not viable or economically feasible primarily because of testimony that the service offered by Grain Belt was "not the least-cost alternative for meeting Missouri's future needs for either energy and capacity or renewable energy."³⁶ MJMEUC did not participate in the 2014 case because MJMEUC and Grain Belt had not at that time executed their Transmission Service Agreement, and MJMEUC and Infinity Wind had not at that time executed their Power Purchase Agreement. These contracts are new evidence upon which this Commission should base a finding that Grain Belt is economically feasible.

Drawing on its experience in the SPP and MISO markets, MJMEUC determined that Kansas wind energy delivered over Grain Belt to its customers is indeed the least-cost alternative. Mr. Grozinger testified at hearing that the SPP through and out pricing rose by 20% from January 2016 to January 2017 and thus increased the savings to MJMEUC for service over Grain Belt by an additional \$1.2 million annually in addition to the savings calculated in his pre-

³⁵ *In re Tartan Energy*, 1994 Mo. PSC LEXIS 26, *40.

³⁶ *Report & Order*, EA-2014-0207, Issued July 1, 2015, page 23.

filed testimony.³⁷ Significantly, setting aside the “first mover rate” obtained by MJMEUC in its Transmission Service Agreement with Grain Belt, savings will still occur though Grain Belt service at the full tariff rate versus the service offered by SPP and MISO.³⁸ Thus, even if full tariff rates are charged by Grain Belt to entities other than MJMEUC, those entities will experience savings by choosing Grain Belt as the least-cost service. The availability of such savings proves the viability, or economic feasibility, of the Grain Belt project.

C. The Grain Belt project promotes the interest of MJMEUC’s public, which at a minimum includes the thirty-five MoPEP cities, Kirkwood, Hannibal, Columbia and Centralia (and their hundreds of thousands of citizens).

This Commission previously concluded that “[d]etermining what is in the interest of the public is a balancing process...[in which] the total interests of the public served must be assessed...[and] means that some of the public may suffer adverse consequences for the total public interest [because] [i]ndividual rights are subservient to the rights of the public.”³⁹ The “public” that is relevant to this inquiry is “the public served by the utility [which] is interested in the service rendered by the utility and the price charged therefor; [and the] investing public [which] is interested in the value and stability of the securities issued by the utility.”⁴⁰

Thus, although MJMEUC itself is not regulated by the Commission, the public it represents must indeed be of concern to the Commission in assessing the public interest for the Grain Belt project. Grain Belt is necessary and convenient for service to the public for whose benefit MJMEUC intervened in this matter – 68 Missouri municipal members and its advisory member, Citizens Electric Corporation.

³⁷ Tr. 1103:3 – 1106:11; Exhibit 477 Schedule JG-3.

³⁸ Tr. 1106:12 – 1110:15; Exhibit 477 Schedule JG-8.

³⁹ *Report & Order*, EA-2014-0207, Issued July 1, 2015, page 24.

⁴⁰ *State ex rel. St. Louis v. Public Service Commission*, 73 S.W.2d 393, 399 (Mo. 1934).

Regarding this fifth and final criteria for determining whether Grain Belt is “necessary and convenient for the public service,” the *Tartan* Commission found “public interest” to be “in essence a conclusory finding as there is no specific definition of what constitutes the public interest [and] [g]enerally speaking, positive findings with respect to the other four standards will in most instances support a finding that an application for a certificate of convenience and necessity will promote the public interest.”⁴¹ Here, no party disputes the fact that Grain Belt meets the second and third of the *Tartan* criteria – that Grain Belt is qualified to provide the service and has the financial ability to provide the service. And, as set forth fully in Sections II.A and II.B of this brief, MJMEUC respectfully submits that the first and fourth of the *Tartan* criteria have also been met – there is a need for Grain Belt and Grain Belt is economically feasible. Thus, there are “positive findings” with respect to the first four *Tartan* criteria, and a finding that the public interest is served by Grain Belt lawfully follows.

The factual evidence that Grain Belt serves the public interest further compels a positive finding on the fifth *Tartan* criteria, particularly in light of the *Tartan* Commission’s acknowledgment that no project is “risk-free,” that opponents to a project are in opposition because their interests compete with the interests of those in favor of the project, that “having another energy source available” benefits Missourians, and that some “casualties are the price paid for ‘progress.’”⁴²

MJMEUC’s Duncan Kincheloe testified that the Grain Belt-MJMEUC-Infinity Wind contracts are the “lowest cost energy alternative” compared to SPP transmission service and will result in \$9 million to \$11 million in annual savings for the cost of transmission service.⁴³ Mr.

⁴¹ *In re Tartan Energy*, 1994 Mo. PSC LEXIS 26, *40-41.

⁴² *Id.*, *42-45.

⁴³ Tr. 998:23 – 999:21.

Kincheloe also testified that, for the wind power and the transmission service combined, and compared “to the Illinois Power Marketing contract that will expire about the time this power becomes available through Grain Belt...[c]oincidentally, that savings for...the MoPEP cities comes to just under \$11 million....”⁴⁴ This \$11 million savings to the MoPEP cities is a benefit that will occur annually.⁴⁵ Because MJMEUC is non-profit, its city members “receive those savings dollar for dollar,” and they are likely to pass on those savings to their residential and industrial customers through “rate relief” or “deferred maintenance” in the smallest communities “that are struggling economically”⁴⁶

The mathematics are straight-forward. MoPEP transmission savings account for 44.44% of the total transmission savings (60 MW of the currently anticipated 135 MW subscription), which would result in \$4.88 million in annual transmission savings (44.44% x \$11 million)⁴⁷, and \$6.12 million in annual energy and capacity savings. When taking this \$6.12 million in annual energy and capacity savings of MoPEP, coupled with the approximately \$11 million in annual transmission savings for MJMEUC as a whole, the total known expected benefits are approximately \$17.2 million annually, or a total savings of \$344 million to Missouri customers over the 20 year contract. This calculation of savings doesn’t include the energy and capacity savings to Kirkwood, Hannibal, Columbia or Centralia, but logic indicates their savings will likely be similar in scope to the savings of the MoPEP cities. If, as expected, additional Missouri cities sign contracts with MJMEUC for transmission, energy and capacity over Grain Belt, the total savings for Missouri customers will be even higher.

⁴⁴ Tr. 999:21 – 1000:10.

⁴⁵ Tr. 1002:15 – 20.

⁴⁶ Tr. 1000:14 – 1001:9.

⁴⁷ The additional \$1.2 million annual transmission savings to which John Grotzinger testified during the hearing is not even included in this calculation. Tr. 1103:3 – 1106:11; Exhibit 477 Schedule JG-3.

Show Me's witness, Donald W. Shaw, testified that he had reviewed MJMEUC's Transmission Service Agreement with Grain Belt, and also MJMEUC's Power Purchase Agreement with Infinity Wind, and that "those numbers look very low" for delivering energy and capacity into MISO and "you can't blame MJMEUC for subscribing it."⁴⁸

MLA's Joseph J. Jaskulski testified that "the [Infinity Wind] Iron Star Grain Belt combination is lower cost to MJMEUC than the lowest cost proposal received [by MJMEUC] in September 2016" and that of the 14 responses MJMEUC received in that solicitation, all "were higher cost than the Kansas wind – or Iron Star GBX combination."⁴⁹ Indeed, Mr. Jaskulski's own calculations evidenced that "Kansas wind is cheaper by \$3 million annually, Kansas wind over Grain Belt."⁵⁰ And, Mr. Jaskulski acknowledged that, since MJMEUC is a non-profit entity with no shareholders, it "seems like [MJMEUC's members are] the only people left to get the savings."⁵¹

Show Me's Paul Glenden Justis, Jr. testified that the MJMEUC-Grain Belt-Infinity Wind "deal that has been on the table for MJMEUC is a good deal."⁵² Mr. Justis agreed that, in performing his own calculations and analysis of Kansas, Missouri and Iowa wind energy, Kansas wind delivered to MJMEUC by GBX was "the cheapest of these three [alternatives] that I analyzed, yes."⁵³ Specifically, when using 2021 pricing (which is the year Grain Belt is to be functional), Mr. Justis agreed that Kansas wind delivered to MJMEUC is cheaper than Crystal Lake Iowa wind delivered via MISO.⁵⁴

⁴⁸ Tr. 1176:23 – 1177:10.

⁴⁹ Tr. 1457:7 – 23.

⁵⁰ Tr. 1476:12 – 18.

⁵¹ Tr. 1465:15 – 1466:1.

⁵² Tr. 1554:8 – 19.

⁵³ Tr. 1557:17 – 1558:5.

⁵⁴ Tr. 1566:6 – 1567:21.

The three opposing witnesses who testified at the request of MLA and Show Me agree with MJMEUC's two witnesses that Grain Belt's service of Kansas wind energy to MJMEUC is in the best interest of the public served by MJMEUC. The Commission should find, on the law and on the factual evidence, that the fifth and final *Tartan* criteria for determining that Grain Belt is necessary and convenient for the public service has been met.

III. The Commission need not set any conditions on the CCN it should grant to Grain Belt.

As set forth fully in Section I of this brief, MJMEUC respectfully submits that this Commission may lawfully authorize Grain Belt's CCN without condition. Certainly, this Commission is also authorized by §393.170.3 to issue the CCN with such condition or conditions as the Commission may deem reasonable and necessary. MJMEUC takes no further position on this issue.

IV. The Commission may issue the CCN requested by Grain Belt and may also choose to exempt Grain Belt from complying with the reporting requirements of Commission Rules 4 CSR 240-3.145; 4 CSR 240-3.165; 4 CSR 240-3.175 and 4 CSR 240-3.190(1), (2) and (3)(A)-(D).

MJMEUC takes no position on this issue.

V. Additional Commissioner Question: "If the Commission wanted to condition the effectiveness of the CCN on the actual construction of the proposed converter station and the actual delivery of 500 MW of wind to the converter station, how would it do so?"

Speaking only to the law and setting aside the factual and practical concerns which are best addressed by Grain Belt, MJMEUC suggests that Grain Belt must have an effective line certificate, issued under the authority of §393.170.1, before it can commence construction of the project which includes construction of the proposed converter station. In other words, the line certificate must be effective before construction of the converter station may commence. And, it follows that the converter station must be constructed and functional before 500 MW of wind can actually be delivered to the converter station. Thus, it does not appear that the effectiveness

of a CCN here can be delayed. However, as fully addressed in Sections I and III of this brief, the Commission may lawfully set reasonable and necessary conditions on a CCN issued to Grain Belt, including whatever assurances the Commission may require of Grain Belt.

Conclusion:

On behalf of its 68 Missouri municipal members and its advisory member, Citizens Electric Corporation, and their combined 347,000 retail customers, MJMEUC respectfully requests that this Commission find that the Grain Belt project is necessary and convenient for the public service and issue to Grain Belt the requested certificate of convenience and necessity.

Respectfully Submitted,

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CERTIFICATE OF SERVICE

I hereby certify that the foregoing Missouri Joint Municipal Electric Utility Commission's Initial Post-Hearing Brief was served by electronically filing with EFIS and emailing a copy to the following interested persons on this 10th day of April, 2017:

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