

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

In the Matter of the Application of GridLiance)	
High Plains LLC for a Certificate of Convenience and)	
Necessity to Construct, Own, Install, and Maintain)	File No. _____
Certain Southwest Power Pool, Inc.-Mandated Network)	
Upgrades to a 69kV Electric Transmission Line)	
Located in Christian and Greene Counties, Missouri)	

**APPLICATION FOR A CERTIFICATE OF CONVENIENCE AND NECESSITY,
REQUEST FOR WAIVER OF NOTICE AND MOTION FOR EXPEDITED
CONSIDERATION OR, IN THE ALTERNATIVE, AN ORDER DISMISSING
THIS APPLICATION FOR LACK OF JURISDICTION**

COMES NOW GridLiance High Plains LLC, f/k/a South Central MCN LLC (hereinafter GridLiance HP or Applicant), by and through counsel, and respectfully requests an order of the Missouri Public Service Commission (Commission) finding that it lacks jurisdiction over this matter. Alternatively, pursuant to RSMo. §393.170 and Commission Rules 4 CSR 240-2.060 and 240-3.105(B), Applicant requests permission and approval and a certificate of convenience and necessity (CCN) to construct, install, own and maintain the equipment necessary to reconductor an approximately 1.25 mile-long 69 kilovolt (kV) electric transmission line located in Christian County. In support thereof, GridLiance HP states as follows:

THE APPLICANT

1. Applicant is a limited liability company organized under the laws of the state of Delaware and is authorized to do business in this State as a foreign-chartered limited liability company. Its sole member is GridLiance Eastern Holdings LLC (GridLiance Eastern Holdings), an indirect subsidiary of GridLiance Holdco, LP (GridLiance Holdco). A copy of GridLiance HP's authorization to do business in Missouri as a foreign-chartered limited liability company is attached as **Appendix A**, hereto. Applicant's principal office and place of business is located at 201 East John Carpenter Freeway, Suite 900, Irving, Texas 75062. GridLiance HP has no pending actions or final unsatisfied judgments or decisions against it

from any state or federal agency or court that involve customer service or rates and has no overdue annual reports or assessment fees.

2. Pleadings, notices, orders, and other correspondence and communications regarding this docket should be addressed to the undersigned counsel for GridLiance HP and also to:

N. Beth Emery
SVP, General Counsel & Secretary
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3. By virtue of an **Order Granting Certificate of Convenience and Necessity**, issued by the Commission on July 20, 2016 in File No. EA-2016-0036 (the July 20 Order), Applicant was granted a line CCN authorizing it to transmit electricity through approximately 10 miles of 69 kV transmission lines and associated facilities located in Christian and Greene Counties that GridLiance HP sought to acquire from the City of Nixa, Missouri (Southwest Missouri Assets) and to transfer functional control of the Southwest Missouri Assets to the Southwest Power Pool, Inc. (SPP), subject to GridLiance HP complying with certain conditions and post-closing obligations.¹ GridLiance HP's purchase of the Southwest Missouri Assets was completed on March 31, 2018. GridLiance HP subsequently transferred functional control of the Southwest Missouri Assets to SPP on April 1, 2018. On April 30, 2018, GridLiance HP submitted a supplemental filing in compliance with the directives contained in the Commission's July 20 Order.²

4. GridLiance HP is a transmission-only utility with no retail electric customers. Consequently, the Federal Energy Regulatory Commission (FERC) has jurisdiction over the rates and

¹ The name of the applicant in that case was South Central MCN LLC or "SCMCN" as abbreviated in the July 20 Order. On August 1, 2018, Applicant's name was changed to GridLiance Heartland LLC.

² An explanation for the time period between the issuance of the July 20 Order and the closing of the sale is addressed in SCMCN's supplemental filing. [EFIS document No. 90]. See, fn. 6, page 4.

terms and conditions of service over the Southwest Missouri Assets. Nevertheless, Applicant has certain ongoing reporting obligations to the Commission.³

THE SPP-MANDATED NETWORK UPGRADE

5. By letter dated August 17, 2018, Mr. Lanny Nickell, Vice President, Engineering of SPP delivered to GridLiance HP a “Notification to Construct” (NTC). The NTC directs Applicant, as owner of the Southwest Missouri Assets, to construct a Network Upgrade pursuant to Section 3.3 of the SPP Membership Agreement and Attachments O and Y of the SPP Open Access Transmission Tariff. A copy of the NTC is attached hereto, marked **Appendix B**, and incorporated herein by reference.

6. The Network Upgrade requires that GridLiance HP reconductor of a segment of the Southwest Missouri Assets – 1.25 miles of 69 kV transmission line that extends from the Nixa Downtown to Nixa Espy substations (the NTC Line). The NTC requires all elements and conductors on the NTC Line to have an emergency rating of at least 97 MVA.

7. Applicant has determined that the system upgrades mandated by SPP can and will occur to the NTC Line wholly within the geographic boundaries of its existing CCN granted by the Commission in File No. EA-2016-0036 because a portion of NTC line will be rebuilt in place to allow for the required increase in capacity rather than new facilities being built that expand the capacity of the current facilities. As such, GridLiance HP requests a waiver from the requirements of Commission Rule 4 CSR 240-3.105(B)(1) for good cause.

8. As shown in GridLiance HP’s written commitment to construct the project, which is attached hereto and marked **Appendix C**, the estimated cost of the project is approximately \$1.4 million. Applicant’s commitment to SPP includes the obligation to undertake the engineering design that will

³ For example, the Commission retains jurisdiction over GridLiance HP for purposes of the requirement at 4 CSR 240-3.180 to submit a heat-related service cold weather report; the requirement at 4 CSR 240-3.190(3)(E) to report loss of transmission capability that could limit the output of a generating plant; and the requirement at 4 CSR 240-3.190(4) and (5) to submit reports and updates regarding accidents.

precede the installation of the system improvements. This will be a straightforward rebuild of facilities it already owns. As such, GridLiance HP does not currently have any plans or specifications with regard to the reconductoring project. Accordingly, GridLiance HP requests that the Commission waive the filing requirement of its rule 4 CSR 240-3.105(B)(2) for good cause. Upon a request by the Commission or its staff, Applicant will supply such plans as they become available.

9. Applicant will finance the NTC through draws on its secured line of credit approved by FERC⁴ and, as necessary, capital infusions from its parent companies, GridLiance Eastern Holdings and GridLiance Holdco. As Applicant noted in its Application for a CCN in File No. EA-2016-0036, shares in GridLiance Holdco are owned by certain Blackstone Group investment entities that have committed to fund GridLiance Holdco and its subsidiaries, including GridLiance HP.

10. Pursuant to Commission rule 4 CSR 240-3.105(C) and (D), Applicant states that it has previously obtained from (i) all affected cities and counties such consents or franchises as are required to own and operate the Southwest Missouri Assets, and (ii) from all governmental agencies those approvals to operate the Southwest Missouri Assets, and such consents, franchise and approvals are sufficient for purposes of making the SPP-mandated Network Upgrade to the NTC Line.

GROUND FOR ORDER DISMISSING FOR LACK OF JURISDICTION

11. Section 393.170.1, RSMo, provides that no electrical 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.” (emphasis added). Commission Rule 4 CSR 240-3.105 sets forth the filing requirements for securing a CCN for a service area or for the construction of an electrical transmission line.

12. The Network Upgrade mandated by the SPP does not involve the construction of a new electrical transmission line and, consequently, Applicant does not request a CCN for a new line route or a

⁴ See *GridLiance High Plains LLC*, 165 FERC ¶ 62,003 (Oct. 1, 2018).

modification to the existing corridor in which the Southwest Missouri Assets are located. Rather, it involves the making certain improvements to an electric transmission line that already is in existence.⁵

13. Further, and as noted above in paragraph 7, *supra*, Applicant has determined that the system upgrades to the improvements demanded by SPP will occur to the NTC Line within the geographic boundaries of its existing CCN granted by the Commission in File No. EA-2016-0036.

14. For these reasons, Applicant believes that the SPP-mandated Network Upgrade is not the “begin[ning] of construction” as that phrase is used in §393.170 RSMo and therefore that its existing CCN is sufficient authority from the Commission to proceed with the Network Upgrade. Applicant respectfully requests that the Commission declare that it does not have subject-matter jurisdiction of the reconductoring work that GridLiance HP will be undertaking.

IN THE ALTERNATIVE, REQUEST FOR A CCN AND FOR EXPEDITED CONSIDERATION

15. In the event the Commission determines that it *does* have subject-matter jurisdiction, pursuant to Commission Rule 4 CSR 240-3.105, Applicant requests permission and approval and a CCN to construct, install, own and maintain the Network Upgrade described above.

16. The grant of a CCN is required by the public convenience and necessity. The NTC is the product of a comprehensive regional transmission planning process which identifies system needs and other vulnerabilities that could impact transmission customers in the SPP region. As stated in the NTC, SPP has determined that the Network Upgrade is required to provide for regional reliability of the electric transmission system operated by SPP.

17. SPP has accepted GridLiance HP’s commitment to construct the project. As noted in **Appendix C**, GridLiance HP has committed to complete the Network Upgrade no later than December 31,

⁵ As may be pertinent to the matter at hand, the Southwest Missouri Assets have a value for FERC ratemaking of between \$8.5 to \$9 million. As such, the estimated cost of the Network Upgrade represents approximately 15% of GridLiance HP’s transmission rate base. As noted, GridLiance HP does not provide retail electric service in Missouri.

2019. However, as GridLiance HP will strive to complete the project by SPP's Need Date of June 1, 2019, GridLiance HP respectfully requests an order from the Commission declining jurisdiction or, in the alternative, granting the requested CCN no later than 60 days from the date of this Application to better enable Applicant to meet the SPP schedule and thereby ensure continued reliability of the SPP consumers served by these facilities. To ensure that the project will be completed as planned, Applicant needs clarity regarding its authority to commence construction to improve Applicant's ability to try to complete the NTC project by the Need Date.

18. This Application has been filed as soon as circumstances could reasonably provide. After receipt of the NTC, Applicant submitted an acceptance letter to SPP on September 21 along with an updated cost estimate which was accepted by SPP on September 25. In addition, the question of the Commission's subject-matter jurisdiction is not one that could have been answered with certainty given the contemporaneous developments in File No. EX-2018-0189, thus requiring additional analysis and preparations to file.

MOTION FOR WAIVER

19. Rule 4 CSR 240-4.017(1) provides that "(a)ny person that intends to file a case shall file a notice with the secretary of the commission a minimum of sixty (60) days prior to filing such case." A notice was not filed 60 days prior to the filing of this Application, and GridLiance HP seeks a waiver of the 60-day notice requirement.

20. Rule 4 CSR 240-4.017(1)(D) provides that a waiver may be granted for good cause. Good cause exists in this case. GridLiance HP declares (as verified below) that it has had no communication with the office of the Commission (as defined by Commission Rule 4 CSR 240-4.015(10)) within the prior 150 days regarding any substantive issue likely to be in this case, other than those pleadings filed for record. Accordingly, for good cause shown, GridLiance HP moves for a waiver of the 60-day notice requirement of Rule 4 CSR 240-4.017(1) and acceptance of this Application.

WHEREFORE, Applicant requests an order of the Commission not later than 60 days from the date hereof bearing an effective date of 10 days from the date of issuance:

- A. Declining jurisdiction over this matter and dismissing the Application, or, alternatively;
- B. Waiving the 60-day notice required Commission rule 4 CSR 240-4.017(1) for good cause shown;
- C. Finding that the Network Upgrade described above is required by the public convenience and necessity;
- D. Granting a certificate of convenience and necessity to construct, install, own and maintain the SPP-mandated Network Upgrade to the Line; and
- E. Granting such other relief as may be necessary or appropriate in the circumstances.

Respectfully submitted,

BRYDON, SWEARENGEN & ENGLAND P.C.

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CERTIFICATE OF SERVICE


I hereby certify that the above and foregoing document was filed in EFIS and that a copy of the same was sent via electronic mail on this 25th day of October, 2018, to counsel for the Staff of the Commission and the Office of the Public Counsel.

Paul A. Boudreau
Paul A. Boudreau


VERIFICATION

STATE OF TEXAS)
) ss
COUNTY OF DALLAS)

I, J. Brett Hooton, having been duly sworn upon my oath, states that I am the President of GridLiance High Plains LLC (GridLiance HP), and that the matters and things stated in the foregoing pleading are true and correct to the best of my information, knowledge, and belief and that I am authorized to execute this verification on behalf of GridLiance HP.


J. Brett Hooton

Subscribed and sworn to before me, a notary public, on this 25th day of October, 2018.



Notary Public

My Commission expires: February 9th, 2019

