

**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 Voltage, Direct Current Trans-)
mission Line and an Associated Converter Station)
Providing an Interconnection on the Maywood-)
Montgomery 345kV Transmission Line.)

Case No. EA-2016-0358

STAFF’S POSITION STATEMENT ON REMAND

COMES NOW the Staff of the Missouri Public Service Commission, by and through counsel, and for its *Position Statement on Remand*, states as follows:¹

1. Does the evidence establish that the Commission may lawfully issue to Grain Belt Express Clean Line LLC ("Grain Belt") the certificate of convenience and necessity ("CCN") it is seeking for the high-voltage direct current transmission line and converter station with an associated AC switching station and other AC interconnecting facilities?

STAFF’S POSITION:

Yes. The Missouri Supreme Court has made it clear that the Commission may lawfully issue a CCN in this case.

2. Does the evidence establish that the high-voltage direct current transmission line and converter station for which Grain Belt is seeking a CCN are “necessary or convenient for the public service” within the meaning of that phrase in section 393.170, RSMo.?

¹ The positions taken by Staff herein replace those taken by Staff in the original proceedings.

STAFF'S POSITION:

Based on Staff's supplemental review, Staff still cannot definitively state that the Application satisfies all of the Tartan Criteria. However, Grain Belt continues to commit to the conditions set forth in Staff Exhibits 205 and 206.

3. If the Commission grants the CCN, what conditions, if any, should the Commission impose?

STAFF'S POSITION:

Staff recommends any order approving a CCN be conditioned on the various agreements in Exhibits 205 and 206. Additionally, Staff recommends as an additional condition that Grain Belt provide Staff with reasonable access to the confidential financial information of Invenergy. Staff also continues to recommend the Commission require Grain Belt to comply with the conditions prior to acquiring involuntary easements or starting construction of the transmission line. Staff further recommends the conditions be subject to a demonstration to the Commission that the outstanding studies do not raise any new issues and, if they do, that the Commission is satisfied with Grain Belt's solution to address those issues. Finally, Staff recommends the Commission condition the CCN such that if the design and engineering of the project materially changes from that presented in its Application, Grain Belt be required to file an updated Application subject to further review and determination by the Commission.

4. If the Commission grants the CCN, should the Commission 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 3.190(1), (2) and (3)(A)-(D)?

STAFF'S POSITION:

Yes, except for the annual report filing requirement of rule 4 CSR 240-3.165. Grain Belt Express does not need relief from rule 4 CSR 240-3.165 since Grain Belt Express “agrees to file with the Commission the annual report that it files with FERC.”

Respectfully submitted,

/s/ Kevin A. Thompson

Kevin A. Thompson
Missouri Bar No. 36288
Chief Staff Counsel

Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102
(573) 751-6514 (Telephone)
(573) 526-6969 (Fax)
kevin.thompson@psc.mo.gov (e-mail)

Attorney for the Staff of the
Missouri Public Service Commission

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 13th day of December 2018.

/s/ Kevin A. Thompson

**BEFORE THE PUBLIC SERVICE COMMISSION
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Psc Staff Exhibit No. 205
Date 3-21-17 Reporter KJB
File No. EA-2016-0358

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

**GRAIN BELT EXPRESS RESPONSE TO
ROCKIES EXPRESS PIPELINE LLC'S FIRST SET
OF DATA REQUESTS TO GRAIN BELT EXPRESS CLEAN LINE LLC**

Grain Belt Express Clean Line LLC ("GBX") states the following in response to the data requests propounded by Rockies Express Pipeline LLC ("REX"):

1. GBX's application and the testimony and schedules filed in support propose preferred and alternative routes for GBX's high voltage, direct current electric transmission line and associated converter station (the "HVDC Project") that may involve multiple crossings of, and run parallel to, REX's existing high pressure natural gas pipeline (the "Pipeline"). None of said filings address the potential impacts of GBX's HVDC Project on REX's Pipeline, however. It is REX's position that it is not permissible to design, construct or operate GBX's HVDC line in a manner that would pose a risk to the safety or integrity of REX's pipeline. Does GBX support REX's position?

RESPONSE: Yes.

2. REX intends to study the potential impacts of the HVDC Project on the Pipeline. However, the testimony of GBX's witnesses, Anthony Wayne Galli and Thomas F. Shiflett, and the schedules attached thereto, indicate that the design and engineering of the HVDC project is still in a preliminary state. If comprehensive engineering and design work for the HVDC Project have yet to commence, please answer the following:

a) At what identifiable stage or step during the HVDC Project engineering and design work processes does GBX believe that potential impacts of the HVDC Project to the Pipeline may be determined?

RESPONSE: The appropriate time to begin studies would be after the final route alignment and structure spotting exercises are completed. Once a route is approved, significant engineering activities will begin on an engineering commencement date to determine structure locations. At that time enough detail will be available to perform the studies to determine if any mitigation measures will be necessary.

- b) Does GBX intend to give REX prompt, advance notice that the stage or step identified in GBX's answer to the immediately preceding question is about to commence?

RESPONSE: Yes.

- c) REX anticipates that it will need technical information about the HVDC Project, as well as information about how GBX intends to operate the HVDC Project, in order for REX to study how the HVDC Project might impact the safety or integrity of the Pipeline. Does GBX intend to share such technical and operational information as REX may reasonably request for this purpose? If GBX's answer is conditional, please state GBX's conditions.

RESPONSE: Yes, subject to the execution of confidentiality agreements to protect such information.

- d) If GBX's answers to questions b) and c) are in the affirmative, will GBX collaborate with REX to study how the HVDC Project might impact the safety or integrity of the Pipeline? If GBX's answer is conditional, please state GBX's conditions.

RESPONSE: Yes.

3. After studying the HVDC Project, REX's pipeline safety engineers may determine that monitoring, testing and/or mitigation steps are required in order to safeguard the Pipeline from potential adverse effects of the HVDC Project. Does GBX agree that in such event, GBX should be responsible for the costs of installing and operating such monitoring and testing equipment and mitigation measures? If GBX's answer is conditional, please state GBX's conditions.

RESPONSE: Yes, GBX should be responsible for all such costs warranted by reasonable engineering and commercial practices.

4. State whether GBX would be responsible for all direct damages to REX proximately caused by construction and/or ongoing operation of the HVDC Project, including direct damages from fault currents.

RESPONSE: Yes, GBX would be responsible.

VERIFICATION OF RESPONSE

The answers provided to this Set of Data Requests have been collected from various sources at Clean Line Energy Partners LLC and Grain Belt Express Clean Line LLC, and are true and accurate to the best of my knowledge and belief.

Signed:  _____

Position: GENERAL COUNSEL

Clean Line Energy Partners LLC

Date: 12/16/17

**CONDITIONS AGREED TO BY GRAIN BELT EXPRESS CLEAN LINE LLC AND
THE STAFF OF THE MISSOURI PUBLIC SERVICE COMMISSION**

In re Grain Belt Express Clean Line LLC, No. EA-2016-0358

Based on the conditions and recommendations in the Staff Rebuttal Report submitted on January 24, 2017, and subsequent discussions between the Staff of the Missouri Public Service Commission ("Staff") and Grain Belt Express Clean Line LLC ("Grain Belt"), Staff and Grain Belt have agreed to the following conditions.

I. Financing Conditions (Staff Rebuttal Report at 63-64)

1. Grain Belt will not install 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 this multi-state transmission project. To allow the Commission to verify compliance with this condition, Grain Belt shall file the following documents with the Commission at such a time as Grain Belt is prepared to begin to construct electric transmission facilities in Missouri:

(a) On a confidential basis, equity and loan or other debt financing agreements and commitments entered into or obtained by Grain Belt or its parent company for the purpose of funding Grain Belt's multi-state transmission project that, in the aggregate, provide commitments for the total project cost.

(b) An attestation by an officer of Grain Belt that Grain Belt has not, prior to the date of the attestation, installed transmission facilities on easement property; or a notification that such installation is scheduled to begin on a specified date.

(c) A statement of the total multi-state transmission project cost, 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 project; right-of-way acquisition costs; and other costs necessary to complete the project, and certified by an officer of Grain Belt, along with a reconciliation of the total project cost in the statement to the total project cost as of the Application of \$2.35 billion; and property owned in fee by Grain Belt including the converter station sites.

(d) A reconciliation statement certified by an officer of Grain Belt showing that (1) the agreements and commitments for funds provided in subsection (a), above, are equal to or greater than the total project cost provided in subsection (c), above; and (2) the contracted transmission service revenue is sufficient to service the debt financing of the project (taking into account any planned refinancing of debt).

II. Interconnection Studies and Safety (Staff Rebuttal Report at 64, 67)

1. Grain Belt will provide Staff with completed RTO Interconnection Agreements and any associated studies. Should the studies raise new issues, Grain Belt will provide its plan to address those issues.

2. Grain Belt will provide to the Commission completed documentation of the Grain Belt plan, equipment, and engineering drawings to achieve compliance with NERC standards for a project of this scope and size, the National Electric Safety Code for a project of this scope and size, 4 CSR 240-18.010, the Overhead Power Line Safety Act (Section 319.075-.090), and any other applicable Missouri state law for a project of this scope and size prior to the commercial operational date of the Project.

III. Nearby Utility Facilities (Staff Rebuttal Report at 64-66)

1. Grain Belt shall use commercially reasonable efforts (as defined below) to obtain detailed location information on each existing underground utility plant, either crossed by or in close proximity to its proposed route, and to contact and coordinate with the owners of each such facility prior to construction.

(a) Grain Belt intends to undertake several related steps to obtain information about underground utilities. Grain Belt intends to hire a qualified survey firm with experience in locating underground utilities. Prior to field survey, Grain Belt intends to assemble desktop information about underground utility locations along the project route. This desktop information may be assembled by the survey firm, by a different contractor, or by Grain Belt itself. The desktop information will draw from both public and proprietary sources. Publicly available sources may include, but are not limited to, databases maintained by State utility regulatory bodies, Railroad Commissions, Departments of Transportation, Oil & Gas Commissions, Departments of Natural Resources, Municipal Utility Districts, Rural Water Districts, County Engineering Offices, and Electric Cooperatives. Proprietary sources may include, but are not limited to, databases and mapping information such as those maintained by Ventyx or Platts, and GIS or CAD files maintained by underground utility owners and provided to Grain Belt. In advance of field operations Grain Belt will engage in detailed title research to identify all easements of record for each parcel of land traversed by the Grain Belt Project. Field survey will utilize one or more detection methods to "sweep" sections of the right-of-way for underground utilities. These methods may include, but are not limited to: identification of above-ground staking or signage, magnetic, sonic and acoustic technologies, ground penetrating radar, radio frequency detection, and vacuum excavation. The extent of survey coverage will be determined by consulting with the project engineering and construction contractors.

(b) Commercially reasonable efforts, in the context of obtaining information about underground utility plant, are efforts sufficient to identify nearby infrastructure at specific excavation locations for the Project facilities (e.g., foundations for transmission line structures), as well as nearby infrastructure that can be identified using the aforementioned methods within the right-of-way of the Project, as specified by the project engineering and construction contractors, coordination with the utility owner, and applicable laws and regulations. "Commercially reasonable" in this context does not refer to a specific or maximum dollar amount.

2. Grain Belt will show the Commission, before it begins commercial operation of any part of the multi-state Project, that it built the entire multi-state Grain Belt proposed HVDC transmission line with dedicated metallic return conductors which are operational and that the entire multi-state Project has operational protection and control safety systems that automatically

de-energize the Project within approximately 150 milliseconds of when an abnormal or fault condition occurs.

3. Grain Belt will perform engineering studies to determine if the operation of the Grain Belt proposed HVDC transmission line, the Grain Belt proposed Missouri converter station, and the Grain Belt-owned portion of the AC electric transmission line connecting the Grain Belt proposed Missouri converter station to the AC grid have adverse impacts on nearby facilities. These engineering studies must include, but not be limited to the following:

- (a) the effects of tower footing groundings, if used;
- (b) analysis of metallic underground facilities;
- (c) other AC power lines and telecommunications facilities that are located within a distance from the Grain Belt proposed HVDC transmission line, as determined by an appropriately qualified expert, where there may be adverse effects on the facilities;
- (d) a determination whether there are locations where the Grain Belt proposed HVDC transmission line parallels a pipeline and an existing AC power line and, if so, whether there are any combined effects on steel pipelines (and other underground metallic facilities); and
- (e) the effects of Grain Belt proposed transmission line(s) connecting the Grain Belt proposed Missouri converter station to the AC grid.

If any of these studies show that mitigation measures are identified/needed, those measures must be in place prior to commercial operation of the Grain Belt proposed transmission line.

These studies must be made available to Staff and affected facility owners at least 45 days prior to commercial operation of the Grain Belt proposed HVDC transmission line.

Grain Belt must disclose to Staff and affected facility owners how the parameters for conducting the studies were determined (e.g., continuous 24-hour recordings at a certain time of year).

These studies must be conducted by persons knowledgeable in: (1) HVDC power lines; (2) DC-to-AC converter stations; (3) Pipeline cathodic protection systems; (4) Corrosion of underground metallic facilities; (5) Interference with AC utility lines; (6) Interference with telecommunications facilities; (7) Effects of DC and AC interference on the facilities identified in Exhibit 3, as amended by Grain Belt's Addendum to the Application, and all additional facilities subsequently identified.

4. Grain Belt must file "annual status updates" on discussions with Staff regarding need for additional studies of the impacts of its facilities on other facilities in Missouri, a summary of the results of any additional studies, and any mitigation measures that have been implemented to address underground metallic structures, telecom facilities and AC lines. Mitigation measures indicated by future studies must be implemented within three (3) months of discovery that additional mitigation measures are needed, or as quickly as reasonably practical thereafter.

IV. Emergency Restoration Plans (Staff Rebuttal Report at 66)

1. Grain Belt must provide a copy of the final Grain Belt Emergency Restoration Plan to the Commission prior to the commercial operations date for the Grain Belt Project.

V. Construction and Clearing (Staff Rebuttal Report at 67-68)

1. Prior to construction, Grain Belt will notify all landowners in writing of the name and telephone number of Grain Belt's Construction Supervisor so that they may contact the Construction Supervisor with questions or concerns before, during, or after construction. Such notice will also advise the landowners of the expected start and end dates of construction on their properties.

2. Prior to construction, Grain Belt's Construction Supervisor will personally contact each landowner (or at least one owner of any parcel with multiple owners) to discuss access to the right-of-way on their parcel and any special concerns or requests about which the landowner desires to make Grain Belt aware.

3. From the beginning of construction until end of construction and clean-up of the right-of-way is complete, Grain Belt's Construction Supervisor will be on-site, meaning at or in the vicinity of the route, or on-call, to respond to landowner questions or concerns.

4. If requested by the landowner, Grain Belt will cut logs 12" in diameter or more into 10 to 20 foot lengths and stack them just outside the right-of-way for handling by the landowner.

5. Stumps will be cut as close to the ground as practical, but in any event will be left no more than 4" above grade.

6. Stumps will be treated to prevent regrowth consistent with industry best practices. Vegetation treatments will consider vegetation types, site specific land uses, and any environmental sensitivities. Grain Belt will notify all landowners of the Transmission Vegetation Management Policy and of the specific vegetation treatments for each landowner's property.

7. Unless the landowner does not want the area seeded, disturbed areas will be reseeded consistent with reclamation best practices in consultation with landowners, restoration specialists, and government agencies.

8. Best management practices will be followed to minimize erosion, with the particular practice employed at a given location depending upon terrain, soil, and other relevant factors.

9. Gates will be securely closed after use.

10. Should Grain Belt damage a gate, Grain Belt will repair that damage.

11. If Grain Belt installs a new gate, Grain Belt will either remove it after construction and repair the fence to its pre-construction condition, or will maintain the gate so that it is secure against the escape of livestock.

12. Grain Belt will utilize design techniques intended to minimize corona.

13. Should a landowner experience radio or television interference issues believed by the landowner to be attributed to Grain Belt's line, Grain Belt will work with the landowner in good faith to attempt to solve the problem.

14. Grain Belt will clearly mark guy wires.

VI. Maintenance and Repair (Staff Rebuttal Report at 68-69)

1. With regard to future maintenance or repair and right-of-way maintenance after construction is completed, Grain Belt will make reasonable efforts to contact landowners prior to entry onto the right-of-way on their property to advise the landowners of Grain Belt's presence, particularly if access is near their residence.

2. All Grain Belt contractors will be required to carry and maintain a minimum of one million dollars of liability insurance available to respond to damage claims of landowners. All contractors will be required to respond to any landowner damage claims within 24 hours. All contractors will be required to have all licenses required by state, federal, or local law.

3. If herbicides are used, only herbicides approved by the EPA and any applicable state authorities will be used, and herbicides will be used in strict compliance with all labeling directions.

4. Routine maintenance will not occur during wet conditions so as to prevent rutting.

5. Existing access roads will be used to access the right-of-way wherever available.

6. Prior to commencing construction, Grain Belt will notify all landowners in writing of the Transmission Vegetation Management Policy and of the specific vegetation treatments for each landowner's property. Grain Belt will personally meet with each landowner who requests such a meeting to determine if the landowner does or does not want herbicides used on the landowner's property. If the landowner does not want herbicides used, they will not be used.

VII. Landowner Interactions and Right-of-Way Acquisition (Staff Rebuttal Report at 43-45, 69)

1. The certificate is limited to the construction of this line in the location specified in the application, and as represented to the landowners on the aerial photos provided by Grain Belt, unless a written agreement from the landowner is obtained, or the company gets a variance from the Commission for a particular property, provided, however, minor deviations to the location of the line not exceeding 500 feet will be permitted as a result of surveying, final engineering and design, and landowner consultation, so long as the line and required easements stay within the property boundaries of that landowner and do not involve a new landowner.

2. Absent a voluntary agreement for the purchase of the property rights, the transmission line shall not be located so that a residential structure currently occupied by the property owners will be removed or located in the easement requiring the owner to move or relocate from the property

3. Grain Belt shall survey the transmission line location after construction and record the easement location with the Recorder of Deeds in the appropriate counties. Grain Belt shall also file a copy of its survey in this case.

4. Every landowner from whom Grain Belt requires an easement will be contacted personally, and Grain Belt will negotiate with each such landowner in good faith on the terms and conditions of the easement, its location, and compensation therefor. Each landowner will receive an Easement Agreement pertaining to such landowner's land, which Easement Agreement will contain a drawing that shows the location of the easement.

5. After construction is completed, every landowner will be contacted personally to ensure construction and clean-up was done properly, to discuss any concerns, and to settle any damages that may have occurred.

6. If a landowner so desires, Grain Belt will give the landowner a reasonable period of time in advance of construction to harvest any timber the landowner desires to harvest.

7. Grain Belt's right-of-way acquisition policies and practices will not change regardless of whether Grain Belt does or does not yet possess a Certificate of Convenience or Necessity from the Commission.