

Exhibit No.:
Issue: Expected Project Benefits
Witness: James R. Dauphinais
Type of Exhibit: Rebuttal Testimony
Sponsoring Party: Missouri Industrial Energy Consumers
Missouri Retailers Association
Consumers Council of Missouri
Case No.: EA-2016-0358
Date Testimony Prepared: January 24, 2017

**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 Transmission Line)
and an Associated Converter Station)
Providing an Interconnection on the)
Maywood-Montgomery 345 kV)
Transmission Line.)
_____)

Case No. EA-2016-0358

Rebuttal Testimony of

James R. Dauphinais

On behalf of

**Missouri Industrial Energy Consumers
Missouri Retailers Association
Consumers Council of Missouri**

January 24, 2017



Project 10374

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Maywood-Montgomery 345 kV)
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Rebuttal Testimony of James R. Dauphinais

1 Q PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

2 A James R. Dauphinais. My business address is 16690 Swingley Ridge Road,
3 Suite 140, Chesterfield, MO 63017.

4 Q WHAT IS YOUR OCCUPATION?

5 A I am a consultant in the field of public utility regulation and a Managing Principal of
6 Brubaker & Associates, Inc., energy, economic and regulatory consultants.

7 Q PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND EXPERIENCE.

8 A This information is included in Appendix A to my testimony.

1 **Q ON WHOSE BEHALF ARE YOU APPEARING IN THIS PROCEEDING?**

2 A This testimony is presented on behalf of the Missouri Industrial Energy Consumers
3 (“MIEC”), Missouri Retailers Association (“MRA”) and Consumers Council of Missouri
4 (“Consumers Council”).

5 MIEC is a non-profit Company that represents the interests of industrial
6 customers in Missouri utility matters.

7 MRA is a not-for-profit benevolent corporation, incorporated in Missouri. The
8 MRA represents retailers and grocers and their distribution facilities statewide. MRA
9 members rely on dependable electric service at reasonable rates to continue to
10 provide their products and services at reasonable prices.

11 Consumers Council is a non-governmental, nonpartisan, nonprofit corporation
12 that is dedicated to educating the empowering consumers statewide and to
13 advocating for their interests. It was originally founded in 1971 as Utility Consumers
14 Council of Missouri, and has participated in numerous cases at the Missouri Public
15 Service Commission (“Commission”).

16 **Q WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?**

17 A The purpose of my rebuttal testimony is to respond to Grain Belt Express witness
18 Michael Skelly. I agree with Mr. Skelly that the Grain Belt Express Project (“Project”)
19 provides an opportunity for consumers in Missouri to take advantage of low-cost and
20 clean wind energy resources. In addition, it is important to note that, since the Project
21 is a merchant transmission project, only subscribers to transmission capacity from the
22 project will be responsible for the cost of the project. Unlike with regional
23 transmission projects pursued by the Midcontinent Independent Transmission
24 Organization, Inc. (“MISO”), the Project will not have captive customers.

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1 The fact that I do not address any other particular issues in my testimony or
2 am silent with respect to any other portion of Grain Belt Express' application and
3 direct testimony in this proceeding should not be interpreted as an approval of any
4 position taken by Grain Belt Express in this proceeding.

5 **Q WHAT DOES MR. SKELLY SAY ABOUT THIS PROJECT?**

6 A Mr. Skelly testifies that the Project will provide Missouri with a new source of
7 affordable, clean energy that has the potential to reduce costs for Missouri end-users
8 of electricity. Mr. Skelly notes the fact that the Missouri Joint Municipal Electric Utility
9 Commission ("MJMEUC") has committed to use hundreds of megawatts of the
10 Project's capacity, which demonstrates the Project's value proposition. Mr. Skelly
11 sums up his testimony as follows:

12 There are substantial local benefits that will be made possible by the
13 Project. By having a converter station interconnected to the Ameren
14 Missouri system, customers of Missouri electric utilities will have
15 access to low-cost wind energy from western Kansas. The
16 interconnection to the Ameren system will enhance the reliability of the
17 electric transmission grid in Missouri by making available another
18 source of electric power supply. Further, the Project will promote
19 competition in the supply of transmission service and power
20 generation. More generally, the Project enables Missouri electric
21 utilities and electric utilities in states farther east to access reliable,
22 affordable, and renewable electric energy.

23 (Skelly Direct at 5)

24 **Q DO YOU AGREE WITH MR. SKELLY'S CONCLUSIONS?**

25 A Yes, in general I believe that the project has the potential to benefit Missouri utility
26 customers. Even customers of Missouri utilities that do not directly take power from
27 the project should over the long-term benefit from the delivery of 500 MWs of low cost
28 power into the MISO footprint in Missouri since it should put downward pressure on

1 wholesale market prices. In addition, if other Missouri utilities follow the lead of the
2 MJMEUC, customers of those utilities may see benefits comparable to those that
3 MJMEUC customers expect to receive. Finally, there may be additional opportunities
4 for Missouri utilities to make off-system sales via the Project to the benefit of their
5 customers.

6 **Q MANY OF THE PARTICIPANTS IN THE MIEC ARE CUSTOMERS OF AMEREN**
7 **MISSOURI. HAS AMEREN MISSOURI COMMITTED TO TAKE POWER**
8 **DELIVERED TO MISSOURI BY THE PROJECT?**

9 A I understand that Ameren Missouri has not yet done so. However, the expected cost
10 of power delivered by the Project appears to be attractive, and so I would expect
11 Ameren Missouri to carefully analyze the benefits of taking power from the Project
12 and give it serious consideration. If this analysis confirms that Ameren Missouri
13 could lower its cost of serving customers by taking power from the Project, and
14 assuming this analysis was reasonably performed, then Ameren Missouri's customers
15 would likely benefit from that lower cost. If Ameren Missouri's analysis were to show
16 that taking power from the Project would not lower the cost to serve its customers, it
17 would be under no obligation to do so. In other words, there is a significant possibility
18 of customers receiving a cost reduction, and no risk of higher costs because the
19 project's investors (rather than utility customers) are taking the risks. As noted
20 earlier, unlike for other transmission projects, the Project would not have captive
21 customers.

22 **Q DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY?**

23 A Yes, it does.

Qualifications of James R. Dauphinais

1 **Q PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2 A James R. Dauphinais. My business address is 16690 Swingley Ridge Road,
3 Suite 140, Chesterfield, MO 63017, USA.

4 **Q PLEASE STATE YOUR OCCUPATION.**

5 A I am a consultant in the field of public utility regulation and a Managing Principal with
6 the firm of Brubaker & Associates, Inc. ("BAI"), energy, economic and regulatory
7 consultants.

8 **Q PLEASE SUMMARIZE YOUR EDUCATIONAL BACKGROUND AND**
9 **EXPERIENCE.**

10 A I graduated from Hartford State Technical College in 1983 with an Associate's Degree
11 in Electrical Engineering Technology. Subsequent to graduation I was employed by
12 the Transmission Planning Department of the Northeast Utilities Service Company¹
13 as an Engineering Technician.

14 While employed as an Engineering Technician, I completed undergraduate
15 studies at the University of Hartford. I graduated in 1990 with a Bachelor's Degree in
16 Electrical Engineering. Subsequent to graduation, I was promoted to the position of
17 Associate Engineer. Between 1993 and 1994, I completed graduate level courses in
18 the study of power system transients and power system protection through the
19 Engineering Outreach Program of the University of Idaho. By 1996 I had been
20 promoted to the position of Senior Engineer.

¹In 2015, Northeast Utilities changed its name to Eversource Energy.

1 In the employment of the Northeast Utilities Service Company, I was
2 responsible for conducting thermal, voltage and stability analyses of the Northeast
3 Utilities' transmission system to support planning and operating decisions. This
4 involved the use of load flow, power system stability and production cost computer
5 simulations. It also involved examination of potential solutions to operational and
6 planning problems including, but not limited to, transmission line solutions and the
7 routes that might be utilized by such transmission line solutions. Among the most
8 notable achievements I had in this area include the solution of a transient stability
9 problem near Millstone Nuclear Power Station, and the solution of a small signal (or
10 dynamic) stability problem near Seabrook Nuclear Power Station. In 1993 I was
11 awarded the Chairman's Award, Northeast Utilities' highest employee award, for my
12 work involving stability analysis in the vicinity of Millstone Nuclear Power Station.

13 From 1990 to 1996, I represented Northeast Utilities on the New England
14 Power Pool Stability Task Force. I also represented Northeast Utilities on several
15 other technical working groups within the New England Power Pool ("NEPOOL") and
16 the Northeast Power Coordinating Council ("NPCC"), including the 1992-1996 New
17 York-New England Transmission Working Group, the Southeastern
18 Massachusetts/Rhode Island Transmission Working Group, the NPCC CPSS-2
19 Working Group on Extreme Disturbances and the NPCC SS-38 Working Group on
20 Interarea Dynamic Analysis. This latter working group also included participation
21 from a number of ECAR, PJM and VACAR utilities.

22 From 1990 to 1995, I also acted as an internal consultant to the Nuclear
23 Electrical Engineering Department of Northeast Utilities. This included interactions
24 with the electrical engineering personnel of the Connecticut Yankee, Millstone and

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1 Seabrook nuclear generation stations and inspectors from the Nuclear Regulatory
2 Commission ("NRC").

3 In addition to my technical responsibilities, from 1995 to 1997, I was also
4 responsible for oversight of the day-to-day administration of Northeast Utilities' Open
5 Access Transmission Tariff. This included the creation of Northeast Utilities' pre-
6 FERC Order No. 889 transmission electronic bulletin board and the coordination of
7 Northeast Utilities' transmission tariff filings prior to and after the issuance of Federal
8 Energy Regulatory Commission ("FERC" or "Commission") FERC Order No. 888. I
9 was also responsible for spearheading the implementation of Northeast Utilities' Open
10 Access Same-Time Information System and Northeast Utilities' Standard of Conduct
11 under FERC Order No. 889. During this time I represented Northeast Utilities on the
12 Federal Energy Regulatory Commission's "What" Working Group on Real-Time
13 Information Networks. Later I served as Vice Chairman of the NEPOOL OASIS
14 Working Group and Co-Chair of the Joint Transmission Services Information Network
15 Functional Process Committee. I also served for a brief time on the Electric Power
16 Research Institute facilitated "How" Working Group on OASIS and the North
17 American Electric Reliability Council facilitated Commercial Practices Working Group.

18 In 1997 I joined the firm of Brubaker & Associates, Inc. The firm includes
19 consultants with backgrounds in accounting, engineering, economics, mathematics,
20 computer science and business. Since my employment with the firm, I have filed or
21 presented testimony before the Federal Energy Regulatory Commission in
22 Consumers Energy Company, Docket No. OA96-77-000; Midwest Independent
23 Transmission System Operator, Inc., Docket No. ER98-1438-000; Montana Power
24 Company, Docket No. ER98-2382-000; Inquiry Concerning the Commission's Policy
25 on Independent System Operators, Docket No. PL98-5-003; SkyGen Energy LLC v.

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1 Southern Company Services, Inc., Docket No. EL00-77-000; Alliance Companies, et
2 al., Docket No. EL02-65-000, et al.; Entergy Services, Inc., Docket No.
3 ER01-2201-000; Remediating Undue Discrimination through Open Access
4 Transmission Service, Standard Electricity Market Design, Docket No. RM01-12-000;
5 Midwest Independent Transmission System Operator, Inc., Docket No. ER10-1791-
6 000; NorthWestern Corporation, Docket No. ER10-1138-001, et al.; Illinois Industrial
7 Energy Consumers v. Midcontinent Independent System Operator, Inc., Docket No.
8 EL15-82-000; and Midcontinent Independent System Operator, Inc., Docket No.
9 ER16-833-000 I have also filed or presented testimony before the Alberta Utilities
10 Commission, Colorado Public Utilities Commission, Connecticut Department of Public
11 Utility Control, Illinois Commerce Commission, the Indiana Utility Regulatory
12 Commission, the Iowa Utilities Board, the Kentucky Public Service Commission, the
13 Louisiana Public Service Commission, the Michigan Public Service Commission, the
14 Missouri Public Service Commission, the Montana Public Service Commission, the
15 New Mexico Public Regulation Commission, the Council of the City of New Orleans,
16 the Oklahoma Corporation Commission, the Public Utility Commission of Texas, the
17 Wisconsin Public Service Commission and various committees of the Missouri State
18 Legislature. This testimony has been given regarding a wide variety of issues
19 including, but not limited to, ancillary service rates, avoided cost calculations,
20 certification of public convenience and necessity, cost allocation, fuel adjustment
21 clauses, fuel costs, generation interconnection, interruptible rates, market power,
22 market structure, off-system sales, prudence, purchased power costs, resource
23 planning, rate design, retail open access, standby rates, transmission losses,
24 transmission planning and transmission line routing.

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1 I have also participated on behalf of clients in the Southwest Power Pool
2 Congestion Management System Working Group, the Alliance Market Development
3 Advisory Group and several committees and working groups of the Midcontinent
4 Independent System Operator, Inc. ("MISO"), including the Congestion Management
5 Working Group, Economic Planning Users Group, Loss of Load Expectation Working
6 Group, Regional Expansion, Criteria and Benefits Working Group and Resource
7 Adequacy Subcommittee (formerly the Supply Adequacy Working Group). I am
8 currently a member of the MISO Advisory Committee in the end-use customer sector
9 on behalf of a group of industrial end-use customers in Illinois and a group of
10 industrial end-use customers in Texas. I am also the past Chairman of the
11 Issues/Solutions Subgroup of the MISO Revenue Sufficiency Guarantee ("RSG")
12 Task Force.

13 In 2009, I completed the University of Wisconsin-Madison High Voltage Direct
14 Current ("HVDC") Transmission course for Planners that was sponsored by MISO. I
15 am a member of the Power and Energy Society ("PES") of the Institute of Electrical
16 and Electronics Engineers ("IEEE").

17 In addition to our main office in St. Louis, the firm also has branch offices in
18 Phoenix, Arizona and Corpus Christi, Texas.

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