

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 ) Case No. EA-2014-0207  
Current Transmission Line and an Associated Converter )  
Station Providing an interconnection on the Maywood- )  
Montgomery 345 kV Transmission Line )

RESPONSE OF THE SHOW ME CONCERNED LANDOWNERS TO GRAIN BELT  
EXPRESS' RESPONSE TO ORDER DIRECTING FILING OF ADDITIONAL  
INFORMATION

On February 11, 2015, the Commission issued its "Order Directing Filing of Additional Information." Grain Belt Express (GBE) filed its response and additional information on April 13, 2014. In the Commission's order, the Commission stated that "Any responses by any party to the additional information filed by Grain Belt Express Clean Line LLC shall be filed no later than thirty days after the additional information is filed in EFIS unless otherwise ordered."

Show Me Concerned Landowners (Show Me) respectfully submits the following response to GBE's "Response to Order Directing Filing of Additional Information," filed on April 13, 2015.

OVERVIEW

*Objection to GBE's Request to have its Response and  
Supplemental Exhibits Received Into the Record*

At the outset, Show Me objects to GBE's request to have its response and supplemental exhibits entered into the record. There is a lack of foundation, and much of the information is unsupported and is hearsay. Further, as Show Me pointed out in its

Recommendations for Procedural Schedule, this remains a contested case, and the Commission has a legal duty to follow contested case procedures as set out in the Missouri Administrative Procedures Act, §§ 536.010 - .150, RSMo, and Commission rules 4 CSR 240-2.010 - .200. Grain Belt has not provided additional direct testimony to sponsor the information provided in its response and supplemental exhibits, and more importantly, the other parties have not had the opportunity to conduct discovery, provide rebuttal and surrebuttal testimony and exhibits, conduct cross-examination, or provide post-hearing briefing on any of the additional information.

*GBE's Failure to Provide the Information as Directed by the Commission  
Obstructs Show Me's Ability to Review and Comment as Contemplated  
by the Commissions February 11 Order*

Furthermore, as also noted by Show Me in its Recommendations for Procedural Schedule, GBE has failed to provide most of the information the Commission directed GBE to file in the Commission's February 11 Order. GBE only says that it will file it sometime in the undetermined future. Show Me cannot offer responses or comments to additional information that GBE failed to provide as directed. If, as GBE hopes, the Commission grants a CCN to GBE before all of the requested information is filed by GBE, then Staff, Show Me and the other parties opposed to the CCN will have no way to provide meaningful responses and comments to any additional information filed by GBE after a CCN is granted. This is a violation of due process and fair play recognized by the United States and Missouri Constitutions, Missouri statutes, and Commission rules.

*GBE Has Been Given Two Chances to File the Information Necessary to Have Its  
Application Fully Considered But Has Failed to Deliver*

Finally, GBE has been given two chances to provide most of this additional information. In Staff's rebuttal testimony filed for the November 2014 evidentiary

hearing, Staff pointed out a long list of information that GBE should have provided but failed to provide, and GBE did not remedy this failure when it provided surrebuttal testimony. In its February 11 Order, the Commission gave GBE a second chance to provide the missing information. For a second time, GBE failed to provide it. Show Me submits that the two-time failure of GBE to submit this information shows that this project simply is not developed enough to be granted a CCN, and the Commission should deny GBE's application.

Below, Show Me provides individual responses and comments to GBE's responses to the Commission's Order Directing Filing of Additional Information:

#### SHOW ME'S RESPONSES TO GBE'S ADDITIONAL INFORMATION

- 1. Grain Belt Express shall provide a list of all properties on the selected project route in Missouri and designate for which properties easements have been acquired or are yet to be acquired to facilitate completion of the proposed Clean Line Energy project.**

While GBE does provide information on how many voluntary easements it has obtained, much of the information GBE provides in response to the Commission's directive is conclusory and lacks any detail. For example, GBE alleges that

The primary purposes of the meetings with landowners have thus far been to introduce the Project and the easement agreement, collect feedback, and address any questions or concerns. The Company's intent in meeting with landowners far in advance of construction is to provide as much time as possible to understand the Project, review the easement agreement, and secure legal representation if desired. Grain Belt Express strives to identify issues specific each landowner, and to address these issues by making minor route adjustments or modifying the easement agreement whenever possible. (GBE's Response to Order Directing Filing of Additional Information at p. 2.).

The Commission should not take these allegations at face value. Discovery is necessary to probe the veracity of these conclusory statements. For example, what are the

names of the GBE representatives who are talking to landowners? What are the names of the landowners that have signed easements? What specific documents and/or information is GBE providing to landowners? What are the issues specific to each landowner that GBE is aware of? What are the names of the landowners that GBE says it made minor adjustments to the route and what tracts of land are they? What kinds of “minor adjustments” have been made to the route since the November 14 evidentiary hearings? Where are copies of the amended easement agreements reflecting the route changes? These and many other questions remain unanswered, and Show Me needs answers to these questions in order to provide meaningful comments and responses.

Show Me would like the opportunity, in an evidentiary hearing, to provide rebuttal testimony from a possible witness or witnesses that could contradict GBE’s statements in this regard, and to cross-examine GBE witnesses that have personal knowledge as to the details of GBE’s contacts with landowners.

GBE’s Supplemental Exhibit 1 shows that out of 724 total tracts of land, GBE has obtained only 45 voluntary easements, or 6.2%. Under any standard, this is an abject failure to convince landowners that this project is beneficial to them. While GBE tries to explain this failure away by saying that the large-scale acquisition of easements begins only after a CCN is granted, they offer no evidence for this conclusory statement. In fact, the record in this case shows that GBE hyped its unprecedented public outreach program and began talking to landowners in July, 2013, almost two years ago. (Lawlor Direct, Exhibit 101). After almost two years and an unprecedented public outreach program, GBE has a 93.8% failure rate in gaining voluntary easements. GBE misses the mark and

does not deserve a CCN to build this project.

- 2. Grain Belt Express shall set forth the status of its efforts to obtain the assent of the county commissions required by Section 229.100, RSMo, in the eight counties crossed by the selected project route in Missouri and provide supporting documentation thereof, including any letters of assent from those eight county commissions.**

As Show Me noted in its in its Recommendations for Procedural Schedule, while GBE did provide the status of its efforts to obtain the county consents as directed in numbered paragraph 2 of the Order, it did not provide consents from all impacted counties. Grain Belt Express currently does not have consents from 5 counties—Clinton, Chariton, Caldwell, Ralls, and Monroe. (Lowenstein Rebuttal, Exhibit 306, schedule LDL-4; Dietrich Rebuttal, Exhibit 200, p. 4, lines 10-12) as required by law.

GBE states that “If this Commission grants a CCN to the Company, Grain Belt Express will obtain any necessary additional authority or clarification from these county commissions and submit evidence of such action to this Commission, as permitted by 4 CSR 240-3.105(1)(D)-(2).” (GBE’s Response to Order Directing Filing of Additional Information at p. 6). GBE fails to note that submitting the evidence after the Commission grants a CCN is in direct conflict with section (2) of the same rule, 4 CSR 240.3.105(2), which states: “If any of the items required under this rule are unavailable at the time the application is filed, they shall be furnished prior to the granting of the authority sought.” (emphasis added). GBE’s proposed approach is also in direct conflict with § 393.170.2, which states: “Before such certificate shall be issued a certified copy of the charter of such corporation shall be filed in the office of the commission, together with a verified statement of the president and secretary of the corporation, showing that it has received

the required consent of the proper municipal authorities.” (emphasis added). By statute and Commission rule, GBE is required to provide the county consents before the Commission can issue the CCN. The fact is that GBE does not have the required consents from all the necessary counties, and does not qualify for a CCN.

**3. Grain Belt Express shall provide descriptions and documentation, including, but not limited to signed contracts and letters of intent, of all commitments from Missouri utilities, municipalities, or cooperatives to obtain capacity, energy, and/or Renewable Energy Credits from the project.**

GBE provided no documentation in response to this request—no signed contracts, no letters of intent, no commitments of any kind—not even non-binding—from any Missouri utilities, municipalities or cooperatives. GBE only gives unsupported statements and references evidence that has already been received into the record during the November 2014 evidentiary hearings (i.e., the City Council of Columbia Resolution). GBE states that it has talked to utilities, rural cooperatives, and municipalities, but has had no success in getting any commitments from them to buy power from the project.

Likely, this is because GBE cannot show a need in Missouri for its project. GBE, citing Ameren’s most recent IRP, states that Ameren Missouri needs 400 MW of new wind power starting in 2019. (GBE’s Response to Order Directing Filing of Additional Information at p. 6.). However, GBE tells only half the story. In fact, while Ameren has indicated the need for new wind power, it specifically states in its IRP that it is looking for MISO wind, not wind from Kansas:

Wind power continues to be an attractive resource option, not only for meeting requirements of the RES, but also as a low-cost source of large amounts of emission-free generation. **Ameren Missouri has identified a number of areas within MISO that are conducive to cost-effective wind power, including areas in the state of Missouri.** (Exhibit 137, Ameren 2014 IRP, section 1.3, p. 8). (Emphasis added).

Ameren does not “need” wind power from the Grain Belt Express project, nor do any of the other utilities in Missouri.

**4. Grain Belt Express shall provide all interconnection agreements involving the proposed 500 MW substation in Ralls County, MO.**

GBE has not provided any interconnection agreements as directed by the Commission, because they do not exist. GBE only says it is willing to provide the interconnection agreements “as a condition to a CCN.” (GBE’s Response to Order Directing Filing of Additional Information at p. 8). GBE has it exactly backwards—it should be required to provide this information before it is granted a CCN. The Commission made clear in its February 11, 2015 Order that “Any responses by any party to the additional information filed by Grain Belt Express Clean Line LLC shall be filed no later than thirty days after the additional information is filed in EFIS unless otherwise ordered.” Show Me cannot provide any comments or rebuttal to additional information that GBE has failed to file. And, any such comments would be moot if the Commission has already granted a CCN before Show Me gets an opportunity to comment.

Furthermore, GBE provides no time table for when all of the interconnection agreements will be completed, if at all. Show Me believes that it would be a mistake to grant a CCN before all of the agreements are complete and thoroughly reviewed by the Commission staff and other parties. Certainly, Show Me needs to see and review any interconnection agreements before it can provide any meaningful comments or responses as contemplated in the Commission’s February 11 Order.

**5. Grain Belt Express shall provide descriptions, blueprints, maps and project cost estimates of the proposed 500 mW substation in Ralls County, MO.**

GBE provides no descriptions, blueprints, or project cost estimates as requested by the Commission. As for cost estimates, GBE only provides a table showing cost estimates for a “typical” converter station with no citation to where this table came from or how the numbers were determined. This is not enough information for Show Me to provide meaningful comments. As for descriptions and blueprints, GBE references some “typical converter station” diagrams that have already been provided in direct testimony that was part of the November 2014 evidentiary hearing. GBE offers two supplemental exhibits—one showing the location of the converter station and a “single-line diagram of the Project, including the Missouri converter station.” (GBE’s Response to Order Directing Filing of Additional Information at p. 9). While GBE provides the maps of the location of the proposed converter station, it does not even come close to providing all the documentation that the Commission directed GBE to file, which were detailed plans, blueprints, and cost estimates of the actual Missouri converter station. Show Me and the other parties have no documentation on which to comment or respond. Again, Show Me believes that it would be a mistake to grant a CCN before all of the descriptions, plans, cost estimates, and blueprints are complete and thoroughly reviewed by the Commission staff and other parties.

**6. Grain Belt Express shall provide descriptions with supporting documentation of all commitments from wind energy producers to provide energy for this transmission project.**

While the Commission directed GBE to provide documentation of actual commitments, GBE provided only “Transmission Service Requests” from ten wind



generators. These are not commitments because the wind farms have not even been built yet. And, evidence in the record is undisputed that GBE has no customers for which to sell any wind energy. There is no evidence in the record or in GBE's response and supplemental exhibits that GBE has any commitments from wind generators or customers. Show Me cannot provide any meaningful comments or responses without seeing the documentation the Commission directed GBE to file. The Commission should not grant a CCN based on GBE's hope that it might get commitments in the future.

- 7. Grain Belt Express shall provide documentation, including but not limited to orders, contracts and letters of intent, that it has obtained the state or federal siting approvals required by law to begin construction of the entirety of this transmission project that is sited outside the state of Missouri. Transmission line siting approvals from the Kansas, Illinois, and Indiana state utility commissions shall be sufficient to satisfy this condition. If any such application is pending, Grain Belt Express will provide the status of the application to the Commission.**

GBE does not have all of the documentation necessary to fully comply with this directive. The only new information provided by GBE is the news that on April 10, 2015, it filed a petition with the Illinois Commerce Commission (ICC) for a CCN for the GBE project. A review of the docket sheet shows numerous intervenors are opposing the project. (See, <http://www.icc.illinois.gov/docket/Documents.aspx?no=15-0277> ). The Staff of the ICC has already requested a 75-day extension of time for the Commission to issue a decision. (*Id.*) The case in Illinois is shaping up to be hotly contested, and it is by no means a certainty that the ICC will grant a CCN to GBE. GBE falls back on its familiar position, that is, give us a CCN and we will provide more information later. Show Me believes that this is not acceptable—GBE should provide the information

before the Commission considers whether to grant a CCN. The Commission should not grant a CCN to GBE with incomplete information.

- 8. Grain Belt Express shall provide completed documentation of the Grain Belt Express plan, equipment, and engineering drawings to achieve compliance with the NERC standards for a project of this scope and size, National Electric Safety Code for a project of this size and scope, rule 4 CSR 240-18.010, and the Overhead Power Line Safety Act, § 319.075 et seq., RSMo.**

GBE provides no supplemental exhibits offering documentation or engineering drawings as requested by the Commission. Instead, GBE only promises to comply with codes and standards in the future. GBE is clearly unresponsive to this request. Show Me and the other parties have no documentation or engineering drawings to review or on which to provide a response and comments. Show Me cannot provide meaningful comments and responses due to the failure of GBE to provide this information as directed, and this Commission should not grant a CCN if the parties have not had a chance to thoroughly review and comment on the documentation GBE is required to submit under this directive.

- 9. Grain Belt Express shall provide a detailed description and related documentation of any final project design elements that were not previously described to the Commission or have changed since the hearing in this case.**

GBE does not provide any detailed descriptions and related documentation of any final project design elements. GBE only states that it has hired an outside company to develop them. Show Me and the other parties have nothing to review and can't comment on what might or might not be filed in the future. Show Me cannot provide any meaningful comments or responses because GBE did not provide the documentation as

directed. The Commission should not grant a CCN to GBE due to GBE's failure to provide the information as directed.

**10. Grain Belt Express shall provide a list of businesses with whom Grain Belt has entered into an agreement to provide materials or services for this transmission project and, for each, provide copies of these agreements, including, but not limited to contracts and letters of intent and provide the estimated cost of these materials or services and whether such business is located in the state of Missouri.**

Economic Development is good. And, no doubt, if the GBE project is built, it will generate a certain amount of economic development in Missouri. GBE has touted economic development as the centerpiece of its campaign to gain approval from the Commission and to curry favor with political officials. However, GBE tells only half the story.

On pages 29-31 of its Initial Post-Hearing Brief, GBE discusses how it will create economic development in Missouri. The Missouri Landowners Alliance's (MLA) Initial Post-Hearing Brief does an excellent job of showing how GBE's economic development studies ignore the negative economic impacts of the project. (MLA Initial Brief, pp. 30-37). As MLA points out in its brief, GBE made no attempt to identify potential negative economic impacts of the line, and simply ignored them. (*Id.* at 33). Without a more comprehensive study showing both the positive and negative economic impacts, and giving a true picture of GBE's net economic impact in Missouri, any claims of great economic development benefits from the project are likely exaggerated.

- 11. Grain Belt Express shall provide an update as to: 1) what amount of funds have been invested in the project by Grain Belt Express, its affiliates, or any other entity, 2) what amount of funds have been spent on the project, and 3) the total project cost.**

Show Me has no comments on the information provided by GBE, except to say that it should have an opportunity to conduct discovery, provide rebuttal and surrebuttal testimony, cross-examine witnesses, and provide post-hearing briefing, if necessary, to test the veracity of the information.

- 12. Grain Belt Express shall perform the following studies and file the results of the studies in this case with any analysis it deems relevant. These studies should be designed after Staff and other parties have had the opportunity to provide meaningful input regarding the quality of the data and the reasonableness of the inputs used for (1) load assumptions for the year 2019, (2) generator capacities, efficiencies, dispatch stack, or bid amounts for the year 2019, (3) the wind delivery used for the year 2019, (4) the level of precision used in modeling factors such as generator heat rate curve, transmission loading curves, or other inputs to the PROMOD model used for the studies:**

**a. Production modeling that incorporates:**

- **day-ahead market prices to serve load;**
- **real-time market prices to serve load;**
- **ancillary services prices to serve load;**
- **day ahead market prices realized by Missouri-owned or located generation;**
- **real-time market prices realized by Missouri-owned or located generation;**
- **ancillary services prices realized by Missouri-owned or located generation; and**
- **an estimate of the impact of Grain Belt Express' transmission project on the operational efficiency of Missouri-owned or located generation.**

**b. Production, transmission, and economic modeling or analysis to determine:**

- **the cost of transmission upgrades that may be necessary to resolve any transmission constraints that its energy injections will cause or exacerbate;**
- **the net impact to Missouri utilities of picking up Missouri energy by day for export to PJM or SPP; and**

- **whether the variability of the injected wind could be better managed in the SPP prior to injection.**

**If Grain Belt Express cannot complete any of these studies due to lack of access to necessary data, it shall file proof that the data is inaccessible and complete the studies to the extent possible.**

Show Me has two points to make on the updated PROMOD study provided by GBE. The first thing that stands out is that just as with the earlier PROMOD runs, the base case against which the Kansas Wind via GBE's DC transmission is compared is a case in which wind energy from a MISO source is not included. As stated in Show Me witness Mike Proctor's rebuttal testimony – anytime you add wind to a base case that does not include the same amount of wind, you will always show an increase in Adjusted Production Cost Savings. Without a PROMOD run with MISO wind with which to compare GBE's study, the supplemental PROMOD study means nothing. (Proctor Rebuttal, Exhibit 400).

The second thing that stands out is that the Adjusted Production Cost Savings for the revised run are higher than in the original run. Show Me's understanding is that lower natural gas prices were used in the revised run. This would decrease production costs for natural gas fired generation, and to the extent that natural gas fired generation was setting the Locational Marginal Prices (LMPs), it would lower prices when compared to the original runs. However, in the revised runs, both production costs and prices would be lower in the base case without additional wind as well as in the change case with additional wind. Adjusted Production Costs Savings compares Adjusted Production Costs in the case with added wind energy to the case without added wind energy. Thus, the Adjusted Production Costs savings measure the production cost savings coming from displacing higher cost fossil fuel generation that is on the margin with wind generation.

If natural gas is the dominant fossil fuel on the margin, one would expect a lower level of Adjusted Production Cost Savings to be associated with the lower natural gas prices, not higher savings. This calls into question the validity of the study.

**13. Grain Belt Express shall provide the following for the proposed transmission project:**

- **completed Storm Restoration Plans,**
- **the Interconnection Agreement with SPP,**
- **the Interconnection Agreement with MISO,**
- **the Interconnection Agreement with PJM,**
- **the MISO Feasibility Study/Studies,**
- **the MISO System Planning Phase Study,**
- **the MISO Definitive Planning Phase Study (all cycles),**
- **the SPP Dynamic Stability Assessment,**
- **the SPP Steady State Review,**
- **the SPP System Impact Study,**
- **the PJM Feasibility Study/Studies,**
- **the PJM System Impact Study,**
- **the PJM Facilities Study, and**
- **each other study necessary or required for interconnection with SPP, MISO or PJM.**

Show Me can only provide general comments at this time. First, GBE does not provide all of the documentation that the Commission directed it to provide (for example, the interconnection agreements with the RTOs, the MISO Definitive Planning Phase Study, the PJM Retool Study, the PJM Facilities Study, and certain design level studies). Show Me cannot file any meaningful comments on documentation that GBE did not produce. In other instances, GBE produces “pro-forma” or “standard” agreements as examples of what it might file in the future. As GBE likes to point out, there is nothing pro-forma or standard about this project, a HVDC line that would be the first of its kind in the United States. These pro-forma and standard agreements may not apply if or when GBE and the RTOs are ready to complete them.

Second, the sheer volume of studies that GBE did provide is staggering. For example, the SPP Dynamic Stability Assessment runs approximately 2,500 pages alone. Other studies are hundreds of pages in length. Show Me simply does not have the resources to thoroughly read, review, analyze, and provide meaningful comments in the 30 days allotted by the Commission's February 11 Order. These studies are very technical, and expert witnesses would have to be retained to do the analysis, at great cost. That is why review of this information is more suitable in the context of the additional contested case procedures that Show Me has proposed. At any rate, GBE should provide all of the documentation as directed by the Commission before any CCN is granted, and the parties have had a meaningful chance to thoroughly review and provide comments.

#### CONCLUSION

GBE does a lot of talking in its response, but provides very little of what the Commission directed it to provide—documentation, drawings, completed studies, and detailed plans. GBE continues mostly to espouse its business model. Show Me and the other parties cannot provide meaningful responses and comments to information that GBE failed to provide as directed.

And, where GBE did provide detailed information, this information has not been tested through the crucible of a contested case process—additional direct testimony, discovery, rebuttal and surrebuttal testimony, cross-examination of witnesses, and post-hearing briefs. As such, the information should not be received into the record.

Show Me renews the suggestions from its Recommendations for Supplemental Procedural Schedule filed previously in this case:

1. The Commission Should Deny GBE's Application Without Prejudice and Give GBE the Opportunity to Refile an Application When it Has All of the Information Required By Law and By the Commission in the February 11, 2015, Order.
2. If the Commission does not Deny the Application Outright, It Should Hold the Case in Abeyance Until GBE Provides all of the Documentation and Information Requested in the February 11 Order.
3. If the Commission Wants to Consider Allowing Additional Information into the Record, then the Commission is Bound by Law and Commission Rules to Follow Established Contested Case Procedures.

Show Me thanks the Commission for the opportunity to provide these responses, comments and recommendations.

Respectfully submitted,

HEALY LAW OFFICES, LLC



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ATTORNEY FOR SHOW ME  
CONCERNED LANDOWNERS

May 13, 2015



**CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been mailed, emailed or hand-delivered to all parties on the official service list for this case on this 13<sup>th</sup> day of May, 2015.

A handwritten signature in black ink that reads "Terry M. Jarrett". The signature is written in a cursive style with a prominent initial "T" and "J".

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Terry M. Jarrett