

## **AFFIDAVIT OF RICK LANDERS**

1. My name is Rick Landers, and I am the General Manager of the Sikeston Board of Municipal Utilities (“SBMU”). SBMU is a part of the City of Sikeston, and SBMU exists to serve the citizens of Sikeston with reliable and low-cost electricity. As part of that mission, SBMU also provides excess power to other not-for-profit municipal utilities who share the same mission within the State of Missouri. Sikeston does not operate its own balancing authority, nor has it ever done so in the period from 2000 to the present.
2. Those customers within Sikeston, and those wholesale customers without Sikeston, are all currently served through a Grandfathered Agreement for transmission service with the Southwest Power Administration (SWPA). This grandfathered agreement terminates in 2023 and cannot be extended. This agreement was entered into with the understanding that both Sikeston and SWPA had contributed their fair share to system, and therefore it was reasonable that Sikeston was not charged to use the SWPA assets within the substation.
3. As SBMU’s and SWPA’s transmission system is currently configured, when the agreement terminates, SBMU will be required to take transmission service through SPP to serve its retail load from its own generation. This will be true even though SBMU will only be using a short piece of bus work in the SWPA-Sikeston substation. This new rate treatment of the existing system configuration will force SBMU to increase the rates to its retail customers in order for SBMU electric customers to pay utilities located within SPP, even though there will be no new transmission system service, asset or upgrade dedicated to SBMU retail customers usage. To be clear, currently, SBMU does not pay any rate or charge to SPP to serve Sikeston retail load, or any wholesale load. This means that currently SBMU’s Missouri retail customers pay \$0 to SPP. If the transmission system is not re-configured as proposed in the filing before the Commission, SBMU’s customers will be forced to pay a newly added wheeling charge, often referred to a pancaked transmission charge. These new charges will be incurred even though SBMU’s customers will see no new or improved service or benefit.
4. In addition, SBMU’s wholesale customers in Missouri’s MISO Zone 5 (such as Columbia and Fulton) and Associated Electric Cooperative (AECI) would see an increase in the delivery of their energy for the same reason. This also means that those Missouri retail customers who currently pay for transmission service to either MISO or AECI, currently pay \$0 to SPP. Again, if the system is not re-configured as requested, those Missouri customers would be required to start paying a pancaked transmission charge to

- SPP, even though nothing in the transmission system has been modified or changed, and those customers would also see no benefit from the new charges.
5. Part of the project for which ATXI is requesting a CCN will be paid for by SBMU, will provide SBMU with its own facilities which connect its generation to its own retail load, allowing SBMU to serve their load without incurring an external transmission service charge. The transmission project also provides SBMU with direct interconnections to MISO, SWPA/SPP and AECI, allowing SBMU to continue to receive its allocation of federal power from SWPA and to deliver wholesale power from its generator to its wholesale customers, without the retail customers incurring pancaked rates.
  6. It also allows SBMU to deliver capacity into markets where there may be a reliability shortage, such as the recent shortage evidenced in the MISO capacity auction. Since the project maintains SBMU's connections to MISO, SWPA/SPP and AECI, it also preserves SBMU's ability to join the RTO of its choice in the future. Currently, SBMU is not a member of any RTO, including SPP or MISO.
  7. If the Commission chooses to deny ATXI's request, SBMU will complete their part of the project on their own to protect their customers from pancaked transmission charges, and to protect Sikeston, and other Missouri customers, from subsidizing customers of SWPA/SPP utilities.
  8. However, it is SBMU's desire that they be allowed to work with Ameren Missouri, ATXI, and their other not-for-profit utility neighbors in developing a transmission system that benefits the customers of the Missouri MISO zone holistically, rather than attempting to create benefits for individual customer bases at the cost of other customer bases within the Missouri MISO zone.

STATE OF MISSOURI     )  
  )  
COUNTY OF Scott     )     SS

Rick Landers, being duly affirmed according to the law on oath, states that he has reviewed the facts recited in the foregoing Affidavit and these are his true and correct statements.

*Rick Landers*  
Rick Landers

Subscribed and sworn to before me this 29<sup>th</sup> day of April, 2022.

*Deanna C Middleton*  
Notary Public

My commission expires: 04/28/2023

