

AFFIDAVIT OF RICHARD MCGILL

1. My name is Richard McGill, and I am the City Administrator for New Madrid, Missouri.
2. Historically, the City of New Madrid (the “City”) has depended on an agrarian economy, and over the last few decades, an aluminum smelter as well. Both of those dependencies have been stressed the last few years, which has resulted in a depressed local economy. It has therefore been a priority of the City to examine its resources and develop a business plan for the future that includes quality jobs to increase its employment and tax base.
3. Part of that analysis has consisted of examining electric utility operations, including reliability and access to markets.

3.a. Reliability

The City is currently served by two (2) 69kV lines owned by the City that are connected to a Southwestern Power Administration (SWPA) substation. That SWPA substation connection is at a 161/69kV transformer that serves both of the City 69 kV lines and the local cooperative system. The limits on the SWPA transformer and the City connections to the SWPA substation limits both the load growth and reliability of the City for serving current loads, and extremely limits the ability to add additional industrial load. The addition of the proposed transmission project, including the direct 161kV connection to MISO facilities, enhances the City’s reliability, and would allow for significant load growth within the city. Without the ability to reliably serve industrial load, industrial load will not make capital expenditures in our City.

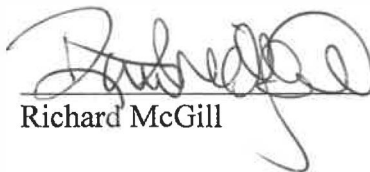
3.b. Access to Markets.

The transmission project will also allow more diverse and lower costs options for supply. Some of those options would include competitive renewable options for energy supply, for which the City has limited to non-existent options currently; access to the Grain Belt Express project; the ability to issue Requests for Proposals for energy and capacity; the ability to enter into long-term agreements for generation purchase power agreements and equity ownership of generation within the MISO footprint, even if outside the state of Missouri but within MISO’s geographic footprint; and other services and planning options that will allow New Madrid flexibility in the future to pursue economic development. The ability to build a competitive and diverse energy portfolio is essential to the City’s future competitiveness and ability to grow. To that end, the City has already entered into competitive long-term contracts for MISO energy and capacity for our future needs. Those contracts will begin delivery prior to the completion of the transmission project as scheduled, and further delays will exacerbate both continued industrial and contractual operational issues. The City will have to pay both MISO and SPP transmission rates until the new transmission is completed.

4. For these reasons stated, the City supports ATXI's CCN Application. The addition of the Circular SynTech plant is just the first of what we hope are many additions to our community, but these additions are all dependent on our ability to have more reliable transmission and the ability to access MISO markets.
5. If the Commission does not support ATXI working with other Missouri utilities to solve a Missouri problem in a manner that benefits all customers of the Missouri MISO zone, then the City will continue working with SBMU and MJMEUC to complete the project so that the City is connected to MISO.

STATE OF MISSOURI)
) SS
 COUNTY OF New Madrid)

Richard McGill, 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.


 Richard McGill

Subscribed and sworn to before me this 27th day of April, 2022.


 Notary Public

My commission expires: 12/28/2022

