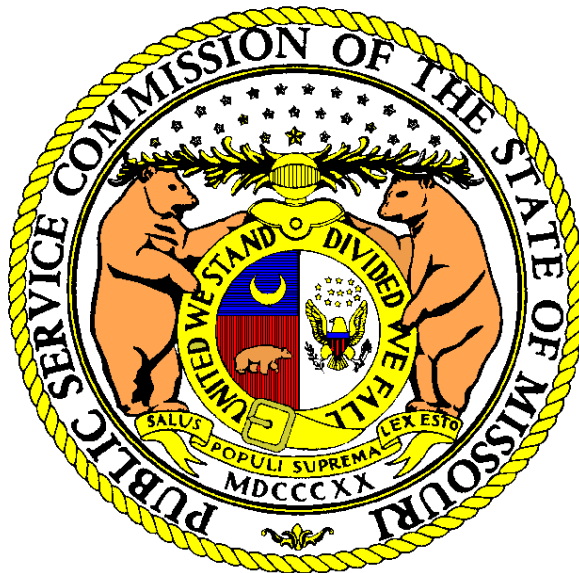


# MISSOURI PUBLIC SERVICE COMMISSION

## STAFF REBUTTAL REPORT



**AMEREN TRANSMISSION COMPANY OF ILLINOIS**

**CASE NO. EA-2018-0327**

**OCTOBER 25, 2018**

**\*\* Denotes Confidential Information \*\***

**STAFF REBUTTAL REPORT**  
**AMEREN TRANSMISSION COMPANY OF ILLINOIS**  
**CASE NO. EA-2018-0327**

**PROCEDURAL BACKGROUND**

The Staff of the Missouri Public Service Commission (“Staff”) submits this Memorandum regarding the Application of Ameren Transmission Company of Illinois (“ATXI”) for a Missouri Public Service Commission (“Commission”) Certificate of Convenience and Necessity (“CCN”) authorizing it to own, acquire, construct, operate, control, manage and maintain an electric transmission line, including a new switching station, within Marion County, Missouri, per section 393.170, and sections 386.020(14) and (15), RSMo 2000. The Application meets the filing requirements of 4 CSR 240-2.060 and 4 CSR 240-3.105, and ATXI provided a list of electric and telephone lines of regulated and nonregulated utilities, railroad tracks and underground facilities, as defined in section 319.015, RSMo.

ATXI is a corporation existing and organized in the State of Illinois, its principal place of business being at 1901 Chouteau Avenue, St. Louis, Missouri 63103. In File No. EA-2017-0345, ATXI filed copies of its Certificate of Corporate Good Standing in Illinois and its Authority to Conduct Business in the State of Missouri.

ATXI filed its 60-day notice with the Commission on May 4, 2018 and filed its Application in this matter on August 23, 2018. ATXI requests that the Commission issue an Order in this case that would allow the new transmission line to be built and operable by December 2020. Specifically, ATXI requests that the Commission approve its Application at its earliest convenience, but no later than February 1, 2019, so that ATXI may begin construction promptly.

On August 24, 2018, the Commission issued an Order informing any proper person or entity who desired to intervene in this case to file such application by September 10, 2018. Missouri Division of Energy filed an application to intervene and was granted intervention status on September 11, 2018. On October 3, 2018, the Commission issued an Order directing Staff to file testimony or status report in this case by October 25, 2018.

Staff is not aware of any pending actions or unsatisfied judgments against ATXI concerning customer service or rates occurring within three years of this filing. ATXI does not currently file annual reports with the Commission nor is it required to pay assessment fees.

## **DISCUSSION**

ATXI's Application includes the following description of the assets ATXI is proposing to purchase from Rolla Municipal Utilities (RMU):

ATXI proposes to acquire from the City of Rolla, acting by and through RMU, two 138kV radial lines, each of which emanates from RMU's existing Alfermann Substation, and various assets related to those lines. One line (the West Line) is approximately 2.83 miles long and currently connects to Ameren Missouri's 138kV transmission line running between the Osage and Clark Substations. The other line (the East Line) is approximately 4.75 miles long and connects to Ameren Missouri's 138kV transmission line running between the Maries and Rivermines Substations.

ATXI's Application includes the following description of the assets ATXI is proposing to construct:

In addition to lines and assets to be acquired from RMU, ATXI proposes to construct, own, and operate a new 138kV substation – the Dillon Substation – at the point where the West Line connects to Ameren Missouri's Osage-Clark transmission line. ATXI proposes to construct the Dillon Substation as an initial five breaker 138kV ring bus with five 138kV line positions. A 138 kV breaker and position for a 28MVAR 138kV capacitor bank for voltage support also would be installed at the Dillon Substation. Twelve breaker disconnect switches would be installed on standard steel switch stands for breaker isolation. Five motor-operated line disconnect switches would be installed to allow isolation of the bus ring line terminals from incoming transmission lines. Instrument transformers would be installed on all ring bus line terminals for voltage indication and sensing for relay metering and protection. Two 138 kV power potential transformers would be installed to provide station power. All substation structures would be constructed using ATXI's standard tubular steel design. The substation also would contain one relay control enclosure to house all substation protective relaying and control, Supervisory Remote Terminal (SCADA RTU), relay communications, 125V DC battery system, and station service panels.

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\*\* The project will provide reliability benefits primarily to RMU, but ATXI asserts that additional reliability benefits will result for the systems operated by Sho-Me Cooperative and Ameren Missouri.

ATXI's Application includes the following description of the benefits of the proposed project and acquisition.

...[T]he Project will provide benefits to customers served by RMU, Ameren Missouri and Sho-Me. The proposed Dillon Substation would connect adjacent Ameren Missouri transmission lines via circuit breakers. These circuit breakers would be designed to provide additional segmentation to those facilities thereby improving their reliability. The new substation would also increase operational flexibility by allowing ATXI to switch lines for maintenance and other forced outages. This lineswitching capability would reduce impacts of forced outages on transmission and distribution facilities and customers receiving service from those facilities. Construction of the Dillon Substation would also allow direct connection of RMU's Alfermann Substation and Sho-Me's Macedonia Substation<sup>1</sup> to a dedicated bus ring, which would maintain transmission supply to RMU<sup>2</sup> in the event of multiple forced outages on Ameren Missouri's 138kV transmission lines. The addition of a bus tie breaker at the Alfermann Substation would allow ATXI and RMU greater operational flexibility during maintenance or other forced outages of RMU's 138/34kV transformers and ATXI's transmission lines.

The ATXI proposal is the culmination of two Requests for Proposals (RFP) spanning the last two years. On January 23, 2018 the Rolla Board of Public Works approved ATXI's term sheet and on February 5, 2018 the Rolla City Council approved the term sheet.<sup>3</sup>

The Midcontinent Independent System Operator (MISO) is one of the two major regional transmission operators/independent system operators (RTO/ISOs) that operate in Missouri. Ameren Missouri, the largest public utility in Missouri, and the City of Columbia are transmission owners in MISO. ATXI is affiliated with Ameren Missouri, but the assets of RMU that ATXI will be acquiring and the proposed Dillon Substation are not in the Ameren Missouri certificated service territory. ATXI will be, however, in the Ameren Missouri MISO Pricing Zone. As such, ATXI will enter into a Joint Pricing Zone Revenue Agreement<sup>4</sup> with Ameren Missouri that will subsequently be filed at the Federal Energy Regulatory Commission (FERC). Once agreed to and filed at FERC, this agreement will allow ATXI to recover its revenue requirement related to the facilities in the Ameren Missouri pricing zone and Ameren Missouri will only pay its portion based on its share of the load.

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<sup>1</sup>See Appendix B.

<sup>2</sup> Transmission supply has been a priority to RMU prior to and including an incident outlined in EO-2010-0263.

<sup>3</sup><http://www.therolladailynews.com/news/20180831/ameren-requests-expedited-treatment-of-application-to-phelps-county-commission>.

<sup>4</sup> See Appendix C.

If applicable, Ameren Missouri will be required to make any adjustment to the regionally allocated costs it is assigned from this project to account for FERC Transmission Rate Incentives as discussed in paragraph 2S of the Commission's May 17, 2012 Order Granting Ameren Missouri's Motion To Clarify Report and Order in File No. EO-2011-0128.

Staff has attested to the financial qualifications of ATXI in EA-2015-0146 and ATXI's financial qualification is not disputed in regard to this Application.

In the Tartan Energy Company case, the Commission's Order listed five criteria to include in the consideration when making a determination on whether a utility's proposal meets the standard of being "necessary or convenient for the public service". A description of how, in Staff's opinion, each criterion has been met follows:

1. Is the service needed?
  - a. Yes. As discussed above, this project will address a local reliability issue with RMU, and will improve reliability within the systems of Sho-Me and Ameren Missouri;
2. Is the applicant qualified to provide the service?
  - a. Yes. ATXI is an affiliate of Ameren Corp., has been in business for over thirteen (13) years, and has access to Ameren Services, which also provides expertise to Ameren Missouri;
3. Does the applicant have the financial ability to provide the service?
  - a. Yes. ATXI intends to finance the acquisition of RMU assets and the construction of the proposed Project using cash on hand or short-term debt. The cash on hand used would be replaced by long term debt and common equity;
4. Is the applicant's proposal economically feasible?
  - a. Yes. ATXI has a reasonable opportunity to recover its costs through its FERC approved tariffs.; and
5. Does the service promote the public interest?<sup>5</sup>
  - a. Yes. Factors that Staff maintains promote the public interest include, but are not limited to, improvement of local reliability.

Staff recommends that the Commission require ATXI:

- Provide copies of final engineering drawings of the Dillon Substation project and all connections between Ameren Missouri, ATXI, Sho-me, and RMU when available.
- Provide copies of all county and city permits or approvals necessary to complete the proposed project when available.
- Provide all finalized and amended agreements and contracts between ATXI and Ameren Missouri, Sho-Me Power, AECl, and RMU regarding the proposed project.

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<sup>5</sup> In the Matter of the Application of Tartan Energy Company, LLC, d/b/a Southern Missouri Gas Company, 3 Mo P.S.C. 3d 173, 177 (1994). See also Section 393.170, RSMo (2000).

As a condition of granting the requested CCN, Staff recommends that the Commission require ATXI implement landowner and land management policies consistent with what was ordered in the Mark Twain Project, Case No. EA-2017-0345 as Schedule DJB-02, Exhibit C of the Unanimous Stipulation and Agreement (attached hereto as Appendix A), to be developed in cooperation with Staff.<sup>6</sup>

## **RECOMMENDATION**

Staff has reviewed the filing and information obtained through prior discussions with ATXI as well as discovery conducted as part of this matter. In this Application, ATXI is requesting and, Staff supports, the issuance by the Commission of a CCN to own, acquire, construct, operate, control, manage and maintain certain electric plant consisting of existing electric transmission and distribution facilities within Phelps County, Missouri, and an associated switching station near Rolla, Missouri, because these transmission facilities are beneficial to the reliability of electric service to retail customers in Missouri.

Staff recommends that the Commission require ATXI:

- Provide copies of final engineering drawings of the Dillon Substation project and all connections between Ameren Missouri, ATXI, Show-me, and RMU when available.
- Provide copies of all county and city permits or approvals necessary to complete the proposed project when available.
- Provide all finalized and amended agreements and contracts between ATXI and Ameren Missouri, Sho-Me Power, AECL, and RMU regarding the proposed project.

As a condition of granting the requested CCN, Staff recommends that the Commission require ATXI implement landowner and land management policies consistent with what was ordered in the Mark Twain Project, Case No. EA-2017-0345 as Schedule DJB-02, Exhibit C of the Unanimous Stipulation and Agreement (attached hereto as Appendix A), to be developed in cooperation with Staff.

Notwithstanding its recommendation to approve this transaction, Staff does not recommend, accept, agree, consent or acquiesce to any ratemaking principle or procedural principle, including, without limitation, any method of cost or revenue determination or cost allocation or

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<sup>6</sup> Staff would note that conditions regarding landowners and land management have been granted in the past. In EA-2015-0145, ATXI agreed to follow certain construction, clearing, maintenance, repair, and right-of-way practices regarding landowners and land management proposed by Staff. In Case No. EA-2015-0146, the Commission ordered ATXI to follow the construction, clearing, maintenance, repair, and right-of-way practices set out in Schedule DB-R-2. In EO-2002-351, the Commission ordered that AmerenUE follow certain construction, clearing, maintenance, repair, and right-of-way practices regarding landowners and land management for Union Electric Co.'s proposed Callaway-Franks Transmission Line.

revenue related methodology, as it pertains to either general rate case or fuel adjustment clause treatment.

If applicable, Ameren Missouri will be required to make any adjustment to the regionally allocated costs it is assigned from this project to account for FERC Transmission Rate Incentives as discussed in paragraph 2S of the Commission's May 17, 2012 Order Granting Ameren Missouri's Motion To Clarify Report and Order in File No. EO-2011-0128.

ATXI's Application requests a waiver from certain filing requirements and provides the following rationale:

Because it will not provide retail service to end-use customers and will not be rate-regulated by the Commission, for good cause, ATXI requests that the Commission waive the rate schedule filing requirement of 4 CSR 240-3.145, the annual reporting requirement of 4 CSR 240-3.165, the depreciation study requirement of 4 CSR 240-3.175, and the reporting requirements of 4 CSR 240-3.190(1), (2) and 3(A)-(D). ATXI would continue to file with the Commission the annual report ATXI files with the Federal Energy Regulatory Commission.

Staff supports ATXI's request for a waiver from certain filing requirements identified above. The requested waiver would be consistent with other waivers granted to electric corporations that have facilities in Missouri but do not directly serve Missouri retail customers.

**BEFORE THE PUBLIC SERVICE COMMISSION**  
**OF THE STATE OF MISSOURI**

In the Matter of the Application of Ameren	)	
Transmission Company of Illinois for	)	Case No. EA-2018-0327
Authority to Acquire Electric Transmission	)	
Facilities from Rolla Municipal Utilities and	)	
for a Certificate of Public Convenience and	)	
Necessity to Own, Operate, Maintain, and	)	
Otherwise Control and Manage those Facilities	)	

**AFFIDAVIT OF SHAWN E. LANGE**

STATE OF MISSOURI	)	
	)	ss.
COUNTY OF COLE	)	

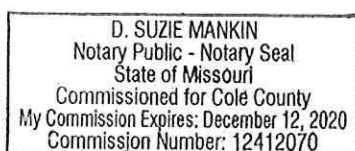
COMES NOW SHAWN E. LANGE and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *STAFF REBUTTAL REPORT*; and that the same is true and correct according to his best knowledge and belief.

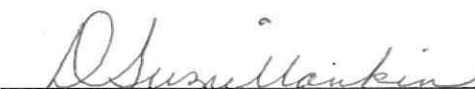
Further the Affiant sayeth not.

  
SHAWN E. LANGE

**JURAT**

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 25<sup>th</sup> day of October 2018.



  
Notary Public



**ATXI's Proposed Standards and Procedures for Construction, Repair and Maintenance of Right-of-Way Mark Twain Project - Schedule DBR-SR2**

**Applicability**

The following standards and procedures apply to construction, maintenance and repair activities occurring partially or wholly on privately owned agricultural land affected by the activities of Ameren Transmission Company of Illinois ("ATXI") as part of the Mark Twain Project ("Project"). They do not apply to such activities occurring on highway or railroad right-of-way or on other publicly owned land. ATXI will, however, adhere to the standards relating to the repair of drainage tile (identified below) regardless of where drainage tile is encountered. To the extent the standards and procedures conflict with an easement or other right-of-way agreement as between ATXI and the landowner, the language in the easement or other agreement shall govern.

All standards and procedures are subject to modification through negotiation by landowners and a designated representative of ATXI, provided such changes are negotiated in advance of any construction, maintenance or repairs.

ATXI will implement the standards and procedures to the extent that they do not conflict with the requirements of any applicable federal, state, or local rules, regulations, or other permits that apply to the Project. If any standard or procedure is held to be unenforceable, no other provision shall be affected by the holding, and the remaining standards and procedures shall remain in effect.

**Right-of-Way Acquisition**

Every landowner from whom ATXI requires an easement or other right-of-way agreement will be contacted personally, and ATXI will negotiate with each such landowner in good faith on the terms and conditions of the easement or agreement, its location, and compensation therefor. For easements, landowners will be shown a specific, surveyed location for the easement and be provided ATXI's standard template.

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

## **Construction and Clearing**

Prior to construction, ATXI will notify all landowners in writing of the name and telephone number of ATXI's designated representative so that they may contact the designated representative with questions or concerns before, during, or after construction, including, but not limited to concerns over inferior work being performed on the landowner's property. Such notice will also advise the landowners of the expected start and end dates of construction on their properties. Landowners will be contacted in person, by phone and/or in writing at least 24 hours prior to the beginning of construction and provided a name and phone number of an Ameren Services real estate employee or contractor to contact if they have any questions or concerns. Following construction, landowners will be contacted to settle crop, land restoration, or other damages.

1. Prior to construction, ATXI's designated representative 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 ATXI aware.
2. During construction, and through the completion of clean up of the right-of-way, ATXI's designated representative will be on-site, meaning at or in the vicinity of the route, or on-call, to respond to landowner questions or concerns.
3. If trees are to be removed from privately owned land, ATXI or their representative will consult with the landowner to see if there are trees of commercial or other value to the landowner. If there are trees of commercial or other value to the landowner, ATXI will allow the landowner the right to retain ownership of the trees with the disposition of the trees to be negotiated prior to commencement of land clearing, such negotiation to include a reasonable period of time in advance of construction for landowner to harvest any timber the landowner desires to harvest and sell. If requested by the landowner, ATXI will cut logs 12" in diameter or more into 10 to 20 foot lengths and stack them along the edge of the right-of-way for handling by the landowner. ATXI's intent is to mulch or windrow trees and brush of no value on site; however, it will follow the landowner's desires, if reasonable, regarding the disposition of trees and brush of no value to the landowner by windrowing, burial, chipping or complete removal of affected property.
4. Stumps will be cut as close to the ground as practical, but in any event will be left no more than 4" above grade as terrain allows.

5. Unless otherwise directed by the landowner, stumps will be treated to prevent regrowth.
6. Unless the landowner specifically states that he does not want the area seeded, disturbed areas in non-crop producing land will be restored using a native plant mix consisting of native grasses and forbs. Deep-rooted native species will be used based on their abilities to enhance wildlife, soil permeability, pollutant filtering, and their reduced needs for fertilizer, herbicides, irrigation, and mowing. In addition, the native grasses and forbs will be selected for the region and site conditions. Before seeding the disturbed areas will be prepared to allow for good seed to soil contact to promote seed-germination and early growth. The native seed mix will be applied with any needed soil amenities and a cover crop consisting of oats or winter wheat depending on the time of year the seed is applied. The seeded area will be covered to protect the seed from being dislodged by storm events or erosion. Seeding cover may include crimped straw, erosion blanket, spray on erosion control products, or other methods depending on slopes or existing erosion conditions. Final restoration activities will be considered achieved when 70% or greater of the restored area has established permanent (not cover crop) vegetation with no large barren areas.
7. Best management practices will be followed to minimize erosion, with the particular practice employed at given location depending upon terrain, soil, and other relevant factors.
8. Gates will be securely closed after use.
9. Should ATXI damage a gate, ATXI will repair that damage.
10. If ATXI installs a new gate, ATXI 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.
11. ATXI will utilize design techniques intended to minimize corona.
12. Should a landowner experience radio or tv interference issues believed by the landowner to be attributed to ATXI's line, ATXI will work with the landowner in good faith to identify if ATXI is the root cause of the problem, and if so to attempt to resolve the issue.
13. If tiling is practiced in the area where a transmission line is to be constructed, ATXI will send a letter to all landowners to request information as to whether support structure locations will interfere with any drainage tile.

If ATXI is advised of possible drainage tile interference with a support structure location, then ATXI will conduct an engineering evaluation to determine if the support structure can be relocated to avoid interference with the tile. ATXI will make its best efforts to relocate the support structure if the engineering integrity of the electric transmission line can be maintained.

If the tile is intercepted and needs to be relocated, ATXI shall negotiate a relocation agreement with landowner. In no case shall the length of the rerouted tile exceed 125% of the length of original tile line that will be replaced.

If the tile line is intercepted and repair is necessary, such repair shall be performed in accordance with local requirements (if any), and if no requirements are available, ATXI shall reference the USDA Natural Resources conservation Service Conservation Practice Standard document, "SUBSURFACE DRAIN"- CODE 606, to aid in the repair of the damaged tile.

14. ATXI will make every reasonable effort to repair, replace, or pay to repair or replace damaged private property within 45 calendar days, weather and landowner permitting, after the transmission line has been constructed across the affected property. If the landowner is paid for any work that is needed to correct damage to his/her property, ATXI will pay the ongoing commercial rate for such work. After construction is completed, ATXI will make reasonable efforts to contact each landowner personally to ensure construction and clean-up was done properly, to discuss any concerns, and to settle any damages that may have occurred. ATXI will restore all disturbed slopes and terraces to their original condition following construction.

15. In order to minimize the impact of soil compaction and rutting, ATXI, unless the landowner opts to do the restoration work, will deep rip to a depth of 18 inches all cropland, which has been traversed by construction equipment, unless the landowner specifies other arrangements that are acceptable to ATXI.

ATXI will deep rip to a depth of 12 inches all pasture and hayland that has been traversed by construction equipment to alleviate compaction impacts, unless the landowner specifies other arrangements that are acceptable to ATXI.

ATXI will deep rip or pay to have deep ripped all compacted and rutted soil, weather and landowner permitting, after the transmission line has been constructed across any affected property.

16. If desired by the landowner, ATXI will agree to apply fertilizer and lime to land disturbed by construction, weather permitting, within a mutually agreed period following the completion of final construction to help restore the fertility of disturbed soils and enhance the establishment of a vegetative cover to control soil erosion.

17. ATXI will remove from the landowner's property all material that was not there before construction commenced and which is not an integral part of the transmission line. (Note: Such material to be removed would also include litter generated by the construction crews).

18. ATXI will work with landowners to prevent or correct excessive erosion on all lands disturbed by construction. ATXI will use all reasonable efforts to ensure that erosion control measures are implemented, or pay the landowner to do so, within 45 days, weather and landowner permitting, following the construction of the transmission line across any affected property subject to erosion.

19. Excess soil material will be generated from the area displaced by the foundation for the support structures. ATXI will remove the excess soil material in tillable and pasture lands.

20. All ATXI 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.

### **Maintenance and Repair**

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

2. ATXI will remain liable to correct damages to private property beyond the construction of the transmission line, to associated future construction, maintenance, and repairs as well.

3. All right-of-way vegetation management line clearance contractors will employ a general foreman who is a certified arborist.

4. If herbicides are used, only herbicides registered with EPA and any applicable state authorities will be used, and herbicides will be used in strict compliance with all labeling directions.

5. To the extent maintenance outage availability permits, routine maintenance will not be planned during wet conditions so as to minimize rutting.

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

7. Prior to commencing any scheduled vegetation management on the right-of-way, ATXI or an ATXI representative, upon request, will meet personally with all landowners who wish to discuss ATXI's vegetation management program and plans for their property

and to determine if the landowner does or does not want herbicides used on their property. If the landowner does not want herbicides used, they will not be used.

### **Indemnity**

ATXI will indemnify all owners of agricultural land upon which such transmission line is installed, their heirs, successors, legal representatives, and assigns from and against all claims, injuries, suits, damages, costs, losses, and reasonable expenses resulting from or arising out of the construction, maintenance, removal, repair, and use of such transmission line, whether heretofore or hereafter installed, including damage to such transmission line or any of its appurtenances, to the extent such claims, injuries, suits, damages, costs, losses, and expenses are caused by the negligence or willful misconduct of ATXI, its employees, agents or contractors.

Ameren Transmission Company of Illinois's  
Response to MPSC Staff Data Request - MPSC 0001  
RMU Asset Acquisition  
Rolla Assets Acquisition

No.: MPSC 0001 S Lange

1. Mr. Black on Pg 5 lines 7-9, of his direct, states: “Construction of the ring bus at the Dillon Substation, with a position to which Sho-Me will connect, also helps to address Sho-Me's regional reliability and voltage issues.” Mr. Hohlt states on Pg 3 lines 19-21 of his direct: “Finally, the Project provides benefits to Sho-Me because installation of, and connection to, a new 138/69 kV transformer would provide a new high-voltage source to the coop's 69 kV system and address a projected reliability deficiency in the area.” To the extent known, please explain, in detail, Sho-Me’s reliability and voltage issues that have been identified. Please indicate if these reliability and voltage issues are projected and the basis of the projection.

**RESPONSE**

**Prepared By: Ross Hohlt**  
**Title: Consulting Engineer**  
**Phone Number: 314-554-3923**  
**Date: 10/19/2018**

Associated Electric Cooperative, Inc. (AECI) acts as the Transmission Planner for Sho-me Power Electric Cooperative (Sho-Me). In 2015, AECI performed a long-range planning study, looking at the reliability of member cooperative transmission systems over a going-forward, 10-year period. Based on the results of that study, AECI communicated to me that they expected to have loading and voltage issues in the Rolla area within the study period. Ameren Transmission Planning kept that in mind as we worked to develop an approach regarding the RMU assets, and collaborated with AECI to ensure that our proposed solution addressed their needs.

Ameren Transmission Company of Illinois's  
Response to MPSC Staff Data Request - MPSC 0002  
RMU Asset Acquisition  
Rolla Assets Acquisition

No.: MPSC 0002 S Lange

Please provide all agreements in place between Ameren Missouri and Ameren Transmission Company of Illinois regarding all proposed changes (physical, operational, etc.) to the existing Ameren Missouri System. If no agreements are in place, please explain if agreements will be entered into and approximate timeframe.

**RESPONSE**

**Prepared By: Sean Black**  
**Title: Director – Transmission Business Development**  
**Phone Number: 314-554-3844**  
**Date: 10-19-18**

No formal agreements currently exist, though Ameren Missouri leadership is aware of the project and supports the planned interconnection.

ATXI and Ameren Missouri will eventually need to amend the existing interconnection agreement between ATXI, Ameren Missouri and Ameren Illinois to reflect the interconnection of the Dillon Substation and the adjacent Ameren Missouri 138 kV lines. That agreement will need to be amended and filed with FERC before Dillon is placed in service in 2020.

ATXI and Ameren Missouri will also need to enter into a Joint Pricing Zone Revenue Agreement ("JPZA"), as further described on page 6 of the direct testimony of ATXI witness Greg Gudeman. ATXI is targeting to file that agreement with FERC in the first half of 2019.



Ameren Transmission Company of Illinois's  
Response to MPSC Staff Data Request - MPSC 0003  
RMU Asset Acquisition  
Rolla Assets Acquisition

No.: MPSC 0003 S Lange

: A.. Please explain the extent to which FERC incentives will or will not be reflected in the project costs. B. If known, please explain the extent to which FERC incentives will or will not be reflected in Ameren Missouri's revenue requirement pursuant to agreements reflected in EO-2011-0128.

**RESPONSE**

**Prepared By: Sean Black**  
**Title: Director – Transmission Business Development**  
**Phone Number: 314-554-3844**  
**Date: 10-19-18**

I'm uncertain what the requestor means by "incentives." ATXI does not intend to seek FERC Transmission Rate Incentives like recovery of CWIP or abandoned plant recovery. Those incentives were applicable to Multi-Value Projects, like ATXI's Mark Twain Transmission Project, but will not be sought here.

This project will be eligible to earn the FERC-approved return on equity available to all MISO transmission owners, including a 50 basis point RTO Participation Adder. I do not view that as an "incentive" as that term is used in the context of "Transmission Rate Incentives."

Although I am not a lawyer, I do not view Ordered Paragraph 2.S. of the March 8, 2017 Order issued in File No. EO-2011-0128 to be on point in this circumstance, if for no other reason than the fact that the project facilities currently in question are not located in Ameren Missouri's certificated electric service territory.