Status Report as of end of Q4 2014 (includes Q2-Q4 activity)

January 30, 2015

# IATAN-NASHUA PROJECT STATUS REPORT

This report provides a project status for the latan-Nashua Project in conjunction with the reporting requirements set forth in Case Nos. EO-2012-0271 & EA-2013-0098.

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#### Introduction

#### Project Status & Public Outreach Report

This report provides project status for the Transource Missouri, LLC<sup>1</sup> ("Transource Missouri") Iatan-Nashua Project ("Project") in conjunction with the reporting requirements<sup>2</sup> set forth for the Project in Case Nos. EO-2012-2071<sup>3</sup> and EA-2013-0098<sup>4</sup>. This report also provides the status of public outreach efforts<sup>5</sup> related to siting, routing, etc. for the Project. This report contains the following Project update sections:

Project Background

**Project Description** 

**Project Final Route** 

**Project Components** 

**Project Progress Summary** 

**Overall Status** 

Permitting

Engineering and Design

**Procurement** 

Right-of-Way Acquisition

Construction

Schedule

Safety

Summary of Contact with the Public Status of Ownership of the Project

Introduction |

<sup>&</sup>lt;sup>1</sup> Transource Missouri is the currently the owner of the Project. Kansas City Power & Light Company ("KCP&L") and KCP&L Greater Missouri Operations Company ("GMO") previously owned the Project. The change of ownership of the Project was approved by the Missouri Public Service Commission ("MoPSC" or "Commission") in Case No.EA-2013-0098. Additional information on Transource Missouri and the status of ownership of the Project can be found in the *Status of Ownership of the Project* section of this report.

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<sup>2</sup> In the context of Case No. EA-2013-0098, the Transource Missouri, KCP&L, and GMO agreed to continue to provide status reports for the Iatan-Nashua Project that had originally been ordered in Case No. EO-2012-0271.

<sup>&</sup>lt;sup>3</sup> All case filings and submissions for Case No. EO-2012-0271 are available through EFIS at <a href="https://www.efis.psc.mo.gov/mpsc/Filing\_Submission/DocketSheet/docket\_sheet.asp?caseno=EO-2012-0271&pagename=case\_filing\_submission\_FList.asp">https://www.efis.psc.mo.gov/mpsc/Filing\_Submission/DocketSheet/docket\_sheet.asp?caseno=EO-2012-0271&pagename=case\_filing\_submission\_FList.asp</a>

<sup>&</sup>lt;sup>4</sup> All of the case filings and submissions for Case No. EO-2013-0098 are available through EFIS at <a href="https://www.efis.psc.mo.gov/mpsc/Filing\_Submission/DocketSheet/docket\_sheet.asp?caseno=EA-2013-0098&pagename=case\_filing\_submission\_FList.asp">https://www.efis.psc.mo.gov/mpsc/Filing\_Submission/DocketSheet/docket\_sheet.asp?caseno=EA-2013-0098&pagename=case\_filing\_submission\_FList.asp</a>

<sup>&</sup>lt;sup>5</sup> In the context of Case No. EA-2013-0098, KCP&L, GMO, and Transource Missouri also agreed to provide reports regarding the public outreach efforts for siting, routing, etc. The initial public outreach report for the Project, which detailed the public outreach efforts up to the final Project route selection, was filed in EA-2013-0098 on November 5, 2013. The status of public outreach efforts subsequent to the final route selection are now being addressed in the *Summary of Contact with the Public* section of this Project status report.

#### SPP Project Status Report

In addition to this Project Status & Public Outreach Report, status updates on the Project are also provided to Southwest Power Pool, Inc. ("SPP") for use in an SPP project tracking report.

The Iatan-Nashua Project is a regional transmission project that was initiated as a result of the SPP's Balanced Portfolio<sup>7</sup> Network Upgrades.

The SPP quarterly project tracking reports<sup>8</sup> contain information on all of the Balanced Portfolio projects, as well as other SPP projects, including Reliability, Transmission Service, Generation Interconnect, High Priority, and IPT10 upgrades. The Iatan-Nashua Project is shown in the SPP quarterly project tracking reports under Project ID 703. *Figure 1* below shows the NTC, project, and upgrade IDs for the components of the Iatan-Nashua Project.

Figure 1 - Iatan-Nashua SPP Project Tracking IDs

NTC_ID	PID	UID	Project Owner	Upgrade Description
200189	703	50499	Transource Missouri	345 kV line from Iatan substation to Nashua substation
200188	703	10935	Transource Missouri	Upgrades at the Iatan and Nashua Substations
20042	703	10945	Transource Missouri	Nashua 345/161 kV Transformer

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<sup>&</sup>lt;sup>6</sup> SPP, a Regional Transmission Organization ("RTO") with members in nine states and approved by the Federal Energy Regulatory Commission ("FERC"), has the obligation to plan and develop transmission solutions for the region in which it serves as an RTO.

<sup>&</sup>lt;sup>7</sup> SPP's description of the Balanced Portfolio is available at <a href="http://www.spp.org/section.asp?pageID=120">http://www.spp.org/section.asp?pageID=120</a>.

<sup>&</sup>lt;sup>8</sup> The SPP quarterly project tracking reports are publicly available at http://www.spp.org/section.asp?group=1867&pageID=27

#### **Project Background**

#### **Project Description**

The Iatan-Nashua Project is a regional transmission project that involves the construction of a new 345kV transmission line in Platte and Clay Counties in Missouri. The transmission line will extend approximately 31 miles from an existing substation at the Iatan power plant near Weston, Missouri ("Iatan Substation"), to the Nashua 161kV substation near Smithville, Missouri ("Nashua Substation"). The 161kV Nashua Substation will be expanded and upgraded to accommodate both the new 345kV Iatan-Nashua line, and the connection with the existing St. Joseph-Hawthorn 345kV transmission line, by installing a new 345/161kV autotransformer between the existing 161kV substation and the 345kV facilities at the Nashua Substation.

#### **Project Final Route**

The Iatan-Nashua Project has a scheduled June 2015 in-service date. The map<sup>9</sup> in *Figure 2* below shows the final route chosen for the Project.

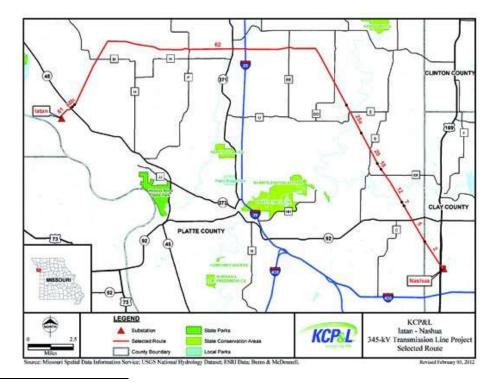


Figure 2 - Iatan-Nashua Project Final Route Map

Project Background |

<sup>&</sup>lt;sup>9</sup> A larger version of this final route map with the project components highlighted is also included in *Attachment A – Iatan-Nashua Project Final Route Map*.

#### **Project Components**

The Iatan-Nashua Project essentially has four distinct components: (i) the **West Segment**; (ii) the East Segment; (iii) the Middle Segment and (iv) the Substation Upgrades. These components are highlighted on the final route map <sup>10</sup> shown in *Figure 3* below.

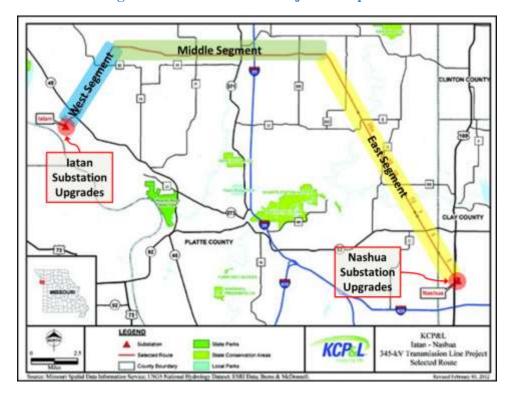


Figure 3 - Iatan-Nashua Project Components

#### West Segment

The West Segment begins at the Iatan Substation located in Platte County near Weston, Missouri, extending in a northeasterly direction for about five (5) miles. This segment of the Iatan-Nashua Project will utilize GMO's existing Iatan-St. Joseph 345 kV transmission line<sup>11</sup> right-of-way path<sup>12</sup>. The new West Segment transmission structures constructed as part of the Iatan-Nashua Project will accommodate both GMO's existing 345kV Iatan-St. Joseph conductor,

<sup>&</sup>lt;sup>10</sup> A larger version of this final route map with the project components highlighted is also included in *Attachment B* – Iatan-Nashua Project Components.

<sup>&</sup>lt;sup>11</sup> The existing GMO Iatan-St. Joseph 345 kV transmission line will remain in service under GMO ownership and will not be part of the Iatan-Nashua Project for the purposes of the 100% regional cost allocation. The current retail and wholesale ratemaking will remain unchanged for the existing GMO Iatan-St. Joseph 345 kV transmission line. <sup>12</sup> GMO will retain the rights-of-way necessary for the Iatan-St. Joseph 345 kV transmission line. The rights-of-way that GMO currently holds on the West Segment are sufficient to accommodate the double-circuited nature of the West Segment. Transource Missouri will acquire rights-of-way for the West Segment -through a partial assignment of rights-of-way from GMO to Transource Missouri.

as well as the conductor on the West Segment of the Iatan-Nashua Project. The existing Iatan-St. Joseph transmission structures along this five-mile path of the West Segment were retired and removed as part of the Iatan-Nashua Project, and the existing Iatan-St. Joseph conductor has been attached to the West Segment structures<sup>13</sup>. The West Segment conductor will also be added to the new structures. Thus, when the Project is completed, both the West Segment conductor and the southern five-mile portion of the existing Iatan-St. Joseph conductor will share the new structures. The existing Iatan-St. Joseph line has remained energized and in-service during the construction of the West Segment including, at times, while the Iatan-St. Joseph conductor was being moved from the existing structures to the new jointly used structures.

#### **East Segment**

The **East Segment** begins at KCP&L's Nashua Substation located in Clay County near Smithville, Missouri, extending in a northwesterly direction for approximately fourteen (14) miles. This segment of the new 345kV transmission line will utilize existing rights-of-way (supplemented by additional rights-of-way as needed) that were used for a portion of the **Alabama-Nashua 161kV transmission line** that was transferred from KCP&L to GMO in 2012<sup>14</sup>. This southern fourteen (14) mile segment of the Alabama-Nashua Line has been retired and removed as part of the Iatan-Nashua Project. The remaining northern portion of the GMO Alabama-Nashua 161kV transmission line will remain in service<sup>15</sup> for GMO as a radial line out of the Alabama Substation

#### **Middle Segment**

The Middle Segment will connect the East and West Segments, running approximately twelve (12) miles east-to-west through an area without any pre-existing rights-of-way/easements - i.e., the Middle Segment was "greenfield."

#### **Substation Upgrades**

In order to facilitate the construction and operation of the new 345kV Iatan-Nashua transmission line, certain substation upgrades will need to be made at each substation terminus. Notably, the existing 161kV Nashua Substation will be expanded and upgraded to accommodate both the new

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<sup>&</sup>lt;sup>13</sup> A Pole Attachment Agreement between GMO and Transource Missouri, which details the terms and conditions of the attachment of GMO's Iatan-St. Joseph line to the West Segment structures of the Iatan-Nashua Project, was filed with and accepted by FERC in Docket No. ER14-276. All case filings and submissions for FERC Docket No. ER14-276 are available by searching on the docket number in FERC's online eLibrary at <a href="http://elibrary.ferc.gov/idmws/docket\_search.asp">http://elibrary.ferc.gov/idmws/docket\_search.asp</a>

<sup>&</sup>lt;sup>14</sup> In Case No. EO-2012-0479, the Companies requested Commission approval to transfer the 161kV Alabama-Nashua Line from KCP&L to GMO in order to facilitate the Companies' plan to have GMO construct the entire 345kV Iatan-Nashua line because it will be wholly within GMO's service area. The Commission granted the Companies' application to transfer the Alabama-Nashua Line from KCP&L to GMO on August 15, 2012. The transfer is discussed in further detail in the application and related filings in Case No. EO-2012-0479, which are available through EFIS at

https://www.efis.psc.mo.gov/mpsc/Filing\_Submission/DocketSheet/docket\_sheet.asp?caseno=EO-2012-0479&pagename=case\_filing\_submission\_FList.asp

<sup>&</sup>lt;sup>15</sup> The remaining GMO 161 kV radial out of Alabama Substation will remain in service under GMO ownership and will not be part of the Iatan-Nashua Project for the purposes of the 100% regional cost allocation. The current retail and wholesale ratemaking will remain unchanged for this GMO 161 kV Alabama radial.

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345kV Iatan-Nashua line, and connection with the existing St. Joseph-Hawthorn 345kV transmission line, by installing a new 345/161kV autotransformer between the existing 161kV substation and the 345kV facilities at the Nashua Substation. Additionally, upgrades will be required to connect the new 345kV transmission line to the Iatan Substation. The Substation Upgrades will be paid for by Transource Missouri as part of the Iatan-Nashua Project cost but will be owned and operated by KCP&L, because they are being constructed within KCP&L's Iatan and Nashua Substations<sup>16</sup>.

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<sup>&</sup>lt;sup>16</sup> A Substation Agreement between KCP&L and Transource Missouri, which details the terms and conditions of the ownership and operation of the Iatan-Nashua Project Substation Upgrades, was filed with and accepted by FERC in Docket No. ER14-298. All case filings and submissions for FERC Docket No. ER14-298 are available by searching on the docket number in FERC's online eLibrary at http://elibrary.ferc.gov/idmws/docket\_search.asp.

#### **Project Progress Summary**

#### **Overall Status**

Overall, the Project is on track with no critical path issues.

#### **West Segment**

All foundations and structures have been installed. PAR has completed stringing and clipping.

#### **East Segment**

All foundations and structures have been installed. PAR has completed stringing and clipping.

#### **Middle Segment**

Tree clearing and line construction continues on the Middle Segment. All foundations and structures have been installed.

#### Substation Upgrades

Construction on the Nashua Substation commenced in April 2014 and is now complete with the exception of relay testing and commissioning, which are planned to be completed in the spring of 2015. Iatan Substation engineering design was completed in November 2014, and construction started during the 2014 fall outage. Construction will continue this spring and relay testing and commissioning will be performed in spring 2015.

#### Permitting

Field surveys that were completed during late 2013 indicated signs of habitat potentially suitable for the endangered Indiana bat. As such, the U.S. Fish and Wildlife Service (USFWS) required that additional field work be conducted in order to determine whether the endangered species was present along the final route. Environmental Solutions & Innovations, Inc. ("ESI"), a specialty consultant that was engaged to perform endangered species bat field monitoring studies, completed monitoring for endangered bat species. The field studies were completed in August 2014 with no bats located, and the results were submitted to the USFWS on August 20, 2014. The USFWS reviewed the report and on August 27, 2014 provided approval for tree clearing to resume. The approval is valid through March 31, 2016, which should be well after the in-service date of the Project.

Permits/approvals related to state and county roadway crossings are the only remaining open permitting activities and will proceed as necessary for line construction activities.

Other permitting including necessary notices, filings, and submittals previously requested and received include:

- Federal US Army Corps of Engineers ("USACE"), U.S. Fish & Wildlife Service ("USFWS"), Federal Aviation Administration ("FAA")
- State State Historic Preservation Office ("SHPO"), Missouri Department of Natural Resources National Pollutant Discharge Elimination System (Storm Water Pollution Prevention Plan) ("MDNR-NPDES (SWPPP)"), Missouri Department of Conservation ("MDC")
- County/City Floodplain & Public Right-of-Way Use

#### **Engineering and Design**

Line engineering and geotechnical work was completed in August 2014. Engineering on the Iatan and Nashua Substations is now complete.

#### **Procurement**

The Project team issued requests for proposals ("RFPs"), evaluated the subsequent bids, and executed the contracts necessary to procure all of the essential services, materials and equipment required to meet the construction schedule. The contracted suppliers for the major services, materials and equipment are shown in *Figure 4* below:

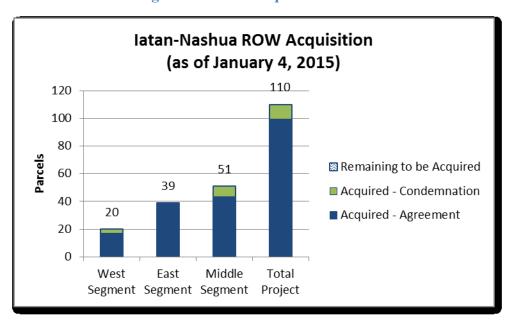
Figure 4 - Contracted Services, Materials, & Equipment

Services, Materials, & Equipment	Supplier	Contract Award
ROW/Easement Acquisition & Permitting	Burns & McDonnell Engineering	July 2012
<b>Geotechnical Services</b>	Alpha Omega Geotech	August 2012
Steel Poles - West Segment	TransAmerican Power Products	September 2012
Steel Poles - East Segment	FWT	October 2012
Steel Poles - Middle Segment	FWT	October 2013
Tree Clearing	Asplundh Tree Expert	October 2013
Line Construction	PAR Electrical Contractors	December 2012
Autotransformer (345 to 161 kV 650MVA)	GE Prolec Transformers	March 2013
Conductor	Southwire Company	November 2012
Fiber Optic/Ground Wire ("OPGW")	Brugg Cables	November 2012
Insulators	MacLean Power	December 2012
Hardware	HD Supply Utilities	February 2013
Numbering	Tech Products	December 2012

#### Right-of-Way Acquisition

All of the required easements for the Project have now been obtained. The easement and right-of-way acquisition process reflected the distinct characteristics of the West, East, and Middle Segments of the Project and the construction schedule related to those segments. The West Segment is being constructed on existing right-of-way that will contain a double circuit when the Project is completed. The East Segment is being constructed on existing right-of-way, but the transmission line previously occupying that right-of-way has been de-energized and removed in conjunction with the Project. The Middle Segment is "greenfield" construction with no previously existing rights-of-way.

*Figure 5* below shows right-of-way/easement acquisitions for the Iatan-Nashua Project and how many parcels were acquired through agreements versus condemnations.



**Figure 5 - ROW Acquisition Status** 

Some, but not all, of these easements were transferred<sup>17</sup> to Transource Missouri as part of the January 2, 2014 transaction in which Transource Missouri became the owner of the Project. Specifically, on the West Segment, GMO will retain the easements that it has acquired, because GMO will need them for continued access to its Iatan-St. Joseph transmission line. GMO previously had easements for the Iatan-St. Joseph transmission line, but GMO had to acquire

https://www.efis.psc.mo.gov/mpsc/commoncomponents/view\_itemno\_details.asp?caseno=EA-2013-0098&attach\_id=2014011019

<sup>&</sup>lt;sup>17</sup> The description of what was and what was not transferred is detailed in the Asset Purchase Agreement between the sellers, KCP&L and GMO, and the purchaser, Transource Missouri. The Asset Purchase Agreement was filed with the Commission in Case No. EA-2013-0098 and is available in EFIS at:

https://www.efis.psc.mo.gov/mpsc/commoncomponents/view\_itempo\_details\_asp?caseno=EA-2013-

new easements on the West Segment to reflect the revised nature of the transmission equipment (i.e., the new West Segment structures will carry two energized transmission lines after the Iatan-Nashua line is placed in-service) <sup>18</sup>.

Only three of the 20 parcels needed on the West Segment were acquired through condemnation, with the other 17 parcels acquired through negotiated agreements. Condemnation awards and payments for the GMO rights-of-way were finalized in October 2013. The rights-of-way that GMO acquired on the West Segment are sufficient to accommodate a double-circuited line. GMO will retain the rights-of-way necessary for the Iatan-St. Joseph 345 kV transmission line. Transource Missouri has acquired the necessary rights for the West Segment through a partial assignment of the West Segment easements from GMO to Transource Missouri 19.

All 39 of the parcels needed on the East Segment were acquired through negotiated agreements, although two of the parcels were initially condemned prior to reaching negotiated agreements. The East Segment easements that were obtained by GMO for the Iatan-Nashua Project were transferred to Transource Missouri in the January 2, 2014 transaction.

Eighty-Four percent (43 of 51) of the required parcels on the Middle Segment were able to be acquired through negotiated agreements with landowners. The other eight parcels were acquired through condemnation. The easements on the Middle Segment acquired before transfer were transferred to Transource Missouri on January 2, 2014. The remaining easements were acquired by Transource Missouri.

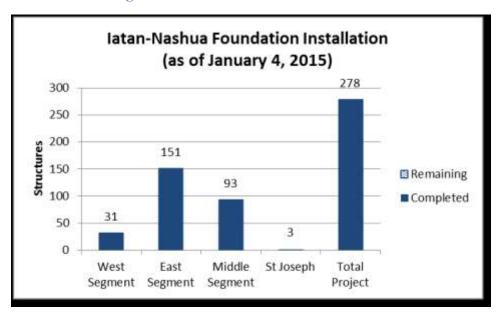
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<sup>&</sup>lt;sup>18</sup> The cost of the new easements will be capitalized as part of the Iatan-Nashua Project, because the new easements were necessitated by the Project.

<sup>&</sup>lt;sup>19</sup> The partial assignment was structured such that all terms and conditions are binding on any successors and assigns and all rights will vest in the remaining party in the event that either party abandons its rights under the easements. While GMO retained its rights under the easements, the cost incurred to acquire those easements was considered part of the Iatan-Nashua Project and was reflected in the amount paid by Transource Missouri in the Asset Purchase Agreement.

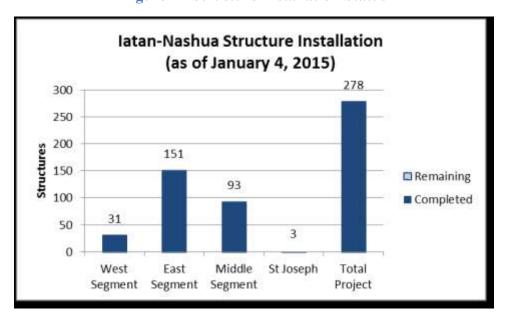
#### **Construction**

Foundation construction is complete on all segments as can be seen in *Figure 6* below.



**Figure 6 - Foundation Installation Status** 

Structure installation is complete on all segments as can be seen in *Figure 7* below.



**Figure 7 - Structure Installation Status** 

PAR has completed stringing and clipping on the West and East Segments. Stringing and clipping on the Middle Segment began in January 2015. *Figure 8* below shows the status of string/clip/deadends on the Iatan-Nashua Project as of January 4, 2015.

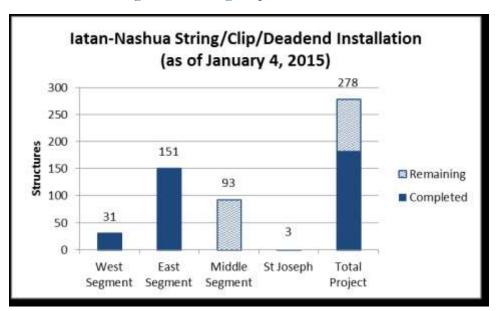


Figure 8 - String/Clip/Deadend Status

#### Schedule

Overall, the Project is on track with no critical path issues. Estimated/Actual completion dates for the major Project activity categories are shown in *Figure 9* below:

Project Category	Estimated Completion
Right-of-Way Acquisition	July 2014 A
Permitting	June 2015 A
<b>Engineering and Design</b>	August 2014 A
Procurement	September 2014 A
Construction	June 2015
<b>Project In-Service</b>	June 2015
<b>Post In-Service Project Completion</b>	May 2016

**Figure 9 - Estimated Completion Dates** 

The estimated/actual completion dates in *Figure 9* are based on the Level 1 Project Schedule as of January 4, 2015<sup>20</sup>. The Level 1 Project Schedule outlines the major milestones and

Project Progress Summary |

<sup>&</sup>lt;sup>20</sup> This Level 1 Project Schedule as of January 4, 2015 is included as *Attachment C – Level 1 Schedule (HIGHLY CONFIDENTIAL/PROPRIETARY)*.

engineering, procurement, and construction activities that will need to be completed to support the scheduled in-service date of June 2015. It includes the current forecast/actual start and finish dates for the Level 1 summarized activities, as well as the baseline start and finish dates against which project status is tracked and reported.

#### Safety

There have been no work-related safety issues on the Project.

During the public meetings regarding the routing of the Project, an issue was raised with the final route being in the proximity of petroleum or gas pipelines. Pipelines and transmission lines are located near one another in other locations in the Company's transmission system. The Project engineers are aware of the existing ONEOK pipeline near the final route and have continued to work with ONEOK on easement and safety issues. The Project team has coordinated with ONEOK during the construction process whenever the Project construction team is working in proximity to the ONEOK pipeline. Now that the engineering and design work is complete the Project engineers can begin to better identify potential issues, if any, related to the proximity of the Project in relation to the ONEOK pipeline. Potential issues will not be completely identifiable, however, until the Project is energized. At that time, the Project engineers will coordinate with ONEOK in order to establish and implement any mitigation efforts to address issues that arise. Transource Missouri and the Project team will follow all electric industry safety guidelines, as well as those provided by ONEOK, during construction of the transmission line.

#### **Summary of Contact with the Public**

The initial contact with the public regarding the Iatan-Nashua Project came in the context of the open house meetings that were held during the route selection process, which culminated in the final route selection in early 2012. Greater detail on the open house meetings and other contact with the public can be found in the public outreach report, which Transource Missouri, KCP&L, and GMO agreed to provide in the context of Case No. EA-2013-0098.

The initial public outreach report for the Iatan-Nashua Project was filed in EA-2013-0098 on November 5, 2013<sup>21</sup>. It is now the intent that this section of this report shall be utilized to fulfill the requirement for updates to the public outreach efforts.

Interactions with the public following the final route selection have primarily consisted of communications and negotiations with individual landowners regarding the acquisition of necessary easements for the Project. The ROW surveying contractors and the ROW clearing and restoration contractors have also been in contact with landowners as they have commenced the surveying, tree clearing, and access construction on the easements that have been acquired for the Project.

Transource Missouri and the various contractors working on the Project will communicate, as necessary, with landowners on the West, East, and Middle Segments to ensure that construction activities occur within the acquired easements and rights-of-way. Transource Missouri and the Project team remain willing to meet with landowners, as requested, during any stage of the Iatan-Nashua Project. Transource Missouri will continue to communicate with affected landowners prior to key points in the Iatan-Nashua Project (such as the beginning of easement negotiations, initial construction work, and other key activities as needed).

Throughout the life of the Iatan-Nashua Project the Project team will continue to proactively meet with citizens, local and state officials, and the local news media.

<sup>&</sup>lt;sup>21</sup> The initial public outreach report is available through EFIS at <a href="https://www.efis.psc.mo.gov/mpsc/commoncomponents/view\_itemno\_details.asp?caseno=EA-2013-0098&attach\_id=2014007274">https://www.efis.psc.mo.gov/mpsc/commoncomponents/view\_itemno\_details.asp?caseno=EA-2013-0098&attach\_id=2014007274</a>

#### Status of Ownership of the Project

#### **Current Ownership Status of the Project**

Transource Missouri is the current owner of the Project. Transource Missouri is a wholly-owned subsidiary of Transource Energy LLC ("Transource Energy")<sup>22</sup>. Transource Energy was formed in 2012 to pursue competitive transmission projects in the SPP, Midcontinent Independent System Operator, Inc. ("MISO") and PJM Interconnection, LLC ("PJM") regions, with the potential for expanding to other regions in the future. Great Plains Energy ("GXP") owns 13.5 percent of Transource Energy, and American Electric Power ("AEP") owns 86.5 percent.

SPP originally issued Notifications to Construct ("NTCs")<sup>23</sup> for the Iatan-Nashua Project to KCP&L, and subsequently to both KCP&L and GMO.

KCP&L and GMO were the Designated Transmission Owners ("DTOs") under the NTCs until they received approval from SPP to novate<sup>24</sup> the Iatan-Nashua Project to Transource Missouri in October 2013. The Federal Energy Regulatory Commission ("FERC") accepted the SPP-approved designee qualification and novation on December 17, 2013 with an effective date of October 30, 2013.

KCP&L and GMO initiated the novation process, which entailed various interrelated approvals by SPP, FERC, and the MoPSC, in mid-2012. The MoPSC approvals related to this process have been addressed in Case Nos. EO-2012-0367<sup>25</sup> and EA-2013-0098<sup>26</sup>.

0367&pagename=case filing submission FList.asp

<sup>&</sup>lt;sup>22</sup> Additional information about Transource Energy can be found at <a href="http://www.transourceenergy.com">http://www.transourceenergy.com</a>

<sup>&</sup>lt;sup>23</sup> Copies of the NTCs, modification requests, and Company responses can be found in the Q4 2012 Iatan-Nashua Project Quarterly Report, and in prior quarterly reports, in Case No. EO-2012-0271. All case filings and submissions for Case No. EO-2012-0271 are available through the Electronic Filing and Information System ("EFIS") on the MSPC's website at

https://www.efis.psc.mo.gov/mpsc/Filing\_Submission/DocketSheet/docket\_sheet.asp?caseno=EO-2012-0271&pagename=case filing submission FList.asp

The process governing the construction of transmission facilities within the SPP region and the basis for SPP issuing NTCs are set forth in Section VI of Attachment O to the SPP Open Access Transmission Tariff ("SPP Tariff"). Section VI also describes the process by which transmission owners designated to build projects are to accept or reject such designation by SPP, as well as how they may proceed to relinquish such designation and arrange for another entity to build and own a project in its place, subject to certain qualifications. The full SPP Tariff, as well as individual Schedules and Attachments, can be found at <a href="http://www.spp.org/tariff-viewer.asp">http://www.spp.org/tariff-viewer.asp</a>
All case filings and submissions for Case No. EO-2012-0367 are available through EFIS at <a href="https://www.efis.psc.mo.gov/mpsc/Filing">https://www.efis.psc.mo.gov/mpsc/Filing</a> Submission/DocketSheet/docket sheet.asp?caseno=EO-2012-

All case filings and submissions for Case No. EO-2013-0098 are available through EFIS at <a href="https://www.efis.psc.mo.gov/mpsc/Filing\_Submission/DocketSheet/docket\_sheet.asp?caseno=EA-2013-0098&pagename=case\_filing\_submission\_FList.asp">https://www.efis.psc.mo.gov/mpsc/Filing\_Submission/DocketSheet/docket\_sheet.asp?caseno=EA-2013-0098&pagename=case\_filing\_submission\_FList.asp</a>

On January 2, 2014, KCP&L and GMO completed the transfer of the Project to Transource Missouri. The transfer included the sale of certain equipment, property, and construction work in progress ("CWIP") related to the Project from the KCP&L/GMO to Transource Missouri<sup>27</sup>. The terms of the January 2, 2014 transaction are detailed in the Asset Purchase Agreement<sup>28</sup> between the KCP&L/GMO and Transource Missouri that was submitted to the Commission in EA-2013-0098 on January 14, 2014.

#### Remaining Project Ownership Steps

KCP&L/GMO and Transource Missouri may need to develop, finalize, and receive any necessary approvals for several additional agreements prior to or subsequent to the in-service dates of the Project. These agreements may include, but are not necessarily limited to, interconnection agreements and facility sharing agreements for utility operations communications needs..

<sup>&</sup>lt;sup>27</sup> The sale included provisions for the deferred transfer of the West Segment structures. The cost of the West Segment structures was, however, included in the amount paid by Transource Missouri to KCP&L/GMO in the January 2, 2014 transaction. The partial assignment of the West Segment easements from GMO to Transource Missouri that was discussed in the *Right-of-Way Acquisition* section of this report allowed for the completion the asset transfer described in the Asset Purchase Agreement.

<sup>&</sup>lt;sup>28</sup> The submission of the Asset Purchase Agreement is available in EFIS at <a href="https://www.efis.psc.mo.gov/mpsc/commoncomponents/view\_itemno\_details.asp?caseno=EA-2013-0098&attach\_id=2014011019">https://www.efis.psc.mo.gov/mpsc/commoncomponents/view\_itemno\_details.asp?caseno=EA-2013-0098&attach\_id=2014011019</a>

#### **Attachments**

Attachment A – Iatan-Nashua Project Final Route Map

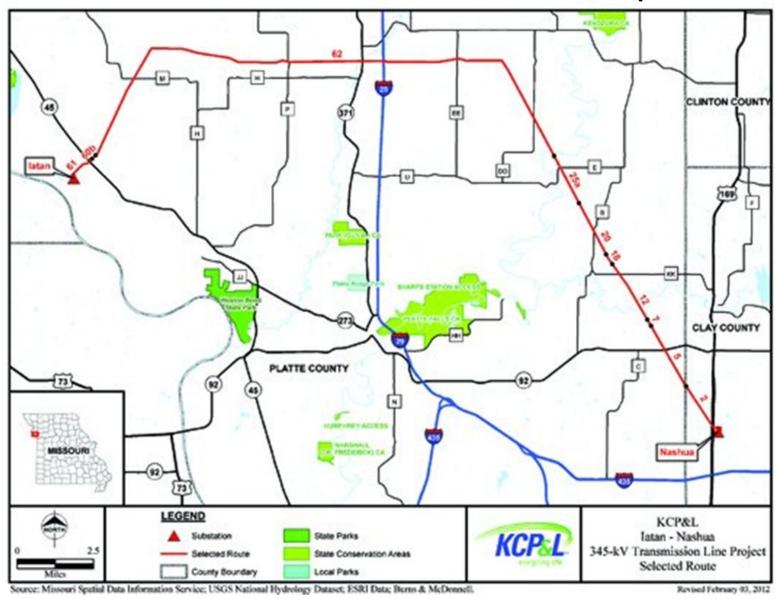
Attachment B – Iatan-Nashua Project Components

**Attachment C – Level 1 Schedule (HIGHLY CONFIDENTIAL/PROPRIETARY)** 

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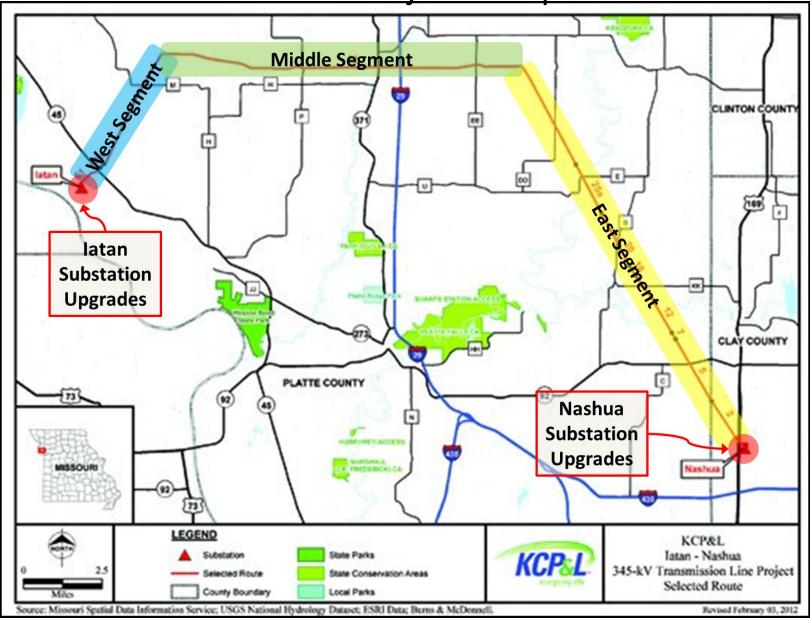
# <u>Attachment A – Iatan-Nashua Project Final Route Map</u>

# **Iatan-Nashua Final Route Map**



# <u>Attachment B – Iatan-Nashua Project Components</u>

<u> Iatan-Nashua Project Components</u>



# Attachment C – Level 1 Schedule (HIGHLY CONFIDENTIAL/PROPRIETARY)

Page 23 contains Highly Confidential/Proprietary Information

This page is removed in the Non-Proprietary public version of the report.