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MEMORANDUM

TO: Missouri Public Service Commission Official Case File
Case No. EO-98-150, Union Electric Company

**MISSOURI
PUBLIC SERVICE COMMISSION**

FROM: Syed Ahmad *MA* 12/13/97
Electric Department Staff

Wesley Henderson 12-4-97 *Steven J. Patten* 12/5/97
Utility Operations Division/Date General Counsel's Office/Date

WJK

SUBJECT: Staff Recommendation on Union Electric Company's (UE) Request For Approval to Reroute an Existing 161 kV Transmission Line, and in its Place to Construct, Operate and Maintain a New Double Circuit 161 kV Transmission Line Outside UE's Service Territory, in Cape Girardeau County

DATE: December 3, 1997

SUMMARY

On October 8, 1997, Union Electric Company (UE) filed an APPLICATION requesting permission and authority to reroute an existing 161 kV transmission line, and in its place to construct, operate and maintain a new double circuit 161 kV transmission line outside of its certified service territory. At the request of Procter and Gamble (P&G), a retail customer of Citizens Electric Corporation (Citizens), UE desires to reroute the existing 161 kV transmission line and also build a second, new 161 kV transmission line parallel to the rerouted 161 kV line. Applicant is presently operating and maintaining the existing 161 kV line by authority of the Commission in Case No. 16,581 and Case No. EA-77-19. The proposed 161 kV double circuit transmission line would run between UE's existing Cape-Wedekind-2 161 kV transmission line juncture located in the Northeast Quarter of Section 5 and the Northwest Quarter of Section 4, Township 32 North, Range 14 East of the Fifth Principal Meridian in Cape Girardeau County and Citizens' New Charmin Substation located in the aforementioned Northwest Quarter of Section 4. The total distance of the proposed 161 kV double circuit transmission line would be approximately 0.9 mile, which would run through P&G's property, which is outside of UE's service territory. Authority from the Missouri Public Service Commission (Commission) is needed to accommodate rerouting, construction, operation and maintenance of the 0.9 mile line that would be in Cape Girardeau County in Citizens' service territory.

On November 5, 1997, Citizens filed an APPLICATION TO INTERVENE in this case. As the requested line will provide wholesale electric power to Citizens Electric, Citizens states that it supports the application and request of UE.

On November 24, 1997, UE filed revised Exhibits 1 and 2. The revised exhibits correctly identify the proposed rerouted 161 kV transmission line as the "Cape-Wedekind 2" line. The original exhibits incorrectly identified this line as the "Rivermines-Cape" line. This change will not affect the original application filed for a Certificate of Convenience and Necessity (CCN).

NEED FOR REROUTING

Proctor and Gamble is building a new production facility next to the existing plant, north of Cape Girardeau. The present location of the existing single 161 kV transmission line on P&G's property is blocking the construction work for the new production facility. P&G has requested that UE relocate its existing single 161 kV transmission line near the western edge of P&G's property.

NEED FOR DOUBLE CIRCUIT

P&G has requested UE to build a second 161 kV transmission line parallel to the proposed rerouted line on the property of P&G for redundancy of electric power supply at Citizens' New Charmin substation. However, this line/circuit will not be energized until the year 2001, when UE will bring a new line from Wedekind substation. For year 2001, UE will apply to the Commission for another CCN to construct, operate and maintain a new 161 kV transmission line between Wedekind substation and the juncture of the de-energized 161 kV transmission line going to Citizens' New Charmin substation. In this manner P&G will not need to shutdown its production facility due to the construction of the new line (i.e., 161 kV transmission line between Wedekind substation and the juncture of the de-energized 161 kV transmission line going to Citizens' New Charmin substation) in the year 2001.

Union Electric's preliminary load flow analyses, considering existing and projected loadings on the transmission line and substation, indicate that the total loading on the line in 1998 will be 42% of the summer normal rating of the line. This loading will increase to 55% through the addition of 24 MW at P&G in year 2000 and will increase to 61% in year 2001 with an additional P&G load of 10 MW. UE concluded that it needed to construct the proposed line, and place the line in service on or about August 1, 1998, in order to assure continuity of electric supply to its customer, Citizens. It is estimated that rerouting and replacement of the existing 161 kV line with a double circuit 161 kV line will cost approximately \$1 million. P&G will reimburse UE for all the associated costs.

CONCLUSIONS AND RECOMMENDATION

Staff has reviewed the APPLICATION and the APPLICATION TO INTERVENE, and UE's summary of its load flow analyses. Additionally, Staff has reviewed Citizens' assessment of the need for additional power supply in the area, UE's assessment of required reliability support, and UE's proposed solution for improving the reliability and assuring continuity of electric service to its customer, Citizens Electric Corporation.

Based on its reviews and field inspections, it is the Staff's opinion that UE's request to reroute an existing 161 kV transmission line and build a second 161 kV transmission line parallel to the proposed rerouted line is in the public interest. The Staff, therefore, recommends that the Commission issue an order granting UE a CCN with permission and authority to reroute an existing 161 kV

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transmission line and in its place to construct, operate and maintain a double circuit 161 kV transmission line which would be on the property of P&G in Cape Girardeau County in Citizens Electric Corporation's service territory as described in the revised exhibits. Further, the Staff recommends that the Commission direct UE to file tariff sheets which reflect the Commission's issuance of permission and authority to UE to reroute, construct, operate and maintain the line and which contain concise route descriptions of the subject 161 kV transmission line. Additionally, the Staff recommends that the Commission reserve for a future proceeding the right to consider the ratemaking treatment to be afforded costs associated with this transmission line project.

Copies:

- Director - Utility Operations Division
- Director - Utility Services Division
- General Counsel
- Manager - Accounting Department
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