

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

In the Matter of the Application of Grain Belt Express)
Clean Line LLC for a Certificate of Convenience and)
Necessity Authorizing it to Construct, Own, Operate,)
Control, Manage, and Maintain a High Voltage, Direct) Case No. EA-2014-0207
Current Transmission Line and an Associated Converter)
Station Providing an interconnection on the Maywood-)
Montgomery 345 kV Transmission Line)

IBEW UNIONS' POST-HEARING BRIEF

COME NOW, IBEW Local Union 2, IBEW Local Union 53 and IBEW Local Union 1439 (collectively, the "IBEW Unions"), through counsel, and file their post-hearing brief in support of issuing a Certificate of Convenience and Necessity ("CCN") to Grain Belt Express Clean Line LLC ("Grain Belt Express").

DISCUSSION

I. Does the evidence establish that the high-voltage direct current transmission line and converter station for which Grain Belt Express Clean Line LLC ("Grain Belt Express") is seeking a certificate of convenience and necessity ("CCN") are necessary or convenient for public service?

Yes.

A. Grain Belt Express Should Provide Significant, High-Quality Employment in Missouri.

The IBEW Unions are labor organizations that represent a wide range of electrical workers including but not limited to specialists in construction of transmission and distribution systems, persons who test, maintain and repair underground and overhead systems, specialists in substations, and tree trimmers. IBEW Locals 2, 53 and 1439 each represent persons employed in the electrical industry in Missouri. IBEW Local 2 represents specialists in construction of transmission and distribution systems. Exhibit 750, p. 2, lines 6-12. Local 2 Business Manager David Desmond worked in the field for approximately 2 decades and has worked another 2 decades as a full-time representative of electrical workers. He brings to this proceeding a wealth

of practical knowledge about the current and future energy needs in Missouri and the impediments to meeting those needs. Exhibit 750, p. 1, lines 10-14.

The proposed Grain Belt Express project involves the installation of approximately 206 miles of high-voltage direct current transmission line and a substation in Missouri. Mr. Desmond testified that, based on his 40 years of practical experience in the field, he agrees with Grain Belt's estimate that the project would employ approximately 1000 people overall, including electrical workers, steel workers, operating engineers and others. *See* Exhibit 750, p. 4, lines 13-14. These jobs will stay in Missouri, so long as Grain Belt contracts with a Missouri general contractor.¹ Moreover, Missouri general contractors already have collective bargaining agreements in place with the various trades that will be implicated, including with the IBEW. In that case, Mr. Desmond testified at the hearing that approximately 250 of those would be construction electrical workers whose pre-negotiated package rate across Missouri is \$39/hour. *See also*, Exhibit 750, p. 4, lines 14-17. Because his local represents construction workers, his members are not permanent employees of a particular employer, but move from one construction project to the next. A construction project that lasts 2.5 years is significant. Moreover, "[c]onstruction begets future construction" so this project – which could open the door for future green energy projects – is a first step in maintaining good employment of highly trained Missouri residents. Exhibit 750, p. 5, lines 1-6.

Mr. Desmond also testified that the predicted 70 permanent operation and maintenance employees necessary to run the Ralls County converter station would earn more than \$25/hour and benefits, subject to negotiation. *See also*, Exhibit 750, p. 4, lines 17-20.

Mr. Desmond testified that he considers any Missouri employment from the Grain Belt

¹ The IBEW Unions do not have any promises from Grain Belt that their members will be employed if the Grain Belt Express is approved. Nor did they exchange documents requesting the support of the Grain Belt Express project by the IBEW Unions.

Express project to be a net gain for Missouri workers, because industry job losses are the result of the regulatory push for green energy across the nation, rather than the result of the Grain Belt Express project itself. In this regard, Mr. Desmond testified about two announced closings by Ameren of coal-generated power plants, which are clearly unrelated to the Grain Belt Express project. In addition, Grain Belt has previously acknowledged that the Express project will likely produce only 500 MW of electricity at one time that could be used in Missouri, as its production is largely committed to other Midwest markets (Illinois and Indiana). This restricted production for Missouri usage makes it highly unlikely the Grain Belt Express would result in the closing of any existing source of electrical generation in Missouri.

B. The Grain Belt Express Will Provide Needed Additional Reliability.

Mr. Desmond testified that the reduction of coal-powered generation of electricity due to federal and Missouri regulation in favor of green energy creates a need for low-environmental impact, low-cost wind-powered electricity, such as will be provided by the Grain Belt Express. He further testified that the current electrical grid in Missouri will not support such clean energy without upgrading. Exhibit 750, p. 3, lines 20-21. The HVDC line proposed by Grain Belt as part of this project will interconnect with the Ameren line, providing a small part of the upgrading that will be necessary to accomplish the federal and Missouri goal of transmitting electricity more cleanly. Exhibit 750, p. 4, lines 8-9. Approval of the project would also encourage other green development that is currently hampered by the inadequacy of the electrical grid. Exhibit 750, p. 4, lines 1-4.

II. *If the commission grants the CCN, what conditions, if any, should the Commission impose?*

Although the IBEW Unions did not initially take a position on this issue, the questioning of Commissioner Stoll at the hearing has caused them to re-examine this and suggest the

Commission impose the following condition on Grain Belt Express if the CCN is granted. With the exception of executives and high-level management, 95% of the employees necessary to manufacture and construct the Grain Belt Express facilities in Missouri and to maintain the Missouri converter station and transmission lines should be Missouri residents.

III. *If the Commission grants the CCN, should the Commission exempt Grain Belt Express from complying with the reporting requirements of Commission rules 4 CSR 240-3.145, 4 CSR 240-3.135, 4 CSR 240-3.175, and 3.190(1), (2) and (3)(A)-(D)?*

The IBEW Unions take no position as to a potential waiver of the reporting requirements.

WHEREFORE, the IBEW Unions respectfully submit the foregoing Post-hearing Brief for the Commission's consideration.

Respectfully submitted,

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Certificate of Service

I certify that a true and correct copy of the foregoing document was served the parties to this case by email or U.S. Mail, postage prepaid, this December 3, 2014.

/s/ Sherrie Hall