

1 BEFORE THE PUBLIC SERVICE COMMISSION
2 STATE OF MISSOURI
3 _____
4 TRANSCRIPT OF PROCEEDINGS
5 HEARING
6 September 30, 2002
7 Jefferson City, Missouri
8 Volume 3
9 _____
10
11 In the Matter of the Application of)
12 Union Electric Company for Permission)
13 and Authority to Construct, Operate,) Case No.
14 Own, and Maintain a 345 Kilovolt) EO-2002-351
15 Transmission Line in Maries, Osage, and)
16 Pulaski Counties, Missouri ("Callaway-)
17 Franks Line").)
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21 _____
22 BEFORE:
23
24 NANCY M. DIPPELL,
25 SENIOR REGULATORY LAW JUDGE.
 KELVIN SIMMONS, Chair
 CONNIE MURRAY,
 SHEILA LUMPE,
 STEVE GAW,
 BRYAN FORBIS,
 COMMISSIONERS.

24 REPORTED BY:
25 TRACY L. CAVE, CSR
 ASSOCIATED COURT REPORTERS

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 ASSOCIATED COURT REPORTERS
 573-636-7551 JEFFERSON CITY, MO
 573-442-3600 COLUMBIA, MO

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A P P E A R A N C E S

JAMES. B. LOWERY, Attorney at Law
SMITH, LEWIS
P.O. Box 918
Columbia, Missouri 65205
573-443-3141
FOR: Union Electric Company

JOSEPH H. RAYBUCK, Attorney at Law
P.O. Box 66149
St. Louis, Missouri 63140
314-554-2976
FOR: Union Electric Company

JAMES B. DEUTSCH, Attorney at Law
308 E. High Street, Suite 301
Jefferson City, Missouri 65101
573-634-2500
FOR: Concerned Citizens of Family Farms and Heritage

JOHN B. COFFMAN, Deputy Public Counsel
P.O. Box 7800
Jefferson City, Missouri 65102
573-751-5559
FOR: Office of Public Counsel and the Public

BRUCE H. BATES, Associate Counsel
MICHAEL F. DANDINO, Senior Public Counsel
P.O. Box 360
Jefferson City, Missouri 65102
573-751-8701
FOR: Staff of the Missouri Public Service Commission

1 (EXHIBIT NOS. 1 THROUGH 50 WERE MARKED FOR
2 IDENTIFICATION.)

3 JUDGE DIPPELL: This is Case No. EO-2002-351
4 in the matter of the application of Union Electric Company
5 for permission and authority to construct, operate, own and
6 maintain a 345 kilovolt transmission line in Maries, Osage
7 and Pulaski Counties, Missouri. This is known as the
8 Callaway-Franks Line.

9 My name is Nancy Dippell. I'm the Regulatory
10 Law Judge assigned to this matter and we've come here today
11 for a hearing. We have premarked exhibits while we were off
12 the record. And at this time I would like to ask the
13 attorneys to make their entries of appearance. Can we start
14 with Staff, Mr. Bates?

15 MR. BATES: Good morning, your Honor. I'm
16 Bruce H. Bates, attorney appearing on behalf of the Staff of
17 the Missouri Public Service Commission. My address is Post
18 Office Box 360, Jefferson City, Missouri 65102.

19 JUDGE DIPPELL: Office of the Public Counsel?

20 MR. COFFMAN: Appearing on behalf of the
21 Office of the Public Counsel, John B. Coffman, P.O. Box
22 7800, Jefferson City, Missouri 65102.

23 JUDGE DIPPELL: And the Intervenors?

24 MR. DEUTSCH: On behalf of Intervenors, I'm
25 James B. Deutsch of the law firm of Blitz, Bardgett and

1 Deutsch of Jefferson City. My address is 308 East High
2 Street, Suite 301, and I'll be representing the Concerned
3 Citizens for Family Farms and Heritage.

4 JUDGE DIPPELL: And the company, please.

5 MR. RAYBUCK: Good morning, your Honor. My
6 name is Joseph Raybuck. I'm an attorney with Union Electric
7 Company doing business as AmerenUE. My mailing address is
8 P.O. Box 66149, St. Louis, Missouri 63166-6149.

9 MR. LOWERY: Good morning, your Honor. My
10 name's Jim Lowery. I'm an attorney with Smith Lewis, LLP in
11 Columbia, Missouri representing Union Electric as well. My
12 address is P.O. Box 918, Columbia, Missouri 65205.

13 JUDGE DIPPELL: Thank you.

14 I'd like to remind all the attorneys to please
15 try to speak into the microphone. I'll try to remember to
16 do so as well. We are broadcasting via our live Internet
17 connection and unless you speak into the microphone, that
18 doesn't pick up on the broadcast. So I would ask you to
19 speak into the microphone, and it also helps the court
20 reporter hear you clearly.

21 As always, try to speak one at a time. And
22 when we do cross-examination and so forth, I'll ask you to
23 come to the podium to speak. I'd also like to remind
24 everyone if they would check and make sure that their
25 cellular telephones and other electronic devices are set so

1 that they're silent and try to remember to check that as you
2 come back from break. We'll go for about an hour and a half
3 and then we'll take a short break and go for another hour
4 and a half.

5 And the parties filed proposed opening
6 statements, order of witness and order of cross-examinations
7 and we will try to follow that. Some of the witnesses
8 aren't available until tomorrow and I believe the parties
9 are in agreement to accommodate that. If there's any
10 objection to that, please let me know.

11 At this time then, are there any preliminary
12 motions or anything we need to take up before we go to
13 opening statements?

14 All right. What I'm going to do is take about
15 a five-minute break, and I'm going to ask the Commissioners
16 to come down for opening statements, so we can go off the
17 record.

18 (A RECESS WAS TAKEN.)

19 JUDGE DIPPELL: Okay. We can go back on the
20 record. We're going to begin with opening statements. And
21 according to the proposed list, we're going to start with
22 the company, Mr. Lowery.

23 MR. LOWERY: Thank you, Judge. Try to get the
24 microphone situated. Good morning. Commissioners, Judge
25 Dippell, may it please the Commission.

1 My name is Jim Lowery and I, along with
2 Mr. Joe Raybuck, who's seated behind Mr. Coffman, represent
3 Union Electric Company in this particular case. This
4 proceeding involves Union Electric's application for
5 permission and authority to build a new 345 kV electric
6 transmission line that will originate generally in the area
7 of our Callaway Substation a few miles south of the Callaway
8 Nuclear Power Plant in Osage County, will continue through
9 Maries County and will terminate at an Associated Electric
10 Cooperative, Incorporated substation called the Franks
11 Substation in Pulaski County.

12 As stated in more detail in our statement of
13 position, the evidence in this case will show that the
14 proposed line is in the public interest because it is needed
15 to relieve a real and presently existing overloading problem
16 that exists on our existing electric transmission system in
17 mid-Missouri.

18 The evidence will further show that relieving
19 that overloading problem is necessary and beneficial to the
20 public interest as a whole because it will allow us to
21 ensure that we can continue to adequately, safely and
22 reliably serve our customers, including those in Missouri
23 and in mid-Missouri through the use of our transmission
24 system.

25 The evidence will also show that the route

1 that we have chosen is an electrically superior route, is a
2 route that is the least intrusive route under the
3 circumstances and, therefore, is also in the public
4 interest.

5 And, finally, the evidence will show that the
6 project is an efficient, adequate and electrically effective
7 solution to the overloading problem that we face and we,
8 therefore, believe in keeping with our obligation as well as
9 that of the Commission to utilize adequate, efficient, and
10 appropriate facilities to ensure that we can provide proper
11 service and to keep our rates just and reasonable.

12 Now, as I just mentioned and as you will hear
13 in this case, the issue before the Commission today is
14 whether or not this improvement is in the public interest,
15 in the public interest as a whole. One of the key reasons
16 that we're here today for a contested hearing is a
17 difference of opinion about what that means, as is evidenced
18 from the pre-filed testimony that's been filed in this case.

19 We respectfully submit that while the
20 Intervenors, each of you, myself, and everyone in this room
21 certainly constitute a portion of the public, that the
22 public interest at issue here is that of Union Electric's
23 customers, cooperative customers, citizens of the state of
24 Missouri, the public as a whole and that no particular
25 subject constitutes that public interest.

1 So when you hear me talk about evidence that
2 supports our conclusion that the application is in the
3 public interest, that's the public interest that I will be
4 speaking about.

5 Now, with regard to the specifics about the
6 proposed line, it is approximately 54 miles in length and
7 all but approximately 20 miles of that line is in Union
8 Electric's existing certificated service area. Hopefully,
9 you can get a little better idea about the route if you look
10 at this plat that I've provided. This is also Schedule 2 to
11 Mr. Mitchell's testimony that's been pre-filed. And I'll
12 just hold it up so I can stay on the record here.

13 As I mentioned, the line starts up here at the
14 Callaway Substation in Osage County, runs down along this
15 dashed line through Osage, Maries, and Pulaski County and
16 terminates at the existing Associated Electric Franks
17 Substation.

18 The line also includes improvements to UE's
19 Callaway Nuclear Plant switchyard and it will include a new
20 Union Electric Substation near Linn, Missouri which we call
21 the Loose Creek Substation, which is right here where this
22 box exists. That substation is going to allow us to better
23 serve our mid-Missouri customers in our service areas.

24 It's also going to include a connection to a
25 substation called the Rich Fountain Substation, which will

1 be owned and operated by Central Electric Power Cooperative.
2 Central is a member of Associated Electric Cooperative,
3 which is the umbrella organization that ultimately supplies
4 electric service to most of out-state Missouri and all of
5 the rural electric cooperative customers.

6 The evidence will show that the Rich Fountain
7 Substation benefits cooperative members by allowing the
8 cooperatives to better serve their mid-Missouri customers.

9 As I will discuss in more detail in a moment,
10 the line is the result of a joint planning effort between
11 Associated and Union Electric designed to find an
12 appropriate solution to the overloading problems that we
13 face.

14 The line will be built using predominantly
15 H-frame structures which consist of two wood poles in most
16 cases with crossarms. This is construction that I'm quite
17 sure all of you have seen. It's common throughout the
18 country and Missouri and certainly mid-Missouri, and you've
19 certainly seen it if you've driven on any highway or any
20 country road in Missouri.

21 For a majority of the 54-mile route, the line
22 will parallel an existing Central Electric Power Cooperative
23 electric transmission line that essentially runs along the
24 same route. The evidence will show that this benefits the
25 public as a whole in part because it allows us to share

1 25 feet of the existing right-of-way that Central already
2 has which allows us to use -- that is, clear of brush and
3 trees and so on when necessary -- less right-of-way that we
4 would otherwise have to keep clear.

5 Now, 25 feet doesn't sound like a whole lot
6 perhaps if you're standing in one place and you're looking
7 perhaps at the width of this room or a little bit more, but
8 when you are able to save that clearing over 40-plus miles,
9 you're able to clear considerably less land than you would
10 otherwise have to clear, which, again, reduces the impact of
11 the line.

12 Also, as provided in our application,
13 approximately 43 of the 54 miles of the route will be built
14 using easements that were purchased by Associated back in
15 the late '70s or early '80s for what would have been a very
16 similar 345 kV electric line transmission probl-- project.

17 Union Electric has acquired those easements
18 lawfully and Union Electric will acquire the remaining
19 11 miles of transmission line right-of-way and will pay
20 appropriate compensation for those as required by law.

21 Now, one of the issues that's come up in this
22 case as it has progressed is whether what UE is proposing to
23 do today is somehow materially different or more onerous
24 than what Associated planned to do when those original
25 easements were acquired approximately 20 years ago.

1 The evidence will show that the current UE
2 project in size, in scope, in type of structure, in voltage
3 of line, in route is not materially different than the
4 Associated project that was planned 20 years ago and for
5 which easements were purchased by Associated at that time.

6 Now, with regard to the need for the line, I
7 want to make particular note of the testimony of Mr. Chuck
8 Mitchell, who has been engaged in transmission planning of
9 this type for approximately 30 years with the company.
10 Mr. Mitchell is a consulting transmission planning engineer
11 for Ameren Services Company.

12 Mr. Mitchell, along with Associated, as I'll
13 discuss a little bit more in a moment, was responsible for
14 the joint study that determined that the Callaway-Franks
15 line is the appropriate electrical solution and the least
16 intrusive route to reach that solution to solve the problems
17 that we face with regard to overloading on the Bland-Franks
18 line.

19 His testimony and the supporting data from
20 1999 and 2000 and actually to the current indicate that
21 about that timewe began experiencing very heavy loads on a
22 portion of our mid-Missouri transmission system, a portion
23 that's called the Bland-Franks line.

24 The Bland-Franks line is essentially the main
25 connector between the northern portion of the 345 k

1 transmission grid in Missouri and the southern section of
2 that grid. Those heavy overloading conditions are such that
3 they exceed the rating of the conductor and, therefore, they
4 are detrimental to system reliability and safety.

5 The evidence will further show that the North
6 American Electric Reliability Council, which we've referred
7 to as NERC in Mr. Mitchell's testimony, that council has
8 called what are called TLRs, line loading relief orders, on
9 numerous occasions.

10 A line loading relief order is called when the
11 flows on the transmission system are exceeding the rating of
12 the conductor and the safe and reliable operation of that
13 system. When that happens, what we have to do typically is
14 we have to cut back flows on that system. When that
15 happens, that typically will push power to other portions of
16 our system, normally lower voltage facilities, which
17 themselves can then become overloaded.

18 It also can lead to a need to interrupt first
19 interruptible customers, to rely upon more expensive
20 generation, if we can get access to it, which is not always
21 the case, and ultimately if we have a failure or if the
22 system simply cannot handle follow the flows by it being
23 pushed to these lower voltage facilities, we may have to
24 interrupt customers.

25 None of those solutions are an acceptable way

1 to operate an electric transmission system and they are what
2 has driven our need to build a new line to relieve those
3 overloading problems.

4 Another problem that we run into when we have
5 overloading conditions, is it impacts the life of the
6 conductor, the life of the transformers and, therefore,
7 makes them more prone to failure, makes them have to be
8 replaced more often, which, of course, increases cost and
9 can ultimately impact our ability to continue to meet our
10 obligation to deliver power at just and reasonable rates.

11 In addition to our evidence for the line, and
12 as I believe Mr. Bates will discuss in more detail, you will
13 hear that the Commission Staff has reviewed our application
14 in detail and is unconditionally recommending approval of
15 our application.

16 Now, another issue that has been raised deals
17 with the relevance of not just this line, this particular
18 line, the Callaway-Franks line, but of the entire electric
19 transmission grid in Missouri. The relevance to Missouri
20 customers and in particular to mid-Missouri customers.

21 The evidence will show that the new Loose
22 Creek Substation, which I mentioned a minute ago that's
23 going to be located near Linn, the new Loose Creek
24 Substation will enhance our ability to provide reliable and
25 safe electric service to our customers.

1 And that the new Rich Fountain Substation,
2 which will also be connected to the new Callaway-Franks
3 line, will do the same for cooperative customers so that
4 there are certainly real and tangible Missouri benefits
5 including in mid-Missouri.

6 But even more than, even if you were to ignore
7 the existence of these substations, the evidence is that a
8 reliable and safe transmission grid -- and it is an
9 interconnected transmission grid, that's the nature of our
10 transmission system in Missouri and throughout the country.

11 A reliable and safe transmission system
12 benefits customers whether they're served directly off that
13 grid or not, because it ensures that power flows where it
14 needs to flow so that peoples' lights come on when they flip
15 the switch in the evening.

16 As Mr. Fulks will testify, that is why
17 Associated Electric Cooperative, Inc., has transferred these
18 easements to us and why they are spending an additional
19 3 or 4 million dollars in relation to this joint project
20 because it benefits their system. Their power will flow on
21 this line, it flows on other portions of our system and that
22 ultimately benefits cooperative customers, including those
23 in Missouri.

24 Now, as I alluded to earlier, it is apparently
25 the Intervenor's position -- because the evidence indicates

1 that they don't really seriously quarrel with us about the
2 need for the line itself. It's apparently the Intervenor's
3 position that the line does not benefit Missourians or at
4 least not them directly and, therefore, it's not in their
5 public interest.

6 As I mentioned earlier, I don't believe that
7 their public interest is the public interest at issue, not
8 alone certainly. I've already discussed that the evidence
9 will show benefits to Missouri and to them in any event and
10 will show benefits to the public interest as a whole. And I
11 want to address that issue -- that evidence just a little
12 bit more specifically now.

13 The Intervenor's statement of purpose, which
14 was attached to each of the 37 or 38 sets of pre-filed
15 testimony filed by the Intervenor, it essentially talks
16 about preserving rural family farms from encroachment from
17 commercial development and those types of things. From that
18 base, the Intervenor's evidence seems to be that the
19 proposed line unduly impacts their family farms and,
20 therefore, it ought to be put somewhere else.

21 Their evidence seems to suggest primarily
22 that it ought to be put along a route that our evidence will
23 show is comprised of rural family farmers' properties, rural
24 residential properties, properties that are not materially
25 different than the properties that we plan to cross with the

1 line and that, in fact, the alternative route represents an
2 inferior electrical solution.

3 And, of course, there's another key fact, and
4 that is the property owners along the other route were not
5 paid for easements and there was never a plan to have a
6 transmission line of just this very type along the other
7 route.

8 Now, I don't want to suggest that the
9 Intervenors ought to be happy that an electric transmission
10 line is being built across their property. We certainly
11 understand that no one, if they had the choice -- or almost
12 no one, would prefer to have an electric transmission line
13 across the property. And, frankly, we wouldn't build the
14 line unless we had to build the line.

15 It's been suggested that we're building this
16 line just to make money. That this is some profit center
17 that we're trying to create within the company. The
18 evidence is contrary to that suggestion. The evidence is
19 that we are building this line to discharge our duty as a
20 regulated public utility to address a present, real
21 overloading problem that exists in our system.

22 We have a duty to provide safe, adequate and
23 reliable transmission service so that our -- so that we can
24 deliver electricity as we're required to do. In fact, we
25 believe that if we were not to build the line and if we

1 weren't to do it in a reasonable and prudent, effective and
2 efficient fashion, we would expect the Commission to come
3 knocking on our door and ask us why we're not solving the
4 problem and why we're not doing it in a reasonable and
5 prudent fashion.

6 The evidence will also show that the
7 suggestion the Intervenor's have made that they are somehow
8 unfairly being singled out is also incorrect. Rather, as to
9 most of them, they or their predecessors in title were paid
10 for easements for just such a line approximately 20 years
11 ago.

12 The evidence will show that taking the
13 Intervenor's up on their suggestion that we put the line
14 somewhere else simply impacts a group of similarly situated
15 folks who didn't have a reason to expect such a line. And,
16 again, it's not as good a solution in any event.

17 Now, the testimony will also reflect,
18 and another issue that's come up, is whether or not we're
19 going to show appropriate respect for the landowners and
20 their property.

21 The evidence reflects that we take our
22 obligations as a public utility very seriously. We don't
23 want to take anyone's property involuntarily unless we have
24 to. That is an absolute last resort. We use the power of
25 eminent domain sparingly.

1 And as Mr. Geoffrey Douglass testifies --
2 Mr. Douglass is our director of real estate -- just as one
3 example, we are currently getting ready to build another
4 electric transmission line farther to the east in the state,
5 the Rush Island to St. Francois line.

6 That line has 64 landowners on it. We had to
7 move a church, we had to move a home. We are able to
8 acquire 61 of those easements voluntarily and without the
9 necessity of resorting to condemnation. We don't resort to
10 condemnation unless we have to.

11 But ultimately, if we do have to do that --
12 another suggestion that's been made is that Union Electric
13 come in and puts our fist down and says, Here's what you're
14 going to get for the easement. And that's not what the law
15 says either.

16 The law is that if we can't agree with these
17 landowners on what appropriate compensation is, that three
18 landowners within their county, called condemnation
19 commissioners, will make that initial determination. And if
20 the landowners are not satisfied with that determination,
21 then 12 jurors, 12 people that also live in their county
22 will ultimately decide what the compensation ought to be.
23 We don't make those decisions.

24 I'd also like to address what I believe is
25 another misconception. Really I think it's a misstatement

1 that's found in the Intervenor's position statement. It has
2 been alleged that Union Electric somehow misled this
3 Commission about our, quote, overall purpose is.

4 The evidence is contrary to that. The
5 evidence demonstrates that in our application we
6 specifically discussed the north to south power transfers
7 that, yes, are significantly contributing to the overloading
8 problems that our system faces.

9 Our application also specifically discusses
10 the Loose Creek Substation that we are going to put near
11 Linn, Missouri. And I think it's self-evident that if we
12 were building a substation in mid-Missouri, that we intend
13 to serve mid-Missouri customers in our service territory
14 using that substation.

15 Frankly, we don't understand this particular
16 allegation, but we wanted to make sure that the Commission
17 understands that we take very seriously our obligation to be
18 forthright with the Commission and to provide proper, full
19 and complete information so that you can properly make
20 decisions on cases such as this.

21 Now, there's a couple more issues I'd like to
22 address and discuss evidence on before concluding. The
23 first being the general impact of the line. Of course, an
24 electric transmission line impacts those people whose
25 property it crosses. And it impacts some people more than

1 others. There's no question about that.

2 It's self-evident that a transmission line
3 cannot be built without impacting somebody. If we never
4 impacted anybody with a transmission line, we wouldn't have
5 electric service in the state.

6 We have a home in this case that must be
7 purchased or moved and we have a barn or two that's going to
8 have to be moved. In one case, at least that barn was built
9 only five or six years ago, about 10 or 15 years after an
10 easement was granted for an electric transmission line, but
11 nevertheless, those are the facts.

12 We will have to clear right-of-way in order to
13 build this line. Albeit 25 feet less of right-of-way than
14 we would have to do if we were going out and acquiring an
15 entire new easement.

16 However, the evidence also shows that we take
17 very seriously our obligation to minimize as best we can
18 those impacts. And those responsible for those issue at UE
19 have submitted to you sworn testimony about our commitment
20 in that regard and how we go about minimizing those impacts.

21 It's been alleged that other utilities in the
22 past in this area have not done a particularly good job in
23 this regard. Those utilities have submitted information to
24 you about those issues. Regardless of whether that's true
25 or it's not true or whether the truth falls somewhere in the

1 middle, I would respectfully suggest to you that we can't be
2 held guilty by association for what may or may not have been
3 done in the past.

4 But our folks have sworn under oath to you
5 what they will and will not do in this case. And I think
6 what they've testified to demonstrates an appropriate level
7 of respect for landowner rights.

8 While, of course, there is an impact from an
9 electric transmission line, most lines do not, in almost
10 every case, have nearly the kinds of impacts that have been
11 suggested. In fact, for example, wildlife habitat can be
12 improved. Properties do not become valueless or unsaleable
13 as has been alleged in some of the testimony that's been
14 filed save very special cases, perhaps a very small tract
15 that is being essentially occupied by a line.

16 And when that does occur, when we have more
17 significant impact, the law provides a remedy, as I
18 mentioned before. We don't come in and decide what we will
19 pay. The law will ultimately tell us if we can't agree, and
20 we're going to do our best to agree, but the law will
21 ultimately tell us what we will have to pay. And that will
22 be fair market value for the property rights that we impact.

23 Finally, I would like to briefly address two
24 additional issues that the Intervenors have raised.
25 Intervenors' evidence reflects what I guess I could best

1 characterize as complaints about the State of Missouri law.

2 There are complaints about what rights the
3 Associated easements that we have acquired do or do not
4 grant. There are complaints about compensation. There are
5 complaints about our lawful right to acquire the easements.

6 I would respectfully suggest to the Commission
7 that those matters, which all deal with principles of law
8 and the award of damages and compensation, are beyond the
9 proper scope of these proceedings. The courts and the
10 legislature have addressed those issues and that's where
11 those issues need to remain.

12 A second similar issue raised by the
13 Intervenor deals with a request that this Commission -- and
14 it's really related to the first complaint -- a request that
15 this Commission change the liability standards in Missouri
16 in some fashion by imposing conditions on our application.

17 For example, it's been suggested that we ought
18 to have to indemnify landowners for anything that happens
19 regardless of fault related to their use of the
20 right-of-way, their farm, the presence of the line and so
21 on. I would again suggest that those matters are matters
22 that are best left dealt with by the bodies that are
23 properly charged with dealing with those issues.

24 If we negligently harm someone, if we
25 negligently harm their property, the law provides a remedy

1 for that and we'll have to pay for that. If our contractors
2 negligently harm somebody or harm property, again, we will
3 have to pay for that because the law imposes liability.

4 In closing, I can without hesitation say to
5 you that the evidence in this case shows that we have met
6 our burden to show that the proposed line is in the public
7 interest. A burden that is aptly summarized by this
8 Commission itself in a case called, In Re Applications of
9 Churchill Trucklines.

10 And I quote, The evidentiary burden facing
11 operating certificate applicants -- and the Churchill case
12 is a truck case, but the principles are no different in a
13 line certificate case like this -- continuing, Is to prove
14 by substantial and competent evidence that the public need
15 or public convenience or necessity would be served,
16 end quote, by granting the certificate.

17 And then you continue, quote, If the granting
18 of the authorization subserves a genuine and reasonable
19 public interest, end quote -- and I'm jumping ahead just a
20 bit -- then the public convenience and necessity or public
21 need is served.

22 The evidence shows that this line and that
23 your permission and authority for this line serves such a
24 genuine and reasonable, under the circumstances, public
25 interest. Thank you for your time.

1 JUDGE DIPPELL: Thank you, Mr. Lowery.
2 Staff?
3 MR. BATES: Thank you, your Honor. And good
4 morning, Commissioners.
5 As the Commission is aware, the question in
6 this matter is, is the application of AmerenUE for
7 permission and authority, that is a certificate of
8 convenience and necessity to construct, own, operate and
9 maintain a 345 kilovolt electric transmission line in
10 Maries, Osage and Pulaski Counties, in the public interest
11 and should it be granted with or without conditions.
12 Staff states after extensive research into
13 this matter, that it believes that, yes, the application is
14 in the public interest and should be granted. Staff has
15 proposed no conditions to this approval.
16 Some history of this case, on January 18th,
17 2002, AmerenUE filed an application for permission and
18 authority to construct a 345 kilovolt transmission line in
19 Maries, Osage and Pulaski Counties, Missouri. This proposed
20 transmission line is approximately 54 miles in length and
21 would provide a connection between the Callaway Power Plant
22 transmission switchyard and Franks Substation, a
23 transmission substation in Pulaski County that is located
24 south and east of Dixon, Missouri.
25 Associated Electric Cooperative, Inc., or AECI

1 owns that Franks Substation. The new UE line would parallel
2 an existing 161 kilovolt line built in the 1950's on
3 right-of-way acquired in the late 1970's and owned by
4 Central Electric Power Cooperative and provided by AEIC for
5 approximately 43 of the 54 miles in question.

6 UE would acquire the remaining right-of-way
7 for the new line as well as purchase property to construct a
8 new Loose Creek Substation near Linn.

9 The estimated cost of the line, including
10 right-of-way costs and connection costs at the substation,
11 is approximately \$25 million.

12 UE states that the proposed line is necessary
13 to provide reliable service to UE's customers and to relieve
14 the overloading of nearby transmission lines. Staff agrees
15 with this. Power flow on adjacent lines has reached the
16 capacity of the lines and frequently UE has requested
17 transmission line loading relief through the North America
18 Electric Reliability Council or NERC.

19 As the Commission is aware, this organization
20 is responsible for maintaining transmission system
21 reliability. Line loading relief is called to relieve major
22 elements of the transmission system when the loads exceed
23 equipment ratings.

24 UE desires an in-service date of the
25 spring of 2004 for this new transmission line to provide

1 reliable service to its customers in preparation for the
2 anticipated summer demand. The application states that UE
3 will complete construction of the line in accordance with
4 Commission Rule 4 CSR 240-18.010, which requires utilities
5 subject to the Commission's regulation to adhere to
6 construction standards and ground clearances in order to
7 ensure public safety.

8 The application, filed pursuant to Section
9 393.170 of the Revised Statutes of Missouri, is in
10 compliance with the provisions of Commission Rule 4 CSR
11 240-2.060 for applications for a certificate of convenience
12 and necessity by an electric company to build a transmission
13 line. A certificate is necessary because approximately
14 20 miles of the proposed route is outside of UE's certified
15 service area.

16 As the Commission knows, in Harline versus
17 Missouri Public Service Company, a Commission case from
18 1958, the Commission held that an electric company was
19 acting with authority from the Commission in building a
20 transmission line within an area that had been certificated
21 to it 20 years before.

22 Review of the internal records of the
23 Commission indicates that UE has filed its electric and gas
24 annual reports and is current on its assessment payment.
25 Action on this application will not affect other open cases

1 of UE that are before the Commission because the in-service
2 date is 2004.

3 The proposed addition to the UE transmission
4 system between Callaway and Franks is necessary to provide
5 reliable electric service to UE customers by providing
6 transmission capacity needed for the high voltage system.
7 Electrical load on the existing UE transmission system has
8 increased and an alternate line would provide greater load
9 carrying capacity and reliability.

10 Transmission capacity is necessary to meet the
11 increased loads on the transmission system and to allow
12 alternatives if other lines fail or are de-energized to
13 perform maintenance. An existing parallel path, the Bland
14 to Franks line, is frequently on the list requiring
15 transmission line loading relief from NERC.

16 When the line is overloaded, even UE customers
17 may not have access to the transmission system because the
18 NERC has established guidelines to protect the transmission
19 network from damage due to overloading.

20 The Staff has reviewed the line loading data
21 to verify the heavy use of the existing transmission system
22 in this portion of UE's system. Heavy loads on the existing
23 transmission system reach and exceed the normal ratings of
24 the transmission line many times throughout the year.

25 Loss of existing lines during periods of high

1 loads could cause overloading of other transmission lines
2 and impose significant constraints in delivering electricity
3 to UE's load centers and could limit access to the electric
4 power markets.

5 Addition of the 345 kilovolt line will relieve
6 the heavy loading on existing lines and enhance reliability
7 for UE's customers by providing another connection in the
8 transmission system.

9 The studies completed by AmerenUE use many
10 alternates and multiple locations to determine the best
11 solution of the problem of the present overload of the Bland
12 to Franks transmission line. This existing corridor will
13 allow sharing of the right-of-way to minimize the impact of
14 the new line.

15 The proposed 345 kilovolt line would require a
16 right-of-way of 150 feet. Paralleling the existing line
17 allows sharing of 25 feet so that only 125 feet will be
18 necessary on this parallel portion of the route, as
19 Mr. Lowery pointed out in his opening statement.

20 The easement along the proposed route for this
21 new 345 kilovolt line that is adjacent existing to the
22 161 kilovolt line was required many years ago and this
23 interconnection between AECI and AmerenUE is facilitated by
24 AECI assigning the right-of-way to AmerenUE. This existing
25 right-of-way is available for approximately 43 miles of the

1 54-mile project.

2 Staff recommends to the Commission use of the
3 existing corridor for the new line. A separate route would
4 impact a different group of property owners, but a wider
5 footprint of 150 feet would be required and negotiating a
6 new easement would cause considerable delay to this project.

7 In addition to the enhanced reliability this
8 proposed line offers for the transmission system as a whole,
9 mid-Missouri customers would benefit from this project. A
10 proposed substation near Linn, Missouri will provide UE
11 additional transmission capacity to serve its customers and
12 an additional interconnection point for AECI to serve its
13 customers.

14 This new substation would provide a point of
15 connection to the 345 kilovolt line that allows connection
16 to distribution substation and then to customer loads.

17 The Staff attended public workshops provided
18 by UE, one held on November 7th, 2001, at Linn and the other
19 the following day at Vienna. These workshops informed the
20 property owners of the proposed line and sought input from
21 the public prior to UE filing its application in this
22 matter.

23 Many property owners were displeased with the
24 prospect of construction of a line on an easement that was
25 acquired many years ago but had not been used. The blanket

1 easements agreed to by the property owners in the 1970's
2 allow construction of a line on the property, but only
3 specify or identified by the centerline of the line that's
4 actually built. Since no line has been built, the specific
5 easement has not been established in some cases.

6 At the local public hearing on April 22nd,
7 2002 in Linn, it was stated by a member of the audience that
8 some of the blanket easements were converted to a specific
9 location so that lots could be sold for development.

10 In addition, some easements for properties
11 along the existing 161 kilovolt line were not acquired in
12 the 1970's and no easement has been granted. Comments from
13 the public expressed a desire not to have an additional
14 transmission line next to the existing line.

15 Specifically, the property owners are
16 concerned with the proximity of the lines to existing homes,
17 plus concerns about right-of-way clearing, maintenance and
18 issues of use of the property by the owners.

19 There has also been a proposal to construct a
20 line on the existing line. Staff's observation on this
21 issue is that a 161 kilovolt and 345 kilovolt line may share
22 a common structure, but in order to occupy the existing
23 right-of-way, the 161 kilovolt line would have to be taken
24 out of service to allow for the new construction.

25 Staff suggests that this is not an option

1 because of AECI's need to serve its customers with this
2 line. In addition, a single structure would require
3 significant increases in size and strength. Utilizing a
4 single structure would also add significantly to the cost of
5 the project.

6 Staff believes that AmerenUE has outlined a
7 program to clear and manage the right-of-way to include
8 input from the property owners. This should be acceptable.

9 An AmerenUE employee has the responsibility to
10 monitor work done by the contract crews that clear the
11 right-of-way and to respond to concerns brought by the
12 property owners. Easements are sought by UE from property
13 owners along the selected routes so that construction can
14 commence. When the utility and property owner are unable to
15 agree on the terms of an easement, the local court is the
16 avenue for resolution.

17 As a public utility, AmerenUE has the right of
18 eminent domain by which property can be acquired for use to
19 meet the public convenience and necessity. Condemnation
20 court is the vehicle to determine the value of the property.

21 As this Commission is aware, the court
22 typically appoints three appraisers and the judge uses this
23 information to make a judgment to the value of the easement
24 necessary for utility use. Easements are subject to civil
25 proceedings and the process described above in what I have

1 just said determines the value of the property.

2 Health issues in relation to electromagnetic
3 fields, or EMF, were also a concern voiced by some property
4 owners at the Linn public hearing in April. Some studies
5 have suggested a correlation between exposure to EMS -- EMF,
6 excuse me, and various diseases.

7 The National Institute of Environmental Health
8 Sciences, in response to Congressionally mandated research,
9 concluded, quote, That the evidence for risk of cancer and
10 other human disease from the electric and magnetic fields
11 around power lines is weak, unquote.

12 It is the opinion of the Staff of this
13 Commission that the proposed 345 kilovolt line is necessary
14 for reasons of public convenience and necessity.

15 The UE transmission system is connected to
16 many other utility systems and NERC guidelines are set to
17 ensure the stability of the transmission system. Relief
18 from heavy loading on the lines could require UE to alter
19 its normal operation to protect the transmission facilities
20 either by interrupting customers or engaging in an
21 uneconomic dispatch of power plants in order to alleviate
22 the overloading conditions.

23 Staff believes that the reliability of the
24 transmission system will be enhanced with the addition of a
25 345 kilovolt connection between Callaway and Franks as

1 proposed by AmerenUE and Staff urges the approval by the
2 Commission of AmerenUE's application for a certificate of
3 convenience and necessity. Thank you.

4 JUDGE DIPPELL: Thank you, Mr. Bates.
5 Mr. Coffman?

6 MR. COFFMAN: Thanks. May it please the
7 Commission. Good morning.

8 This is going to be a challenging case for
9 you, I know, in determining exactly the scope of the public
10 interest. This is a somewhat unprecedented case in that it
11 is proposed to benefit customers within the AmerenUE system
12 by impacting those who are not within the system.

13 It is unusual in my experience in that it
14 proposes to be built along a relatively built-up section in
15 this area, a more inhabited corridor than might otherwise be
16 done -- otherwise built through, say, virgin or less
17 inhabited territory. So this brings some difficult
18 challenges.

19 The Commission is not typically accustomed to
20 hearing sighting cases for utility facilities, but I think
21 that you do have to determine whether this is the best
22 route, the least intrusive route.

23 I do not believe it's in dispute that another
24 transmission line in this general area would be beneficial
25 to alleviating congestion on the AmerenUE system, but is it

1 the least intrusive? Is it the most efficient method? Has
2 there been sufficient planning and analysis to determine
3 whether it is cost beneficial? That's something that I
4 think still has to be fleshed out in this hearing to make a
5 determination about.

6 We did respectfully disagree that the
7 application, as filed, met the Commission's rule with
8 sufficient information. We understand the Commission
9 believes that it has substantially complied with the rule.
10 We would have preferred more information as to follow the
11 letter of the rule, but now we are at the point where we'll
12 have to determine if the evidence that has been presented is
13 competent and substantial to meet the public interest
14 standards.

15 And I would remind you that this is a public
16 interest determination where the statutes are very clear
17 about the right to impose conditions. I believe the
18 Commission does have the ability if it does not believe a
19 proposal is in the public interest, to impose conditions
20 that it believes would remedy or -- to the extent alleviate
21 harms to the public interest in order to make it in the
22 public interest.

23 This particular area, and I will quote you the
24 sentence from Section 393.170.3, The Commission may, by its
25 order, impose such condition or conditions as may deem

1 reasonable and necessary. I believe that's, As it may deem
2 reasonable and necessary.

3 So there's clear and broad authority to impose
4 conditions either to render what otherwise would be
5 detrimental to the public interest in the public interest,
6 or to simply make it more reasonable.

7 And I submit to you that the conditions as
8 laid out by the Intervenors as an alternative proposal on
9 page 4 of the Intervenors' position statement for the most
10 part are reasonable and I would hope that you would consider
11 them seriously.

12 There might be a couple of points where I
13 might differ that they are necessary or exactly appropriate,
14 but I think that they are a very good idea if the Commission
15 is determining some way to mitigate the harm of a
16 transmission line as proposed.

17 That concludes my remarks and I wish you luck.
18 Thanks.

19 JUDGE DIPPELL: Thank you, Mr. Coffman.

20 Mr. Deutsch?

21 MR. DEUTSCH: Judge, members of the
22 Commission, my name is Jim Deutsch. I represent the
23 Concerned Citizens in this case, the Intervenors.

24 I agree with Mr. Coffman that this is a
25 challenging and I think somewhat unique case. In asking

1 around, I haven't talked to too many people that could
2 remember the last transmission line case that featured
3 family farmers versus a utility conglomerate.

4 I suggest that while it may be unique, it may
5 also be just simply the start of a trend. You may see more
6 of these in the future. What you do hear and how you
7 consider this case and the policies involved in this case
8 probably are more important -- certainly more important to
9 my clients who have concerns genuinely for family farms,
10 rural life, in addition to their own personal interests
11 here.

12 Those policies that you're going to consider
13 are going to be very important for the future in the area of
14 what I will generally tell you bluntly is abuse of eminent
15 domain authority by public utilities.

16 The subject has not been revisited or visited
17 by the legislature in 100 years. The world has changed.
18 We're no longer in the 1850's building railroads. We're no
19 longer at the turn of the century trying to electrify the
20 nation.

21 We're now a nation where property values
22 probably are more important than ever in this country. I'm
23 told by people in the news media that the most important and
24 largest investment that any of us is going to make in our
25 lifetime is probably our home.

1 Think about the policy that you ought to
2 implement and follow when AmerenUE comes before you and
3 says, We're going to flatten a home, we're going to take
4 somebody's home.

5 Do they have the right to do it? Yeah, they
6 do. They've described the eminent domain process. You're
7 not really a part of that, but for purposes of this case,
8 for this kind of case in the future you will be, because the
9 buck will stop here.

10 Once you approve, give your authority to
11 AmerenUE to build this line, it will be built. They will
12 have then the power of eminent domain. They've got it now,
13 can't use it. They've got to get by you. So you do have a
14 role here.

15 Now, the Staff and Ameren are going to keep
16 telling you, Well, that's a problem for the courts. They
17 appoint three commissioners. Commissioners only have to be
18 property owners. They're not lawyers, real estate
19 appraisers. They're just folks that get appointed, that's
20 true.

21 It's a long process. Generally, the property
22 owner who doesn't want to sell anyway, he has to hire a
23 lawyer. He gets to pay for the privilege of having his
24 property taken away.

25 Also, the issue of whether he wants to sell is

1 no longer an issue. Once you approve, give your authority,
2 the issue of whether the seller has to sell is no longer an
3 issue. The seller will sell. The sale will be made. And
4 it will be made at fair market value.

5 What is that, fair market value? Is it Jill
6 Drennen's home that they've lived in and that she grew up in
7 the neighborhood and that she wants to stay in? Is fair
8 market value of that the price of the real estate?

9 You're going to hear from Mr. Nunn. I spent a
10 good deal of time puzzling over his testimony. Mr. Nunn
11 doesn't think much of farmland. Doesn't think much of the
12 value of farmland. He thinks a lot about keeping the price
13 that utilities pay to acquire the land, the easement, the
14 use of it, but he doesn't think much about the people that
15 are displaced. Doesn't think much about the policies of the
16 laws to appropriate.

17 And before I forget it, I want to mention
18 something that's very confusing to me because, you know, I'm
19 not a frequent customer of yours here. I don't get over
20 here all the time. I get over here on occasion.

21 And every time I come over here, I find myself
22 in the position of having to reread the law. Probably a
23 good thing for a lawyer to do occasionally, because you
24 never seem to learn it all.

25 And I want to point out -- I want to have the

1 Commissioners think about their guidance given by the
2 legislature and their authorizing statutes. I want you to
3 take a look, in your spare time -- we're going to be here a
4 while, I've got a lot of question to ask about this -- take
5 a look at 393.090. I can't figure this out. Maybe the
6 Commission can explain this for us in the decision.

7 393.090, it says, No corporation, company or
8 individual shall be authorized to appropriate -- this, by
9 the way, is within a section that talks about exercising
10 eminent domain by utilities, electric utilities actually.

11 No corporation shall be authorized to enter,
12 appropriate any dwelling, barn, store, warehouse or similar
13 building erected for any agricultural, commercial or
14 manufacturing purposes.

15 And I read that and I went and checked and
16 appropriate, yeah, that's exercising the right of eminent
17 domain is what that word means. That's used throughout the
18 preceding sections.

19 It just kind of lays there. It's not
20 really -- you know, I guess the revisor picked where this
21 goes, but, you know, it's the only thing I can find that
22 really makes any sense in a situation like we're looking at
23 where I think what the legislature is saying is the right of
24 eminent domain belongs to the government. It belongs to the
25 legislature. It doesn't belong to AmerenUE.

1 And if AmerenUE is not very good at exercising
2 it with prudence and with caution, well, occasionally the
3 legislature has to come back and put some limits around it.
4 It looks to me like maybe they did.

5 Stop and think while you're looking at this
6 what would happen to the plan, this very efficient
7 economical plan if, in fact, every time they ran into one of
8 the 27 structures they're going to have to remove from this
9 farm community, they had to go around it, had to zigzag. Is
10 that an efficient way to run a railroad? Well, we'll see.
11 The evidence is going to cover that.

12 What I would suggest to you also is I have --
13 I think probably you are aware, I've moved to dismiss this
14 petition, this application because I didn't think that it
15 complied with your rules. And the question of whether
16 something complies with a rule or substantially complies
17 with a rule, that's your call. I can accept that.

18 But I want to have you focus upon that issue
19 throughout this proceeding, because it is my contention that
20 this application -- I got a copy of it here -- you know, it
21 is not -- it doesn't disclose to you what this case is
22 about.

23 This application is a phony. This application
24 says that the whole purpose for this tragedy that we're
25 going to be going through here that's inflicted on all those

1 people, the reason for it is that this line over here is
2 overloaded. That's the only thing this application says,
3 line's overloaded.

4 You know what this case is really about and
5 what the evidence is going to show? It's right there. It's
6 called proposed Loose Creek Substation. No mention of it in
7 the application. No mention of it anywhere until the Staff,
8 Mr. Ketter, I guess, pointed it out and told the company,
9 Hey, that's going to enhance your ability to serve the
10 mid-Missouri community. And then we started saying, Well,
11 yeah, and that's one of the criticisms, this thing isn't
12 going to help the mid-Missouri community. Yeah, we can use
13 that.

14 But let me tell you. If this line were to end
15 right there and didn't do any of this, AmerenUE would be as
16 happy as if not. It doesn't make any difference to them
17 because the purpose here is to get energy -- instead of way
18 over here, over to Loose Creek, so that, as Ameren's
19 spokesman Mr. Cleary has announced -- you may have read
20 about it in the newspaper. Of course, Ameren is not going
21 to bring this to your attention, you have to get the
22 information on this from the newspaper.

23 But, you see, what they want to do is they
24 want run this to a farm in eastern Cole County that's owned
25 by a fellow named LaPage. They've been there 150 years.

1 They want to take 60 acres for a substation. One that size,
2 I suspect, is a bulk substation. One that size could be a
3 generating substation.

4 They're going to run a 345 kV line from Loose
5 Creek to the LaPage farm. They're going to condemn all that
6 property. And once you authorize this line, well, that's
7 indisputable.

8 Now -- well, you can't authorize them to build
9 a \$5 million substation at Loose Creek and not let them go
10 ahead. Of course, as I understand it, that would be in
11 their service area so you're not even going to see it, won't
12 be your problem because they can just exercise the right of
13 eminent domain. They don't have to come to this Commission
14 and at least get authority to exercise it. They've got it.

15 So they get to build their 345 kV line, put it
16 on Mr. LaPage's property. Jefferson City is the
17 mid-Missouri community that we're talking about here. Have
18 no doubt about that. This mid-Missouri service, it isn't
19 here. It isn't where the lines are. It isn't where the
20 line that's in trouble is at. It's over here. It's
21 Jefferson City.

22 Jefferson City plans to annex territory that's
23 going to be -- probably double the size of the city, that's
24 their plan overall. They're not going to do it all at once.
25 They were going to do it all at once.

1 Ameren, these guys are not dumb. They're
2 looking at that saying, Hey, Three Rivers serves a lot of
3 that but not after Jeff City annexes. No, that's our
4 territory. We better get ready.

5 What this is about is not need, not need to
6 support a line that is in danger of outages. That's a side
7 show. What this is about is making money by getting
8 electricity that they have coming up here at Callaway over
9 to Jefferson City through this loop. That's what this case
10 is about.

11 Now, I'm telling you -- it may be that in the
12 eyes of the Staff, what's wrong with that? Well, there's
13 probably nothing wrong with that except what I see
14 fundamentally wrong with this whole case under this
15 application.

16 They claim to have studied all the options.
17 We're going to see -- unfortunately, my clients won't all
18 get to see, because it's been declared proprietary. You're
19 going to see that the report that studies the issue didn't
20 even consider any options. They went immediately to the
21 answer they knew they wanted. That was no problem. And it
22 was also no problem to come up with studies of electricity
23 flow and engineering calculations that showed it was a good
24 solution.

25 Probably is. I'm not an engineer. We're not

1 going to be able to contest that. We can't afford to
2 contest that.

3 But I will tell you that what this case in the
4 long run is going to be about is not the Bland-Franks line,
5 which is in danger that may have outages that's had TRL or
6 TLRs or whatever they're called, called on them. It isn't
7 about that.

8 This is about Ameren's ability to make money.
9 This is about a \$3.6 billion a year company that didn't get
10 to be a \$3.6 billion a year company by sitting on their
11 hands when an opportunity like this in Jefferson City comes
12 along. That's what this is about.

13 Now, why they don't want to just come out and
14 say it, why they don't want to come out and file an
15 application and say, Here's the plan, here's the whole plan,
16 this is what we're here for, this is what we want to do and
17 it has these benefits, has these detriments.

18 I don't know why they don't want to do that,
19 except that they may encounter some more people. I mean, if
20 the people in eastern Cole County who do not yet know
21 they're going to lose their land to another 345 kV line from
22 Loose Creek, well, that might create a difficulty for Ameren
23 if those people -- so they're not talking too much about
24 that. You won't hear too much about that. You have to rely
25 upon the news media to bring that out for them.

1 If the people in the Bland-Callaway --
2 Bland-Franks area, you know, knew what the facts of the case
3 is, which Ameren hasn't attempted to notify them about what
4 you're going to hear about this, this great danger, this
5 unreliable line that Ameren's maintaining, they're
6 maintaining an unreliable, unsafe line through peoples'
7 properties over on the Bland-Franks line.

8 Well, nobody over there knows it. But if they
9 were to know it, if it were built in their area and they had
10 to have it explained to them, they might have questions and
11 they might get mad.

12 So basically what we have here is a very well
13 thought out and a very clever plan to tell everybody a
14 little bit of the story and make sure nobody ever gets the
15 whole story.

16 Well, we're going to try to lay out for you
17 the whole story. And at the conclusion of that story, I
18 want you to consider what the role of the Commission ought
19 to be with regard to the evidence in this case.

20 And I want to emphasize that the burden of
21 proof in this case, it's not on the Concerned Citizens to
22 show that this line is not in the public interest. That's
23 not it.

24 The burden of proof is for Ameren to show by
25 competent evidence that it is in the public interest.

1 Public interest is a rather broad concept. Mr. Lowery would
2 have it that no person, no group of persons less than every
3 single human being in the state constitutes a part of the
4 public interest and only -- only if their exercise and abuse
5 of authority hurts every single individual in Missouri is
6 there any kind of a question as to whether the public
7 interest is served. I think that hits a little broad of the
8 mark.

9 I think that the 37 witnesses and 70 members
10 of the Concerned Citizens, which is a substantial number of
11 people who are complaining about this out of -- I think
12 Mr. Douglass has testified it's something like 170 property
13 owners impacted, not all of them have -- most of them have
14 thrown in the towel a long time ago, but not all of them are
15 complaining. A lot of them are complaining and they're not
16 real happy about this.

17 And I want to point out that, yeah, you know,
18 if Mr. Lowery wants to call them complainers, say that this
19 is just a list of complaints, well, that's fine. That's a
20 good dodge.

21 We're not here to complain. We're really not.
22 We have filed our pre-filed testimony. My guess is that it
23 says what it says and nobody's going to pay any more
24 attention to it. That's the reason why I'm not going to
25 burden the Commission by putting 37 witnesses on just to

1 say, That's my testimony, and find out that Ameren isn't
2 foolish enough to ask them questions. Because, you know, a
3 lot of what they to do have to say is complaints.

4 Well, we are here for more than that. To
5 contest the amount of thought that went into this
6 application, the truthfulness of this application, whether
7 this application lays out the plan, whether it lays out the
8 full plan, whether it fully advises the Commission as to
9 what it is that AmerenUE is doing here. And the burden of
10 proof of all that, when it comes out in the public interest,
11 is on Ameren.

12 The other thing that I would like to mention
13 that you're going to have to keep an eye on -- and I realize
14 that during the course of these proceedings, and they get to
15 be long and the Commissioners have other duties and they
16 have to get up and go out and come in and you miss a lot of
17 the testimony, well, I would ask you to pay close attention
18 to the details here.

19 Because when you finally look at all of the
20 evidence in the case, you're going to find that there's
21 really only one concept that is really going to be at issue
22 here. And that is that Ameren is basically saying, Trust
23 me. Trust me on this. Trust me that we have notified
24 everybody.

25 Well, the evidence would indicate they really

1 don't notify everybody. And trust me, this is the best,
2 least impact. Well, the evidence would seem to indicate
3 that there's some that would disagree with that. But you
4 have to trust them. And trust us that we did a study, we
5 did a joint study. We gave it a lofty title.

6 It's still in draft, not done, it's not final.
7 The location of the line, not committed to. We have a
8 general idea of where it's at, but, you know, we're not
9 going to say because we have blanket easements, we don't
10 really want to commit to having to put the line in a
11 particular place. If we can get authority and we change our
12 mind and decide we want to put it over your house, we want
13 to reserve that right to ourselves. So you have to trust
14 them on this.

15 Property maintenance, keeping the gates
16 closed, keeping the workers that they hire -- Ameren doesn't
17 have that many employees down here, they contract this out,
18 and I guess it's up to the contractor to figure out if
19 they're going to trespass on peoples' property, hang around
20 the ponds and fish instead of work.

21 But all of those things you can trust them on
22 it because they have a policy. We're going to explore those
23 policies and see just how iron clad those commitments are
24 and how certain those reports, those joint reports were and
25 how thoroughly they analyzed alternatives.

1 And then, finally, what we're going to suggest
2 to you -- which I think we also don't have the burden of
3 proof, but I'll make a commitment to you that I'll let you
4 decide whether, in fact, it gets proven or not.

5 And that is that these people at Ameren have
6 no idea, because they never had any intention, of what the
7 possibility is for fixing this supposed shortcoming in the
8 Bland-Franks line at the Bland-Franks line.

9 They don't really want to look at it, they
10 never have looked at it, they haven't studied it. It's not
11 consistent with what plan they've already decided. I would
12 submit to you that if, in fact, there is an alternative, it
13 ought to be explored. If it hasn't been explored, I don't
14 think that a certificate of authority should be granted
15 until it is. And if it is, I think that it ought to be made
16 clear to Ameren that they are not excluded from the one
17 principle that drives every professional, which is first do
18 no harm.

19 Doing a project that involves the most harm
20 because, in fact, you've got 80 percent of the easements so
21 it's the cheapest is not in the public interest. I think I
22 would take a dim view of that, if I were you.

23 I would require a little bit more to justify
24 taking property from landowners, taking their houses and
25 their barns and their structures, making them listen to the

1 snap, crackle, pop and hum of 506 volts now total in most
2 places, the 161 line that's there, the 345 kV line going in.
3 Stop and think about whether Ameren has
4 considered any of that. They haven't. Theirs is an
5 engineering solution, theirs is about as cold and plain as
6 it can get. And it is exactly what you would expect when at
7 the end of the day, if they can show their version of need,
8 then all they have to do is condemn the property and take
9 it. Nobody can do anything about it anyway. It's only a
10 question of how much they have to pay for it.
11 Please consider your role in this case. It is
12 a role that you're probably going to have to visit in the
13 future. I don't think there's any getting around this,
14 because under the current system, you're the last best hope
15 for the public. The public doesn't have anywhere else to
16 go. Individuals don't have anywhere else to go.
17 And if, in fact, it appears that we simply
18 exemplify the kinds of injuries inflicted by companies like
19 AmerenUE, don't become confused that that's some kind of a
20 remote complaint isolated on us. This is something that has
21 been complained about all over the country. And, as I say,
22 you're looking at a trend. This is not the last one
23 of these that you're going to hear. That's all I have.
24 Thank you.
25 JUDGE DIPPELL: Thank you, Mr. Deutsch.

1 I guess we can go ahead then and begin with
2 the witnesses. And we're going to follow generally the
3 order of witnesses proposed by the parties, so we'll begin
4 with the company.

5 MR. RAYBUCK: Thank you, your Honor. As
6 Mr. Lowery indicated, my name is Joe Raybuck. I'm an
7 attorney with AmerenUE. For the company's first witness, we
8 will call Charles Mitchell to the stand.

9 (Witness sworn.)

10 JUDGE DIPPELL: Thank you.

11 You may proceed, Mr. Raybuck.

12 MR. RAYBUCK: Thank you, your Honor.

13 CHARLES E. MITCHELL, having been first duly sworn, testified
14 as follows:

15 DIRECT EXAMINATION BY MR. RAYBUCK:

16 Q. Would you please state your full name for the
17 record.

18 A. Charles E. Mitchell.

19 Q. And, Mr. Mitchell, by whom are you employed?

20 A. Ameren Services.

21 Q. And what is your position with Ameren
22 Services?

23 A. Consulting transmission planning engineer.

24 Q. And did you prepare written testimony which
25 was filed on your behalf in this proceeding?

1 A. Yes, I did.

2 Q. You have several documents in front of you,
3 one of which has been marked as Exhibit No. 1. Is this your
4 Direct Testimony?

5 A. I don't have it marked as Exhibit 1, but
6 I'll -- I do have Direct Testimony.

7 Q. You haven't seen the list of exhibits, so you
8 wouldn't know that. Let me represent to you that your
9 Direct Testimony has been marked as Exhibit No. 1.

10 A. Okay.

11 Q. This is a document which consists of 26 pages
12 of testimony and 4 schedules; is that correct?

13 A. I can count the pages, but I think so.

14 Q. If you look at your affidavit, you can
15 determine that.

16 A. Okay.

17 Q. And do you have any changes or corrections to
18 make to your Direct Testimony or to the four schedules?

19 A. No, I do not.

20 Q. You also have in front of you a document which
21 has been marked as Exhibit No. 2. This is your Surrebuttal
22 Testimony and it consists of 15 pages of testimony and 2
23 schedules; is that correct?

24 A. That's correct.

25 Q. Do you have any changes to make to your

1 Surrebuttal Testimony or to those two schedules?

2 A. No, I do not.

3 Q. If I were to ask you the same questions set
4 forth in your Direct Testimony and in your Surrebuttal
5 Testimony, would your answers be the same as contained
6 therein?

7 A. Yes, they would.

8 MR. RAYBUCK: Your Honor, I move to admit into
9 the record Exhibit Nos. 1 and 2, and I make Mr. Mitchell
10 available for cross-examination.

11 JUDGE DIPPELL: All right. I actually marked
12 Exhibit No. 1 as 1-P because it contains proprietary
13 information just to keep that clear. I labeled it 1-P and
14 Mr. Mitchell's Surrebuttal Testimony as Exhibit No. 2.

15 Are there any exhibit -- or objections
16 to Exhibit No. 1-P or Exhibit No. 2?

17 MR. BATES: No, your Honor.

18 MR. DEUTSCH: No objection.

19 MR. COFFMAN: No objection.

20 JUDGE DIPPELL: Thank you. I will admit then
21 Exhibit Nos. 1-P and 2 into the record.

22 (EXHIBIT NOS. 1-P AND 2 WERE RECEIVED INTO
23 EVIDENCE.)

24 MR. RAYBUCK: Thank you, your Honor.

25 JUDGE DIPPELL: Is there cross-examination of

1 Mr. Mitchell by Staff?

2 MR. BATES: No, thank you, your Honor.

3 JUDGE DIPPELL: Office of Public Counsel?

4 MR. COFFMAN: Yes, a couple.

5 CROSS-EXAMINATION BY MR. COFFMAN:

6 Q. Good morning, Mr. Mitchell.

7 A. Good morning.

8 Q. The draft study which is attached to your

9 Direct Testimony, can you explain to me why that is still a

10 draft study?

11 A. We finished this as far as everybody agreeing

12 that this is a correct study based on the facts in the

13 study, but time has not permitted to finish this and there

14 were other workload issues that were more important than

15 finishing this one at the time.

16 Q. The study report, which is Schedule 4 to your

17 testimony, would that be properly described as an

18 engineering study?

19 A. Yes, it would.

20 Q. At any point in your analysis and preparing of

21 this draft report did you ever analyze the economic factors

22 that would be involved with the proposed line or any

23 alternatives to this proposed route?

24 A. Yes, we did.

25 Q. And where would I find that economic analysis

1 in this report?

2 A. I don't know that it's in this report, because
3 it wasn't -- other than what you find on the -- on the
4 page 10 --

5 MR. RAYBUCK: Excuse me, your Honor. Before
6 we get into specific page references, we may be getting into
7 confidential areas.

8 MR. COFFMAN: I'm certainly not trying to
9 elicit anything proprietary and this entire report is
10 labeled proprietary.

11 BY MR. COFFMAN:

12 Q. So you're telling me that the economic
13 analysis is not contained within the draft report. Correct?

14 A. That's correct.

15 Q. And you're not an economist, are you?

16 A. I am not.

17 Q. Okay. Did you or anyone else in Ameren place
18 the costs and benefits of the proposed Callaway-Franks line
19 side by side with other routes and do a detailed cost
20 benefit analysis?

21 A. No, we did not.

22 MR. COFFMAN: That's all the questions I have.
23 Thank you.

24 JUDGE DIPPELL: Thank you.

25 Is there cross-examination by the Intervenors?

1 MR. DEUTSCH: Yes, your Honor.

2 CROSS-EXAMINATION BY MR. DEUTSCH:

3 Q. Hi, Mr. Mitchell.

4 A. Hello, Mr. Deutsch.

5 Q. Good to see you again.

6 Just referring over to the draft report -- and

7 I'm not going to talk about anything proprietary either,

8 because I'm more interested what ain't in it than I am in

9 what is. But you're a registered professional engineer in

10 Missouri?

11 A. Yes, sir, I am.

12 Q. Do you have a license number?

13 A. Yes, I do. I don't know what it is.

14 Q. Got a seal?

15 A. Yes, I do.

16 Q. How come this report's not sealed?

17 A. We don't normally seal documents of this type.

18 Q. Why not?

19 A. Just haven't -- haven't done it.

20 Q. Are you familiar with Section 327.411 of the

21 Revised Statutes?

22 A. No, I'm not.

23 Q. Take a look at it.

24 Now, you mentioned also that you're not an

25 economist. I take it you're also not a social scientist?

1 A. That's correct.

2 Q. And am I correct that the draft report doesn't
3 contain any kind of social impact study at all either?

4 A. That's correct.

5 Q. And am I correct that like with the economic
6 impact analysis that isn't in the report and wasn't done,
7 that there was no social impact analysis done prior to the
8 filing of the application?

9 A. That's correct.

10 Q. It also appears the only copy of your
11 proprietary draft report that I have indicates it was
12 prepared -- or last prepared, because it's still a draft, in
13 April of this year; is that right?

14 A. Yes.

15 Q. Do you always prepare the reports after you
16 apply for the authority that the report is supposed to show
17 the justification for?

18 A. Actually, every time I pull this document up,
19 since it has a date footnote, it automatically triggers a
20 new date. And the one that was agreed to in November is the
21 one that's here. Everybody signed off on it in the
22 Associated Electric Co-op. They said this is -- this is
23 agreeable to them, this is representative of what we did.

24 MR. DEUTSCH: Okay. I'm going to try to, for
25 the sake of the audience as well as the Commission,

1 segregate my examination on the proprietary document to a
2 separate time and work through. It is kind of interwoven in
3 this witness's testimony and I may be unsuccessful, but I
4 just want for the Commission to know if it seems a little
5 disjointed, it's because we're going to have to get
6 everybody out of the room in order to ask certain questions,
7 and I don't really want to do that unless it's necessary.
8 And if I do it, I'd like it to happen and reconvene and be
9 over, so I apologize.

10 BY MR. DEUTSCH:

11 Q. You've got Exhibit 1-P in front of you. That
12 is your Direct Testimony?

13 A. Yes, sir.

14 Q. Okay. At page 2, bottom of page 2, starting
15 at line 22 you have indicated that your express purpose to
16 file this testimony is to show that the proposed line
17 application is necessary to provide reliable service; is
18 that right?

19 A. That's correct.

20 Q. And you're an engineer?

21 A. Yes, sir.

22 Q. And your specialty is reliable service?

23 A. Transmission planning, which includes reliable
24 service.

25 Q. Sure. And I notice that at a certain point in

1 your Surrebuttal Testimony you took the liberty to deny that
2 you make any decisions based upon economic considerations
3 such as whether Ameren makes any money or not.

4 But let me ask you, is this application filed
5 with any intention to enhance revenues for Ameren?

6 A. Not that I'm aware of.

7 Q. Loose Creek Substation, are you familiar with
8 that?

9 A. Yes, I am.

10 Q. What's the purpose -- well, let's back up.

11 Reliable service, I assume that what we're
12 talking about here is reliable service because of the
13 computer studies that you have done that shows that under
14 certain circumstances, the Bland-Franks 345 kV line may be
15 or could be rendered unreliable and unsafe and, therefore,
16 there's a need for extra transmission capacity to stop that
17 from happening. Is that kind of a summary?

18 A. No, it's not.

19 Q. Then could you tell me what the issue with
20 regard to the Bland-Franks line is?

21 A. Be happy to. Back a few years ago, I think
22 1999, 2000, we were seeing that the Bland-Franks line was
23 continually being overloaded. We had to call what we call
24 TLRs, transmission line loading relief, on that. That means
25 we --

1 Q. Can I stop you right there? Am I correct then
2 that when you, whoever you are, determine that there's
3 overloading, the TRL is then called?
4 A. Yes. Or the potential for being overloaded
5 for an outage condition that may --
6 Q. Yeah.
7 A. -- take place on the transmission system.
8 Q. Potential. So between an actual and potential
9 overloading, other than that, TRLs aren't called. Right?
10 A. That's correct.
11 Q. And other than that, the line isn't
12 continually overloaded?
13 A. That's correct.
14 Q. Okay. I'm sorry to interrupt.
15 A. It may last for a certain period of time
16 before it's -- the TLR is canceled.
17 Q. Right. So long as it's on, it's on and the
18 problem exists?
19 A. As long as it's overloaded or the potential
20 for overloaded, it's called. And when that ceases, then
21 it's canceled.
22 Q. Right. Go ahead with your explanation.
23 A. Continuing on. All right. We saw that these
24 lines were overloaded -- or this particular line was
25 overloaded and we didn't do anything about it initially

1 because back in the early -- in the late to mid-70 -- '90s,
2 that this line was overloaded, but it wasn't overloaded as
3 often as it was in 1999 and 2000 and continuing. We felt we
4 needed to do something about this line being overloaded, so
5 we sought to determine remedies for that.

6 This line -- knowing that it's a connection
7 with us and Associated Electric Co-op, we decided we needed
8 to contact Associated Electric Co-op and determine if they
9 would be willing to enter into a joint study that we wanted
10 to do with them to find out the possibilities of relieving
11 this loading -- this overload that we were experiencing on
12 the line.

13 To do this, they agreed and we started with a
14 base case that we got from the MAIN Coordination Center,
15 which is an entity that is our reliability council. And we
16 picked up the base case there, which happened to be a future
17 systems study case that was for a time period of 2004. And
18 we both decided that would be an appropriate time to study,
19 because that's when the line could be earliest put in
20 service, whatever the remedy was.

21 So we continued on with that study and we
22 identified several possible alternatives. Those
23 alternatives included putting in what's called an inductor
24 in the line. And the inductor is a way of holding back the
25 flow on the line.

1 Okay. We look at that conductor -- that
2 inductor in the line and what happens is, it does great. It
3 will stop the flow on that line, depending on the size of
4 the inductor. However, one other problem that it has is it
5 pushes that flow somewhere else.

6 The power wants to flow from point A to point
7 B and when you get to a point where you're stopping the flow
8 on one, you can get it to such an extent that you have the
9 line open, you can make the inductor that big. So you push
10 the power other places and you overload more facilities.

11 So we decided that -- we both decided that
12 that was not an appropriate remedy to put an inductor into
13 the -- into the line that is overloading.

14 So we looked at a couple of other options. We
15 looked at an option of building from Callaway to Jefferson
16 City to Franks. We looked at building a line from Callaway
17 to Jefferson City to Huben, both of which are --

18 Q. Excuse me --

19 A. -- just --

20 Q. -- Mr. Mitchell --

21 A. -- both of which are the substations owned by
22 Associated Electric Co-op.

23 Q. I don't really have a problem with you telling
24 the story, but those are all the things I was going to ask
25 you about on your proprietary report, which you're reading

1 to us right now.

2 MR. DEUTSCH: Is that proprietary or not?
3 I'll ask Mr. Raybuck to clarify for me, because I thought
4 that was the reason why we got to run everybody out of the
5 room is you didn't want everybody to know what you looked
6 at, what you didn't look at, what you considered, what your
7 routes were. Am I right about that?

8 THE WITNESS: That part --

9 MR. RAYBUCK: I'll let Mr. Mitchell correct
10 me, but from what I heard, I did not hear anything that was
11 proprietary. Mr. Mitchell, for example, referenced Loose
12 Creek, the new substation, which we referenced in our
13 application. And beyond that, I've not heard anything that
14 he has testified to that was proprietary.

15 The reason we marked the study proprietary is
16 that it discusses possible future lines. And if that became
17 public, that could be -- that is competitively sensitive
18 information that would be of extreme value to other
19 generators and other transmission customers. But I don't
20 believe Mr. Mitchell has touched upon any of that
21 information yet.

22 MR. DEUTSCH: So can I get a clarification?
23 The entire report has been marked proprietary, but in
24 reality, only a part of it is proprietary in the sense that
25 that's what you don't want publicly known?

1 MR. RAYBUCK: As I understand, the proprietary
2 information is interspersed throughout the report and it was
3 difficult to extract. We could make an attempt to do that
4 if that is the Commission's desire.

5 JUDGE DIPPELL: Let me interrupt just a
6 minute, Mr. Deutsch. The report at this point has been
7 marked proprietary. It's been filed that way for some time
8 and I believe time to object to that may have passed. If
9 you have some objection and want to bring a motion to make
10 that public, we can deal with that.

11 I believe your question earlier was to -- you
12 asked the witness what the issue of the Bland-Franks line
13 was and --

14 MR. DEUTSCH: And I got a long answer, Judge.

15 JUDGE DIPPELL: -- I believe the witness may
16 have veered off into jumping ahead into some questions that
17 you had to ask, and I'd rather you ask the question and let
18 the witness answer.

19 MR. DEUTSCH: Yeah. I was enjoying the story
20 a little too much to stop it until we started talking about
21 the contents of the report.

22 BY MR. DEUTSCH:

23 Q. But I'll let you stop right there and we'll
24 cover the contents of the report at a certain time.

25 Suffice it to say that the part-- the question

1 I asked you about, whether the purpose for your study was to
2 determine how to best correct the overloads on the
3 Bland-Franks line was the purpose for the study, which
4 resulted in the application; is that right?

5 A. What was your question again?

6 Q. That you were trying to figure out how to
7 correct the problem on the Bland-Franks line?

8 A. That's correct.

9 Q. Okay. And could you tell me what role does
10 the Loose Creek Substation play in correcting that problem
11 on the Bland-Franks line?

12 A. Loose Creek Substation does not correct that
13 problem.

14 Q. So, basically, within the limits of what your
15 application says, it's important -- you don't mind if we
16 make as a condition to eliminate that substation?

17 A. That substation has other purposes such as a
18 breaker position that separates us from Associated Electric
19 Co-op. And it was agreed to in the contract that Rich
20 Fountain would be a potential future site for Associated
21 Electric Co-op's supply to their 161 system in that area.

22 Q. So is that kind of the potential future? Is
23 that kind of an overriding principle for both the right to
24 connect that's mentioned for AECI at Rich Fountain and the
25 Loose Creek? They're just potential future things that you

1 would like to do now?

2 A. It's a contract agreement that when we -- when
3 we first started out with this report, the substation that
4 we were going to put in the line was at Chamois and the
5 report shows that.

6 The reason we moved it to Loose Creek is
7 because it just happens to be close to the Rich Fountain
8 Substation. And we agreed by contract or agreement that we
9 would put a -- we would allow them to tap that line. And it
10 certainly is a whole lot better to tap that line in a
11 breaker station than just to tap on the line.

12 Q. Also allows you to utilize the substation to
13 transmit energy for retail sale in another direction?

14 A. Any line on the transmission system allows
15 that.

16 Q. And none of those requirements that you have
17 for being able to use your generated electricity to serve
18 retail customers has really got very much to do with
19 correcting the problem that the report was addressing on the
20 Bland-Franks line, does it?

21 A. That's incorrect. If the reliability of the
22 system is impacted and it causes problems on the rest of the
23 transmission system, then an unreliable situation needs to
24 be corrected and that impacts all customers that are served
25 off that line.

1 Q. Yeah. And that's because of your testimony in
2 here that this whole thing is just one big electrified
3 circuit and everybody plugs into it? If they blow a fuse in
4 Chicago, the lights may go out in Springfield?

5 A. The transmission system is served for
6 everybody. It's the backbone of the interconnected system
7 in the eastern interconnected transmission system.

8 Q. Okay. Let's talk a little bit about that
9 interconnected system. Now, as I understand it, you are a
10 member of certain organizations, NERC and MAIN and others,
11 that, I guess, govern the activities of many companies like
12 Ameren that use the grid or own the grid and determine for
13 you who uses it and who doesn't; is that right?

14 A. We own the -- our portion of the transmission
15 system. Other utilities own their portion of the
16 transmission system. MAIN is a reliability council that we
17 all have membership in and they're charged with making sure
18 the system remains reliable.

19 Q. Is that a government group or is that an
20 industry group?

21 A. That's an industry group.

22 Q. And are they here in Missouri?

23 A. No, they're not.

24 Q. And when they direct you to do something, how
25 do they know what it is that needs to be done in Missouri?

1 A. As far as I know, we -- we let them know that
2 the line is overloaded.

3 Q. So their information comes from you?

4 A. Yes, it does.

5 Q. Okay. And when you tell them that the line is
6 overloaded, they say, Well, you've got to fix that?

7 A. They probably know that by looking at other
8 facilities in the system and getting other information from
9 other companies. They can see the heavy transfers.

10 Q. What's the penalty if you don't fix it?

11 A. I have no idea.

12 Q. There isn't any, is there?

13 A. I don't know.

14 Q. In fact, the only penalty is that if you call
15 a T-- is it TRL or TLR?

16 A. TLR.

17 Q. -- TLR, they're not going to let you sell any
18 electricity to some of your users; is that right?

19 A. Something will have to be done.

20 Q. Something gets done?

21 A. Something gets done.

22 Q. And it limits what you can do with the
23 electricity?

24 A. It limits not just us, but everybody around
25 us.

1 Q. And I take it when you talk about reliability,
2 that's really what you're talking about, isn't it? Your
3 ability for everybody to get all they want, when they want,
4 all the time, 24/7?

5 A. It's the ability when you flip the switch on
6 at your home, that the lights go on, TV goes on, whatever
7 else you power by electricity, that it works when you want
8 it.

9 Q. And that's a different issue than safety,
10 isn't it?

11 A. Reliability?

12 Q. Yeah.

13 A. Well, it depends on, I guess, how you're
14 defining the inadequacy of the reliability situation. In
15 this particular case, an overloaded line is, in fact, a
16 safety issue.

17 Q. Could you tell the Commission whether, in
18 fact, Ameren and AECI are maintaining in operation right now
19 an unsafe line at Bland-Franks?

20 A. When that line overloads, we do what we need
21 to do to unload it so that it becomes unloaded to the effect
22 that it is below its design specifications.

23 Q. Is it unsafe?

24 A. It's not safe -- it's not unsafe when it's
25 operated within a certain amount of time after it's

1 overloaded.

2 Q. I believe you had testimony -- I'm trying to
3 find it here -- open Exhibit 1-P to page 17, starting at
4 line 3. And the question there is, Mr. Mitchell, how many
5 times were TLRs called in the Bland-Franks 345 kV line in
6 the last several years?

7 And as I understand it, you say, In '97 you
8 had 18 TLRs. Could you give the Commission a little better
9 idea -- in an overloading situation is one TLR the
10 equivalent of a day?

11 A. A TLR can last anywhere from an hour to 16,
12 12 hours.

13 Q. Typically for what you have also
14 characterized, I believe at the bottom of that page and top
15 of the next page, as a 3A TLR, which is the -- as I
16 understand it, the only thing below that is normal
17 operation. Does 18 TLRs indicate that these overloads
18 lasted for any particular length of time?

19 A. Not in this document, they're not shown. And
20 the 3A is I think only for the 2001 situation.

21 Q. Then I guess your answer to that question may
22 be a little misleading. Because you drop down at the bottom
23 of the page, line 28, page 17, question, What type of TLRs
24 were called on the Bland-Franks 345 kV line, question mark?

25 A. But if you go up to the question that starts

1 with line 10, we're talking about at that point 2001.
2 Therefore, I would conclude that the question at 28 still
3 follows 2001.

4 Q. Well, I'm glad you cleared that up for me,
5 because I was going to ask you about that further.

6 Continuing on, you've got 18 TLRs in '97; 15
7 TLRs in 1998; 1999, 21. Seems to be, I guess, a range that
8 it's moving within, but pretty narrow. And all of a sudden
9 in 2000 you have 124, and in 2001 you've got 13. Now, I
10 notice that you went through half a page of explanation as
11 to why 2001 was low. Why was 2000 high?

12 A. Well, my understanding is that every generator
13 that we had on our system was up and available and that
14 there were extensive number of transfers -- north to south
15 transfers on the transmission system in that year.

16 Q. So there was a routing situation for
17 electricity that overloaded the line?

18 A. I'm not sure what you mean by "routing."
19 There's no such thing as routing. You can schedule and you
20 can contract, but routing -- the power goes according to the
21 laws of physics. We have sometimes no control over how it
22 goes. It can be scheduled for -- down another line, but it
23 will still go down our lines.

24 Q. But you accept the notion from this that these
25 1997 through 2001 figures somehow reliably predict what the

1 overload at any one time or continuously is going to be; is
2 that right?

3 A. I'm not sure what you mean by "predict." We
4 have an idea that this line will continue to be put into
5 this situation into the future.

6 Q. Yeah. Do you have any idea whether in 2002
7 you might end up with 12 instead of 13 in 2001?

8 A. I have no idea. But --

9 Q. What about 2004?

10 A. -- if it's overloaded at all, it's not good.

11 Q. It's not good. I will agree with that. I
12 think as in opening statement, Mr. Lowery pointed out there
13 are some things we agree on. And we're not going to dispute
14 your engineering ability to determine whether there's a
15 problem on the line.

16 What I'm trying to get to though, sir, isn't
17 it true that the problem that you are trying to drive into
18 this Commission as the equivalent of a New Madrid
19 earthquake, is basically a difficulty in scheduling power
20 over a line?

21 A. You can't -- it's very difficult to schedule
22 power across a line.

23 Q. It's difficult, but not impossible, isn't it?

24 A. There's a difference between actual flow
25 across a line and scheduling power across a line. When you

1 schedule power, you can say, I'm going to schedule
2 100 megawatts across this line, however 100 megawatts
3 doesn't necessarily flow across the line unless it's a
4 distribution line.

5 Q. So what you're asking the Commission is to
6 just trust you that these numbers show that there's a real
7 bad problem at Callaway plant, isn't it?

8 A. I don't understand what you're talking about.

9 Q. You're asking them to trust you?

10 A. The report shows that there are -- that there
11 are a number of lines that are overloaded based on computer
12 studies and based on TLRs. It's happened. It's been --

13 Q. Those computer studies, as I understand your
14 explanation of them, the reason you have to use the computer
15 is to simulate circumstances where that fuse blows in
16 Chicago, the lights go out in Springfield, somebody in
17 Alabama wants to turn the air conditioning up and you have
18 to react to it.

19 And, of course, that never happened and it
20 hasn't happened, but you have to figure out by the computer
21 what could happen and then be able to handle that situation
22 based upon the prospect that it might happen. Isn't that
23 about it?

24 A. What we do in our computer studies is we
25 simulate the situations that we have seen or what we expect

1 the loading to be in certain areas in the future. And we
2 run studies to find out what will happen under certain
3 contingency situations.

4 Q. And you're the one that controls those
5 variables of those contingencies?

6 A. And if that -- and if the line is overloaded
7 in the future, then it's our obligation to come up with a
8 solution to unload that line.

9 Q. Okay. Let's back up. I wanted to ask you
10 some other questions earlier but I got off the point here.

11 Now, on page 8 of your Direct Testimony,
12 Exhibit 1-P, starting at line 3 you describe TLR procedures
13 and you have these seven levels. And I just wanted to
14 confirm that at least the 2001 levels, if that's what you
15 were talking about on page 28, occupies a 3A position on the
16 David Letterman list here as far as seriousness of
17 reliability problems. Right?

18 A. Yes. These are what MAIN uses to classify
19 TLRs.

20 Q. Where is the information on what the other
21 TLRs were in this classification?

22 A. I don't know what you're talking about. What
23 other TLRs are you talking about?

24 Q. Well, you had, what, 18 one year, 15, 21, 124.
25 You have bothered to volunteer, I assume to try to account

1 for an otherwise peculiar low count of TLRs in 2001, that
2 those were low-level risk factors for TLRs. And I'm just
3 trying to figure out what the other ones were. We have a
4 number. I'm trying to figure out what the seriousness is
5 here.

6 A. The -- acquiring of the TLR 3A for the 2001
7 was very simple. I just looked up in the NERC or MAIN
8 report, summer assessment report, I believe it was in there
9 in a tabulation, I pulled out the number and put in here
10 because it was readily available. To go through the 124 or
11 the others, I don't have that data readily available, so I
12 didn't put it in there.

13 Q. Okay. On page 9 of your testimony, middle of
14 the page, starting at question at page -- at line 10, you
15 talk about federal regulations and I think Commission
16 regulations and rules and things that you have to comply
17 with. Is there any regulation, federal or state, that
18 requires you to build this transmission line?

19 A. No.

20 Q. And I take it you're also saying that the
21 rules and requirements on your service by this Commission,
22 it does not require that you build this line?

23 A. If you're referring to this specific line that
24 we're calling the Callaway-Franks Line, that would be
25 correct.

1 Q. It seems to me that during the course of your
2 discussion of, among other things, the joint report, which
3 is Schedule 4, that you frequently have talked about one of
4 the good points about the Callaway-Franks Line is that it
5 roughly parallels the line that has the problem over here,
6 Bland-Franks; is that right?

7 A. Yes.

8 Q. Why would it not be available to simply run a
9 new line on the Bland-Franks line next to it where you
10 already have a 345 HV kV line? And that is the problem.
11 It's not over here. There isn't any overloading over here,
12 it's over here.

13 Could you give me some idea of why it is so
14 hard for you to build another line here on the existing
15 Bland-Franks?

16 A. Sure. The -- again, when we were doing the
17 joint study, I believe it was in October of 2000, Associated
18 said, Oh, by the way, we do have some -- some right-of-way.

19 Q. Oh.

20 A. Let me finish. We have some right-of-way.
21 And we were really kind of pleased that they said that,
22 because that means that there are people that are willing to
23 have a line on certain amounts of property, where the
24 Associated -- the line between Bland and Franks we did not
25 have any and we would then have to go and acquire

1 right-of-way for that line. That is one reason.

2 Q. That's an economic reason, isn't it, and a
3 social reason?

4 A. No. Actually, it's a reason that allows us to
5 get the line in service quicker, because we have a great
6 number of -- let's see, we have 80 percent of the easement
7 miles on the proposed route where we had zero on the -- on a
8 line that would parallel the Bland-Franks line. It also is
9 shorter on the proposed line and -- which means that there
10 are less losses and it's a -- it's a lower impedance line.

11 Q. So it's better for you, isn't it?

12 A. It's better for the system.

13 Q. Well, the system would benefit either way,
14 wouldn't it? If there was a new Bland-Franks line that
15 solved your problem with overloading and there was a new --
16 or there was a new Callaway-Franks line, either way the
17 system is the same, it's benefited equally, isn't it?

18 A. Well, in terms of lower impedance, no, and
19 that's what I was referring to when I answered your
20 question. No, it's better on the other line, because lower
21 impedance, less losses and it's easier to get the power down
22 that line than it is the other line.

23 Q. And that's kind of related to the economics of
24 having 80 percent of the right-of-way already purchased?
25 That's easier too, isn't it?

1 A. Actually, it was nice that we had 80 percent
2 of the right-of-way because we aren't going to encumber the
3 other people. We'd have to go and get people that hadn't
4 agreed to relinquish their property for easements of a
5 transmission line. Over here, we did have that.

6 Q. Did AECEI conceal from you the fact that the
7 80 percent of the easements that they had were 20 years old
8 or older?

9 A. They did say initially that the line -- that
10 they acquired the easements back in 1979, 1980, yes, they
11 did.

12 Q. '78?

13 A. Could be.

14 Q. Did it register that most of the people that
15 you claim wanted the lines so badly might not be around
16 anymore after 22 years?

17 A. No, it didn't. It was nice that we had the --
18 the easements.

19 Q. You're not seriously trying to tell us that
20 Ameren said, that's a relief, everybody there wants this
21 line. You're not trying to say that, are you?

22 A. I'm trying to tell you that there are a number
23 of people that had agreed that the line could go there. And
24 nobody else on the other line -- parallel line with
25 Bland-Franks had agreed.

1 Q. Let's talk about that for a minute. You seem
2 to be of the opinion that everybody that gave an easement --
3 and just for clarification, when I talk about 80 percent of
4 the easement, do you own -- what exactly is the easements
5 that you have? I take it you don't have easements all the
6 way up to the Callaway plant on the north end; is that
7 right?

8 A. Well, we have -- if you mean up to Callaway
9 from Chamois, yes, we do have those.

10 Q. Well, below Chamois to Loose Creek?

11 A. That is correct, we do not have all of those.

12 Q. You don't. What about Loose Creek to Franks?

13 A. Well, let me just say we have 80 percent of
14 all the easement miles and they are -- the ones that we
15 don't have are dispersed throughout. I don't know where
16 they are.

17 Q. So some of this where you do have your
18 80 percent of the whole thing, you don't have easements on
19 all of that?

20 A. I think that's correct.

21 Q. That's correct that you don't?

22 A. We don't have 20 percent of the easements.

23 Q. So you're still going to have to get some more
24 easements?

25 A. That's correct.

1 Q. And being as this was the object of desire for
2 Associated when they had their plan, I take it that it's
3 likely or possible anyway that some of these easements that
4 you didn't obtain, that the people may have refused to give
5 you an easement?

6 A. I don't know what the thinking of Associated
7 was at the time for stopping.

8 Q. And, in, fact Associated doesn't know what the
9 thinking of Associated was either because they delegated it
10 To central, didn't they?

11 A. Central is the person -- is the group that
12 actually goes out and acquires the easements, that's
13 correct.

14 Q. Because Central's got the hometown guy, who's
15 also a notary, that can go out and make the sale; is that
16 right?

17 A. I think they are generally throughout the
18 state of Missouri the group, the G and Ts that go out and
19 get the easements. Associated is not.

20 Q. I noticed in your testimony -- I think it was
21 in your Surrebuttal Testimony -- that you attached some
22 significance not only to the fact that there were easements
23 granted, but that on the easements there was a reference in
24 the upper left-hand corner -- and I'm referring I think
25 to -- I can't remember the schedule that you attached to

1 your Surrebuttal Testimony, maybe you can look at Exhibit 2.
2 And the last page of that exhibit is what I had in mind.

3 A. I have one page for Schedule 2.

4 Q. Yeah. It's one page. And you were trying to
5 point something out about that page, I believe, in your
6 testimony elsewhere in your Surrebuttal Testimony. And I
7 believe that was that in the upper left-hand corner there is
8 a reference to Bland-Franks-Kingdom City?

9 A. Correct.

10 Q. And, as I understood your testimony,
11 therefore, all of the landowners in this strip between Loose
12 Creek down here at Franks knew that they were signing on for
13 a 345 kV line that was going to be built by Associated. Is
14 that your testimony?

15 A. No.

16 Q. What was the importance of having
17 Franks-Kingdom City on the document?

18 A. The importance was that I think there was --
19 in Mr. McDaniel's testimony -- Rebuttal Testimony that there
20 was no indication -- there was no study done by Associated
21 and this was a new and surprising event that this line was
22 going to be used for anything in the future, that there was
23 no indication that this was going to be a line and that this
24 was a new line.

25 And my point in showing that, that actually

1 this was a -- a report that Associated put out through a
2 letter to Ameren that showed that they did a joint study and
3 the joint study was with three options. I could go into the
4 three options, but they're in the report.

5 Q. No. I think you're clarifying for me. You
6 agree then that the inclusion of a reference to something
7 called Franks-Kingdom City on the easements that were
8 obtained by Central in no way indicate that the owner of the
9 property knew any more or less about what the size of the
10 line that he was agreeing to was?

11 A. Is that a question?

12 Q. Yeah.

13 A. Yes, that's correct.

14 Q. And, in fact -- I guess I will have these
15 marked as long as I've got them out.

16 JUDGE DIPPELL: What have you got,
17 Mr. Deutsch?

18 MR. DEUTSCH: I have the complete copy of the
19 attachment -- one page attachment to the Surrebuttal
20 Testimony that I would like to ask the witness some
21 questions about.

22 JUDGE DIPPELL: Okay. We can go ahead and
23 mark it with the next exhibit number, which is 51.

24 BY MR. DEUTSCH:

25 Q. Okay. And I believe -- could you open up your

1 last page so I've got the right one here?

2 A. Ninety-four?

3 Q. I didn't have the right one.

4 MR. LOWERY: Just for clarification of the

5 question, Mr. Deutsch, easement No. 94, that's what's been

6 marked as Exhibit 51?

7 MR. DEUTSCH: That's my understanding. It

8 hasn't been marked yet, but I'm about to.

9 (EXHIBIT NO. 51 WAS MARKED FOR

10 IDENTIFICATION.)

11 BY MR. DEUTSCH:

12 Q. Let me hand you what's been marked for

13 identification as Intervenor's Exhibit 51, Exhibit 51. The

14 first page of that, would you compare it to the document

15 that you have attached to your Surrebuttal Testimony that

16 deals with Russell or Patience Baker? Is that the same

17 first page?

18 A. Yes, it is.

19 Q. Could you just take a second and examine that

20 document and tell me if everything attached to that appears

21 to be related to Ronald and Patience Baker?

22 MR. RAYBUCK: Mr. Deutsch, can I clarify

23 something? You referred to a Russell Baker.

24 MR. DEUTSCH: Ronald Baker. I'm sorry.

25 There's a Russell and a Ronald.

1 BY MR. DEUTSCH:

2 Q. On the first page of that document the grantor

3 at the top of the deed, the transmission line easement, is

4 indicated to be Associated Electric Cooperative, Inc.; is

5 that right?

6 A. Yes.

7 Q. And throughout the rest of the document the

8 grantor -- excuse me -- the grantee -- no, that's it,

9 grantor, Baker, is making this easement to something called

10 Cooperative. Do you see any place where the word

11 "Cooperative" gets mentioned in that document?

12 A. I'm not very familiar with the easement

13 affidavit.

14 Q. And is AmerenUE mentioned anywhere in that

15 document?

16 A. I'm sure it's not. This was a 1978 document.

17 Q. And it was procured by Central Electric

18 employees; is that right?

19 A. It's my understanding.

20 Q. Do you see anything in there or are you aware

21 of anything anywhere that indicates that Ronald H. Baker or

22 Patience H. Baker were advised that what they were agreeing

23 to was a 345 kilovolt high powered line through their

24 property?

25 A. No, I don't.

1 Q. And this is one of the properties, I take it,
2 that also already has 161,000 volt AECI line on it?

3 A. I guess.

4 JUDGE DIPPELL: Mr. Deutsch, are you going to
5 offer this exhibit?

6 MR. DEUTSCH: I'll offer Exhibit 51.

7 JUDGE DIPPELL: Are there any objections to
8 Exhibit 51?

9 MR. BATES: No objection.

10 MR. RAYBUCK: No objections from the company,
11 your Honor. However, we do not know whether this is the
12 complete easement or less than the complete easement or more
13 than the complete easement.

14 I believe Mr. Mitchell has testified that he
15 is not familiar with the contents of this easement, so by
16 not making an objection to this easement we're not agreeing
17 as to whether it's complete or more than complete.

18 MR. DEUTSCH: And if I could make a response
19 to that, although, as I understand, you're not objecting,
20 these documents were obtained in response to a data request
21 asking about the route of the line and this is what came
22 back. And if you take a look at the document in its total,
23 it's about the only thing that does tell us something about
24 where the line route might be, at least through this
25 property.

1 So it's not being offered for any sneaky
2 reason. I believe that we should probably complete the
3 thought that Mr. Mitchell started about what notice is
4 imparted by this document.

5 JUDGE DIPPELL: I'm going to admit Exhibit 51.
6 (EXHIBIT NO. 51 WAS RECEIVED INTO EVIDENCE.)

7 JUDGE DIPPELL: And you believe that you were
8 in the middle of a question to Mr. Mitchell, is that
9 correct, Mr. Deutsch?

10 MR. DEUTSCH: No, I think I've asked my
11 questions of Mr. Mitchell about this particular document and
12 if it's part of the record, I'll move on.

13 JUDGE DIPPELL: All right. This is probably a
14 good place for us to stop for a break, Mr. Deutsch. You
15 mentioned perhaps going in-camera. Would it be a good time
16 after the break for you to ask those questions?

17 MR. DEUTSCH: Sure. That makes a good deal of
18 sense, Judge.

19 JUDGE DIPPELL: All right. Then let's take a
20 15-minute break. We're going to come back at five after by
21 that clock at the back of the room. And when we come back,
22 we'll go in-camera to ask questions about propriety
23 information, so only those that are allowed to see that
24 information need to come back into the room or I'll have to
25 ask you to leave again.

1 So let's go ahead and -- Mr. Coffman, you look
2 like you're about to ask a question.

3 MR. COFFMAN: I am. I thought it might be
4 helpful for perhaps members of the audience if there would
5 be some way for them to have some assurance that when the
6 public portion of the record began again, they would be
7 notified.

8 JUDGE DIPPELL: All right. I will ask someone
9 from our Staff to go out into the lobby area and indicate
10 that the Commission's gone back in public session.

11 MR. RAYBUCK: Your Honor, if I could make a
12 statement about that, the company would have no objection to
13 the property owners remaining in the room provided that they
14 sign a confidentiality agreement. And we will be happy to
15 furnish copies for them to sign. And assuming that they do
16 that, we would have no objection to them remaining in the
17 room for the in-camera session.

18 JUDGE DIPPELL: All right. So that's correct
19 that what's required to view the proprietary information is
20 an agreement to keep that information confidential, is that
21 correct, Mr. Raybuck --

22 MR. RAYBUCK: That's correct.

23 JUDGE DIPPELL: -- under the protective order
24 in this case?

25 So the public's put on notice of that and they

1 can see you for those agreements.

2 And we will reconvene then at five after. We

3 can go off the record. Thank you.

4 (A RECESS WAS TAKEN.)

5 JUDGE DIPPELL: Now, I believe that everyone

6 in the room is able to hear the information -- the

7 proprietary information if we go in-camera. Would you like

8 to go ahead and do so at this time then, Mr. Deutsch, and

9 ask those questions about the proprietary exhibit?

10 MR. DEUTSCH: May I assume we are in-camera?

11 JUDGE DIPPELL: Yes. We will go now in-camera

12 and do that.

13 (At this time, an in-camera session was held,

14 which is contained in Volume No. 4, pages 97 through 129 of

15 the transcript.)

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1 JUDGE DIPPELL: All right. Then we can go
2 back on the public session and Mr. Deutsch, you can continue
3 with your questions.
4 MR. DEUTSCH: Thank you, your Honor.
5 BY MR. DEUTSCH:
6 Q. If the Commission were to approve a
7 Callaway-Franks line on the dotted line that's here without
8 the proposed Loose Creek Substation, would that have any
9 significant effect on relieving the problem that you have on
10 the existing Bland-Franks line?
11 A. Of course.
12 Q. What?
13 A. What do you mean "what"?
14 Q. What would be the effect for relieving the
15 overload situation on the Bland-Franks line?
16 A. Cut the load in half, a little more than half.
17 Q. Cut which load?
18 A. The Callaway-Franks -- I mean Bland-Franks
19 line.
20 Q. That's what the intent of the Callaway-Franks
21 line is. What I'm asking you is, if you took out of your
22 proposal, which you say you've contracted for, I'll take
23 your word on that. You take the Loose Creek Substation out,
24 just don't build it --
25 A. Uh-huh.

1 Q. -- wouldn't this be the same solution as far
2 as that problem is concerned?

3 A. Yes, it would.

4 Q. So basically that substation, that doesn't
5 really add anything or detract anything or really have
6 anything to do with what your application says is the
7 purpose for this new line?

8 A. The -- the Loose Creek Substation was put
9 there because we agreed to offer Associated Electric Co-op a
10 connection to that line when they wanted it. And we also
11 would be able to put a breaker that separates our Callaway
12 Substation from Franks Substation. That was used instead of
13 going to Chamois.

14 Q. At some point I think that Mr. Raybuck made
15 mention that the application or something before the
16 Commission prior to this time contains information about the
17 proposed Loose Creek Substation. Do you happen to have the
18 application filed in this case before you?

19 A. No, I don't.

20 Q. Because I was looking and I couldn't find it.
21 I was hoping you could help me out, but we'll let another
22 witness.

23 MR. LOWERY: Judge, just for the record, I
24 believe I made reference to that in opening statement. If
25 you'll look at paragraph 3 of our application, Loose Creek

1 Substation is specifically mentioned.

2 JUDGE DIPPELL: All right.

3 BY MR. DEUTSCH:

4 Q. Okay. That puts that piece of the puzzle. So

5 we know that as of January 18th, 2002, the Loose Creek

6 Substation was part of the plan --

7 A. Okay.

8 Q. -- right?

9 A. Yes.

10 Q. That appears to be the case. Great.

11 If, in fact, like the Loose Creek Substation

12 that doesn't appear to have a lot to do with the problem

13 that we're trying to deal with here of the overloading, if

14 you built another parallel 345 kV line from Bland to Franks,

15 wouldn't Associated Electric's investment at Franks still

16 need to be made the same as the line that's built out here

17 through the Callaway-Franks corridor?

18 A. Yes.

19 Q. So when you talk about the contributions to

20 this line that AECI is making, it's not really a

21 contribution to this line, it's a contribution to fixing

22 this problem?

23 A. They're one in the same.

24 Q. Well, they are to you. But indulge me. If

25 you had a line that went in a different place between Bland

1 and Franks, their cost in the thing would remain the same
2 and their benefit?

3 A. You mean the cost put into this effort?

4 Q. Yeah --

5 A. No, it's not.

6 Q. -- the Franks substation?

7 A. It's not quite the same.

8 Q. Right. They'd save the, what, 280,000 bucks
9 they spent for the easements?

10 A. And it doesn't give them the option to connect
11 to the line, but it does -- yes, that's correct.

12 Q. Well, it doesn't give them the option to
13 connect at Loose Creek. You said already they were going to
14 connect at Chamois, didn't you?

15 A. No, I didn't. I said that was a possibility
16 they might, but in the agreement they wanted to connect at
17 their Rich Fountain Substation --

18 Q. Okay.

19 A. -- which is a tap at Loose Creek.

20 Q. On page 25 of Exhibit 1-P --

21 JUDGE DIPPELL: And we are back in the public
22 session.

23 MR. DEUTSCH: Yeah. I'm looking at the
24 testimony.

25 JUDGE DIPPELL: I'm sorry. I'm sorry.

1 MR. DEUTSCH: Direct Testimony.

2 JUDGE DIPPELL: My mistake.

3 BY MR. DEUTSCH:

4 Q. Have you got that page, sir?

5 A. Yes, I do.

6 Q. Okay. At the top of the page you start an

7 answer to a question that begins on the prior page, if you

8 want to take a quick look at it. It talks about the AEI

9 contribution and benefits to AEI. Correct? I'm

10 paraphrasing a long question.

11 A. The questions does refer to the benefits.

12 Q. Okay. And so then you begin your answer that

13 basically, as I count them, you've got three -- four basic

14 benefits that you list in your answer in the paragraph at

15 the top between lines 1 and 10?

16 A. Yes.

17 Q. Isn't it true that all of those benefits

18 except No. 3 will accrue regardless of whether you build a

19 Callaway-Franks line or a Bland-Franks line?

20 A. That would be true.

21 Q. And that is basically the ability to use a

22 connection at Loose Creek -- that's the only one, of course,

23 there wouldn't be a Loose Creek Substation, I assume, if you

24 fixed the problem over here where the problem existed?

25 A. There wouldn't be a Loose Creek Substation

1 because there wouldn't be a line if we didn't build the
2 line.

3 Q. None there now. Right? Am I correct that if
4 you are not allowed to build the proposed line, that you're
5 still going to try to fix the problem by building something
6 or proposing something. Right?

7 A. Something has to be done.

8 Q. So it's really just a question of whether it's
9 this or something else?

10 A. That's true.

11 Q. And I take it from that that, you know, it's
12 also true that although this Callaway-Franks Line is your
13 preferred solution, that if it weren't approved, it would
14 not be impossible to fix this problem other than by the
15 Callaway-Franks proposal?

16 A. I'm not sure I --

17 Q. Lost you, didn't I?

18 A. Yeah.

19 Q. I'm just trying to clarify for the Commission
20 that you are not testifying that it would be impossible to
21 fix this problem other than -- that this is the only
22 solution. That's not the only solution, to have a
23 Callaway-Franks corridor line, is it?

24 A. It's the only solution that makes sense at
25 this time.

1 Q. To you?

2 A. Yes.

3 MR. DEUTSCH: I think I have no further

4 questions of this witness.

5 JUDGE DIPPELL: Thank you. Then at this time

6 I'll ask if there are Commission questions.

7 Commissioner Simmons?

8 CHAIR SIMMONS: Yes, Judge, I think I have

9 just one question that I'm going to ask about.

10 QUESTIONS BY CHAIR SIMMONS:

11 Q. Good morning -- I should say good afternoon,

12 Mr. Mitchell. It is that time.

13 I'm going to ask you, in your Direct

14 Testimony, I believe at page 10, if I'm not mistaken,

15 lines 19, oh, I guess through the second page, you talk

16 about reliable and safe electrical service to the Missouri

17 customers and, in particular, you talk about the lines.

18 You give two examples I guess where -- well,

19 maybe three situations. One is to avoid electric service

20 interruptions to avoid safety-related problems hazardous for

21 employees and members of the public and to avoid damage of

22 existing electrical facilities and to other property. Some

23 of this information I think that you've talked about during

24 some of the questions that have been asked.

25 I'd like for you to elaborate for me and give

1 me some examples of what you mean by hazards for employees
2 and members of the public.

3 A. If the -- when the line overloads, we -- you
4 never know the extent to which it overloads, but if it
5 overloads, the hazards to the public could be that the line
6 goes -- it decreases and gets closer to the ground. The
7 ground level clearance is reduced.

8 So if you have people that happen to be going
9 under the line, if the line is down fairly far, they could
10 maybe come in contact if they happen to be on a tractor with
11 a CB antenna or something going through.

12 Q. Now, have we occurred situations like that
13 that have taken place or current examples where it has taken
14 place?

15 A. Yes, we have.

16 Q. We have. And with those examples, I mean, can
17 you give me -- do you know off the top of your head in the
18 range of the last two years, five years, ten years or --

19 A. I just know that there have been lines on our
20 system that when they were loaded up heavily, that the line
21 sagged and the ground clearance was reduced, and there have
22 been contacts or potential contacts based on farmers that
23 have gone underneath the lines.

24 Q. Same thing for your employees and you've had
25 safety-released issues that have been problematic that --

1 A. I don't know if any -- we've had any
2 particular problems, but I know that potential is there.

3 Q. So in your comments you're talking about the
4 potential?

5 A. For the employees, yes, the potential.

6 Q. And as far as the actual is concerned, when
7 you talk about avoiding damage to existing electrical
8 facilities and other property, do you have actual examples
9 that you can give me?

10 A. I -- I can't give you any -- any actual
11 examples because I can't think of them right now, but when
12 we do load flow analysis, we do know that if the lines are
13 loaded up heavily and you outage that heavily loaded line
14 like the Bland-Franks line, that it will load up other
15 facilities.

16 For example, the outage of the Bland-Franks
17 line will load up the Rush Island/St. Francois, will line
18 also the Overton transformer. And there are other lines
19 that will load up because of that outage. So if you lose
20 the line, you're going to overload other facilities,
21 that's --

22 Q. Okay. With my earlier question -- and you
23 answered it as a potential as it relates to the hazards for
24 employees or members of the public. Is there somebody else
25 that may be giving testimony today that might be able to

1 answer those questions as far as actual?
2 A. I don't know.
3 Q. Okay.
4 CHAIR SIMMONS: That's my line of questioning.
5 Thank you, sir.
6 JUDGE DIPPELL: Thank you.
7 Commissioner Murray?
8 COMMISSIONER MURRAY: Thank you.
9 QUESTIONS BY COMMISSIONER MURRAY:
10 Q. Good afternoon, Mr. Mitchell.
11 A. Good afternoon.
12 Q. I just have a few questions. You've been with
13 transmission planning at UE since approximately 1971; is
14 that correct?
15 A. Yes, ma'am.
16 Q. And it's correct that if you are -- if UE
17 needs to add transmission within its own service territory,
18 it does not have to come to this Commission for approval; is
19 that right?
20 A. That's my understanding.
21 Q. And in the times that you have been involved
22 with transmission planning where you have had to come before
23 the Commission, is it generally your experience that the
24 exact location of the line is approved by the Commission or
25 a more general location of the line?

1 A. It's always been general as far as I know of.
2 When we come to the Commission from a planning standpoint
3 anyway, we identify point A and point B, it's a conceptual
4 design. Then the other people, the design guys, they go
5 through and they identify several alternate routes. And
6 then -- then they choose from those alternate routes which
7 is the best, superior, better routing.

8 Q. And that gives the company the flexibility to
9 continue to work with landowners to improve the conditions
10 that might be involved with the properties; is that right?

11 A. That's correct. That's the advantage.

12 Q. Okay. Did you make any study or did anybody
13 at the company make a study regarding technological
14 enhancement of the existing lines as an option for
15 increasing capacity?

16 A. There's no technological way of -- that
17 we're -- that I'm aware of that can hold back the power
18 flowing across this line unless you put in things like I
19 mentioned earlier, inductors or reactors. And all that does
20 is push the problem somewhere else.

21 Q. Well, that would be a reducing of the power
22 over specific lines; is that correct?

23 A. That's correct.

24 Q. But are there technological advances that
25 allow increased capacity over existing lines?

1 A. Not on this particular line that I'm aware of.

2 Q. You answered earlier that there are no federal
3 or state regulations that require UE to build this
4 transmission line; is that right?

5 A. Well, the way I answered that question is
6 because of the word "t-h-i-s," this line. If that word had
7 not been in there, then I would have answered the question,
8 yes, we would have to build something.

9 Q. And that would be because of reliability
10 concerns for the grid itself?

11 A. Yes. And it's also a congestion problem on
12 the system. Specifically, when we had one independent power
13 producer come to us and say we wanted to have transmission
14 service on your system, then we were obligated to tell them
15 that we couldn't do that because we have an overloaded line
16 and your addition to the system would make this line
17 overload even more. So we'd have to deny their access,
18 which is not something that the FERC likes us to do.

19 So if we did deny access to our transmission,
20 then we are obligated to go back and fix that -- that
21 congestion or that overload problem, the reason that we
22 denied them that access to the transmission. And we would
23 have to do something about it.

24 Q. And that would be something that FERC would
25 require that you do regardless of whether the additional

1 transmission was specifically identifiable as necessary to
2 serve Missouri customers; is that right?

3 A. Yes, they would.

4 Q. Okay. Now, if Ameren were to just disregard
5 the local customers' reliability concerns and refuse or just
6 not take any action to add needed transmission and thereby
7 you were unable to prevent low voltage occurrences or
8 service interruptions to Missouri customers, would those
9 customers have any remedies?

10 A. If the low voltage were caused by this line
11 being overloaded, I wouldn't think they would have any --
12 any recourse, because this particular line helps the Ameren
13 customers and it helps the Associated Electric Co-op
14 customers which are in that area.

15 Franks is a substation that, when this line is
16 heavy loaded, has voltage problems. And if the line is
17 heavy loaded and it is outaged, the voltage problems become
18 worse. And it's very difficult -- it could be very
19 difficult to serve their customer load.

20 Q. And if it did become difficult to serve your
21 customer load, Ameren's customer load reliably, would those
22 customers not have standing to come before the Commission to
23 complain that you were not providing --

24 A. I would think so.

25 Q. -- adequate service?

1 COMMISSIONER MURRAY: I believe that's all I
2 have. Thank you, Judge.

3 JUDGE DIPPELL: Thank you.
4 Commissioner Gaw?

5 COMMISSIONER GAW: Thank you, Judge.

6 QUESTIONS BY COMMISSIONER GAW:

7 Q. Good afternoon, sir.

8 A. Good afternoon.

9 Q. I want to, first of all, ask a few questions
10 about the voltage requirement on the line that's being
11 proposed. It's my understanding that this line would be a
12 345 kilovolt line?

13 A. That's correct.

14 Q. And can you explain to me what makes that
15 particular size of line necessary?

16 A. Well, our system is built on 345 kV lines, 138
17 kV lines and 161 kV lines. If we were going to build
18 something to relieve the Bland-Franks line, it's going to
19 have to be a high capacity line, a line capable of carrying
20 a lot of power; otherwise, if we put in something small, it
21 wouldn't be able to carry that.

22 So the choice that would best allow reduction
23 of load on that line is going to be something that
24 essentially electrically parallels that line and at the same
25 voltage.

1 So the voltage that the Bland-Franks line
2 presently is is the 345 kV line and connects into the 345
3 transmission system and the line that we would build would
4 have the same -- same voltage and it would allow us to get a
5 larger reduction in the Bland-Franks line, therefore, not
6 having to do anything with the Bland-Franks line for some
7 time.

8 Q. And I understand that it would give you a
9 larger reduction, but utilizing a smaller line, would it
10 give you no reduction in the Bland-Franks line?

11 A. Well, you can -- I guess you can pick and
12 choose a small -- 5 percent, 10 percent, but sooner or
13 later, you have to -- you have to actually bite the bullet
14 and put in the larger line to reduce the capacity -- I mean,
15 to reduce the loading on the other line.

16 There -- and I am not sure where we would
17 connect those lines to reduce that loading on the
18 Bland-Franks line. It's -- again, its connections are to
19 the EHV system and that's almost where you have to connect
20 the other line in order to reduce that loading that that
21 line sees.

22 Q. And, if you would, please, try not to use
23 acronyms.

24 A. I'm sorry.

25 Q. EHV?

1 A. EHV, extra high voltage.

2 Q. Thank you.

3 A. Sorry.

4 Q. And is that something that -- let me ask you
5 this. If you constructed a smaller line than 345 kilovolt,
6 what would be the reduction in your ability to deal with
7 these overloads on that line with the current load history
8 that you have?

9 A. Well, in order to -- to come up with at least
10 some guess on that, we'd have to define where we're going to
11 connect it into the system. And that would be a very long
12 line to connect into the appropriate points on the system.
13 I mean, we could parallel, for example, the lines that are
14 out there, but you're going to get very little relief on the
15 Callaway-Bland line for those lines.

16 If we were to build one, say, where the other
17 one is right today, you're not going to get very much
18 relief, if any, on the Callaway -- on the Bland-Franks line.
19 It's -- it's a matter of where you connect it into your
20 system.

21 And in order to relieve the Bland-Franks line,
22 you have to connect it back at some point on the northern
23 side of that connection to the southern side of that
24 connection and it's a long line to do that. There's nothing
25 at Bland that would allow that.

1 Q. Okay. So I am asking you for more detail
2 about how you get to the position where this must be a
3 345 kilovolt line as opposed to something smaller based upon
4 historical load figures that you have. And you can give all
5 the detail you want from an engineering standpoint about why
6 that's the case.

7 A. I'm trying to understand your question so I
8 can answer it.

9 Q. All right. Well, I'm asking you let's say
10 your points of connection are exactly the same as that you
11 have proposed today --

12 A. Okay.

13 Q. -- but it's not a 345 kilovolt line. What
14 occurs with the smaller voltage capacity line if that were
15 constructed instead?

16 A. Okay. Let me see if I can rephrase the
17 question. If we were to connect a 161 kV line at Callaway
18 and route it in the same route that we have now and connect
19 it in at the 161 kV line down at Chamois -- I mean, at
20 Franks --

21 Q. All right.

22 A. -- you're asking then what would be the -- the
23 flow reduction on the Bland-Franks line?

24 Q. Yes. Thank you.

25 A. I don't know that I can run that through my --

1 my brain that fast and come up with a solution -- or with a
2 definitive term, but I'd say it wouldn't be very great.

3 Q. What does that mean, "wouldn't be very great"?
4 A. Maybe you would get -- maybe you would pick up
5 20 percent of the flow, if that much.

6 Q. And why is it that you wouldn't pick up closer
7 to half of it --

8 A. Okay.

9 Q. -- from an engineering standpoint?
10 A. Okay. It gets to the resistance of flow,
11 which we call impedance. And in order to get from the 345,
12 you have to step down through a transformer, which is fairly
13 high impedance, then you have to connect to a higher
14 impedance line, then goes down to the -- to the Franks
15 Substation, then you have to go back up to the 345 system.

16 So you're paralleling the 345 system by
17 stepping down to a lower voltage facility. And then the
18 lower voltage facility generally is not a very big conductor
19 in order to handle the capacity you might expect it to
20 handle. So it's just not designed to carry that kind of
21 capability that a 345 line is designed to carry.

22 Q. So it's not as efficient; is that correct?
23 A. Correct. That's correct.

24 Q. Once an additional 345 kV line is constructed
25 at some place, assuming that it is constructed, how much

1 additional capacity will you add to the north/south
2 connection?

3 A. The line that we're proposing to build would
4 be a normal rating 1,400, I think 17 MVA line, which is --
5 and the Bland-Franks line I believe is like 950 MVA, give or
6 take a few. So we're gaining another 500 MVA on this line.

7 Q. And MVA means?

8 A. Megavolt amperes.

9 Q. Which is?

10 A. Okay. It's -- I could just call it megawatts
11 and maybe that would help. Megavolt amperes is megawatts
12 squared plus -- it's a square root of a megawatt squared
13 plus far squared.

14 Q. And this is a -- that is a measurement of
15 current or what? What is it a measurement of? Power?

16 A. It's a measure of -- it's a measure of volt
17 amperes. I can put it in --

18 Q. Voltage times amps?

19 A. Yes. Voltage times amps.

20 Q. Thank you.

21 A. I'm sorry.

22 Q. That's okay. Now, based upon your historical
23 load, how much reserve -- let me ask a different question.
24 How often would you anticipate there being
25 congestion on the north/south connections if this line or a

1 line like it with 345 kilovolt were constructed?

2 A. With everything in service, I don't think
3 there would be any congestion for some time in the future.

4 Q. Based upon -- I'm asking you based upon --
5 A. Studies.

6 Q. -- current load?
7 A. Yes. Based on current load.

8 Q. If it stayed the same, there would never be
9 congestion?

10 A. That should not be congestion on our system
11 for that particular situation, that's correct.

12 Q. In looking at whether or not the construction
13 of this line is appropriate, did Ameren take into account
14 the potential for load growth on this north/south
15 connection -- or on the north/south connections, I should
16 say?

17 A. Yes, we did. That's why we used the 2004
18 model. And that utilized the projected loads for the entire
19 Ameren and Associated Electric Co-op system and the
20 surrounding systems.

21 Q. And what document is that 2004 model contained
22 in again?

23 A. That was in our report, the draft report.

24 Q. The draft report that doesn't contain this
25 particular line as a part of the study?

1 A. Right. It does contain the Callaway-Franks
2 line on page 4.

3 Q. Yes.

4 A. And that was in the same model, the 2004
5 model.

6 Q. All right. And that's exactly the one that's
7 being proposed today in front of the Commission?

8 A. The line that was in the study is the
9 Callaway-Franks Line.

10 Q. Yeah. The same line that's being proposed --

11 A. Yes.

12 Q. -- today?

13 All right. Now, other than the congestion
14 that's coming back and forth between the north and the south
15 over the Bland-Franks line, is there any other reason why
16 Ameren believes that this line should be constructed or
17 that's factored in to the rationale for Ameren proposing
18 this construction?

19 A. Well, historically it is overloaded.
20 Congestion just happens to be one of the things that's
21 happened from that. But it's overloaded and whenever we
22 have a facility that overloads and has a history of
23 overloads, we feel we need to correct that situation.

24 Q. I'm asking you whether that is the only
25 reason?

1 A. For the congestion?

2 Q. No. For Ameren believing that this
3 construction is appropriate.

4 A. We feel that it's -- we feel that it's
5 overloaded and it's a congestion problem. There are two
6 reasons. And that's why we want to construct it.

7 Q. Are those the only two reasons?

8 A. I think so.

9 Q. You think so or you know so?

10 A. Well, those are the only two reasons,
11 overloaded and congestion.

12 Q. There are no other factors that went into
13 Ameren's decision to propose constructing this line?

14 A. That is correct.

15 Q. Are you familiar with the proposal that has
16 been discussed recently to build a substation in Cole
17 County?

18 A. Yes, sir, I am.

19 Q. Have you been a part of that -- a study of
20 that --

21 A. Yes, I have.

22 Q. -- construction?

23 A. Yes, I have.

24 Q. Is there any connection that would be made
25 to -- well, let me ask you this.

1 How would any connection under current plans
2 be made to that substation in Cole County back to Ameren's
3 lines?
4 A. There will be a substation at Loose Creek and
5 we'll connect into Loose Creek and extend it over to some
6 location in the Cole County area.
7 Q. And is that the same substation that is in
8 front of us in this case?
9 A. Yes, it is.
10 COMMISSIONER GAW: And please don't hesitate,
11 counsel, to slow me down or stop me if I get into any
12 proprietary information, because I'm not sure where that
13 line is.
14 MR. RAYBUCK: Certainly.
15 BY COMMISSIONER GAW:
16 Q. And the rationale for that connection -- and
17 let me ask you this. It's my understanding the Cole County
18 Substation is within an area that is in Ameren's service
19 territory. Is that your understanding?
20 A. That's my understanding.
21 Q. So that would not be coming in front of the
22 Commission, at least as far as you know?
23 A. As far as I know, that's correct.
24 Q. And does Ameren serve the customers in that
25 area?

1 A. In Cole County?

2 Q. Yes.

3 A. Yes, they do.

4 Q. They serve the customers whose land the
5 proposed construction is to be placed for the substation?

6 A. I'm not sure where the customers are and where
7 the line goes in relationship to those customers.

8 Q. Just because it's in Ameren's service
9 territory though doesn't necessarily mean Ameren's serves
10 the customers in that service area, does it?

11 A. I guess that's correct.

12 Q. And does this -- is this Loose Creek
13 Substation a necessary element to the construction of the
14 substation in Cole County?

15 A. Once we found out that we were going to put a
16 Loose Creek Substation there, it made sense to look into a
17 supply to Jefferson City that would relieve some problems
18 and concerns in the Jefferson City and surrounding area.
19 And once we identified that we would put a Loose Creek
20 Substation there, it made sense that we would consider a
21 345 line supply to Jefferson City.

22 Q. All right. I'm wanting to go into something
23 that's in this document in part of my line of questions. I
24 don't know if it's really a problem proprietary-wise or not.
25 Maybe we ought to --

1 A. Could I just make a suggestion?

2 Q. Yes.

3 A. I'm pretty familiar with what would be

4 proprietary and what's not and I can tell you that it is or

5 isn't.

6 Q. I'm looking at then on page 2 at the bottom --

7 A. Of the report?

8 Q. -- that page in the report. In that paragraph

9 at the bottom.

10 A. Okay.

11 Q. Is that proprietary?

12 A. No.

13 Q. Okay. Good. This may or may not be relevant,

14 but I'm wanting to know -- there's a sentence there that

15 says, Neither AECI nor -- and I think that A-m-r-n is short

16 for Ameren?

17 A. That's correct.

18 Q. Saw a strong need to pursue a Jefferson City

19 step-down substation to serve local load at this time.

20 Do you see that sentence?

21 A. Yes, I do.

22 Q. Is that sentence correct?

23 A. Do you want me to clarify that for you?

24 Q. Yes. It appears to be --

25 A. No.

1 Q. -- contrary to some things that have been
2 discussed --
3 A. Okay.
4 Q. -- in public lately?
5 A. The -- this particular No. Item 4 and 5, which
6 are two possible alternatives for relieving the Bland-Franks
7 line --
8 Q. Yes.
9 A. -- those were actually directing -- Callaway
10 direct path to Jefferson City and a direct path from
11 Jefferson City down to Franks or to Huben.
12 Those -- those were put in there to simulate a
13 step-down in the Jefferson City area that would serve both
14 AEC and us strictly for load purposes. When we did the
15 study and looked at what the gain was, we decided from a
16 load standpoint, this wasn't necessarily going to help us
17 out.
18 Okay. As we got farther into this, we found
19 out that once we identified the Loose Creek, we also had put
20 two and two together and said, okay, we have an Overton
21 transformer, which is west of Columbia that connects to our
22 345 system and steps down to the 161 kV system and helps
23 supply California area, the Lake of the Ozarks area,
24 Columbia, Moberly.
25 And then we also had a line that was coming

1 out of Montgomery which is close to -- well, it's west of
2 Wentzville. And that -- there was a line from there and at
3 some times the transformer, the 345 to 161 kV transformer,
4 loads up very heavily.

5 And we have called TLRs on the line from
6 Moberly -- from Montgomery to Guthrie and there's a line --
7 that's 161, and the Overton transformer, which is 345 to
8 161. Both of those we have had to call line loading relieve
9 on.

10 So when those became -- that information was
11 available to me, then we started seeking, well, how can we
12 remedy those problems so we don't impact those particular
13 facilities and so we do not have to continually call line
14 loading relief on those facilities.

15 Well, we thought that some time in the future
16 we might want to build a line from Callaway to Jefferson
17 City. We looked into that. We looked into it here. But on
18 just load alone, we didn't think that it was something that
19 we could pursue.

20 We had these two other situations that were
21 congestion problems and line overload problems or
22 transformer overload problems and it seemed like the best
23 way to handle these as well as increase the ability to
24 supply the load in the Jefferson City area and keep from
25 running CTG -- excuse me -- combustion turbine generators,

1 which sometimes we have to run uneconomically, that maybe a
2 solution would be to build a line from Loose Creek, which we
3 had put there for the purposes of Associated Electric Co-op
4 connecting to their 161 line.

5 So we build a line over there and we could
6 shore up the -- the substations that presently have only one
7 supply. The Moreau Substation, which is on the east side of
8 Jeff City, has a single supply out of Guthrie. The Apache
9 Flats Substation, which is on the west side of Jefferson
10 City, has a single supply that taps a California-Barnett
11 line. Those two are single supplies and we would like to,
12 if possible, some time in the future, connect a line from
13 Moreau around to Apache Flats.

14 Okay. It made sense that if we could do that
15 with the 345 supply, that we could take care of several
16 problems at one time. We could increase the reserve supply
17 to the back-up supply for the two major substations that
18 supply Jefferson City. We could unload the Overton
19 transformer and get rid of those TLR calls. And then we
20 could also unload the Montgomery-Guthrie line, which is also
21 a TLR problem.

22 And by building this line in, which is shorter
23 than building it from Callaway into Jefferson City, we have
24 the advantage of solving several problems with one blow.

25 Q. So isn't it not -- I mean, let me make sure

1 I'm following at least --

2 A. Sure.

3 Q. -- part of what you're suggesting. Well, let
4 me ask you this. The line from Loose Creek then, if it were
5 constructed from Loose Creek over to Cole County to a
6 substation there, what would be the voltage on that?

7 A. On the line extending? Three-forty-five.

8 Q. So it's a continuation of the 345 kilovolt
9 transfer?

10 A. Transmission system, yes.

11 Q. And so there really wouldn't be any difference
12 as far as the capacity on the line from Callaway -- from
13 Callaway's plant over to Cole County in this scenario that
14 you just laid out as opposed to a direct line from Callaway
15 to Jefferson City? Three-forty-five all the way?

16 A. The capacity would be the same.

17 Q. And yet you're telling me that this is not a
18 factor in your decision to construct this line that's in
19 front of us today? That that --

20 A. That's correct.

21 Q. -- advantage of being able to do that
22 connection as well is playing no part in your decision to
23 construct this line --

24 A. That's correct.

25 Q. -- in this case?

1 A. We -- that was an afterthought once we
2 identified that we possibly would have this line from
3 Callaway to Franks.

4 Q. I'm still not sure I understand why there was
5 not a -- and maybe I'm just confusing two parts of this
6 report, but the seven proposals that you have on page 2 --
7 and, again, tell me if I'm getting into proprietary
8 information -- on page 2 of the report, draft report, they
9 do not contain any reference to this line that's before us
10 today. Am I understanding that correctly?

11 A. Actually, it's on page 4.

12 Q. But it's not on page 2?

13 A. No. Because at --

14 Q. I'm trying to understand why that is.

15 A. Well, because at the time we didn't think --
16 we didn't think of this option.

17 Q. Okay. But you did put it on page 4, is what
18 you're saying?

19 A. Yes, sir.

20 Q. Was page 4 a later addition to this --

21 A. No.

22 Q. -- draft?

23 A. No, it's not.

24 Q. Okay.

25 A. I drafted this kind of contiguously start

1 from -- from start to finish with corrections as appropriate
2 from Associated Electric C-op. And there is some
3 disjointedness here.

4 We didn't throw in here some of the reasons
5 and decisions that we made because it seemed to be obvious
6 once -- again, once it was put in front of us, that there
7 were 80 percent of the easement miles available, that we
8 were encumbering fewer people if we went anywhere else than
9 if we built it here. So that's why we kind of jumped to
10 this particular No. 2 in the options, which are build a
11 Callaway-Franks Line.

12 Q. This may be proprietary information. Did
13 Callaway -- excuse me -- did Ameren pay any funds for the
14 rights to those easements to Associated or one of their
15 affiliates?

16 A. I have no idea.

17 Q. The congestion on the Bland-Franks line that
18 you cite in your testimony, besides Ameren, who else might
19 from time to time be responsible for electricity flowing on
20 that line?

21 A. Anybody that really uses the transmission
22 system could be a party to congestion on that line.

23 Q. And are you familiar with -- well, let me ask
24 you this.

25 If Ameren were moving power in a situation

1 where Ameren were the only one who physically had access to
2 that line, are you familiar with how often the capacity of
3 that line would be exceeded or you get into a situation
4 where you have a -- be overloaded?

5 A. The only way that I could answer that question
6 is after you've separated everybody else from that system
7 and Ameren is the only one that has access to that line, and
8 as far as I know, that's never been the situation and we
9 would not overload it. We don't have enough power to send
10 down that line to -- to keep from our customers using.

11 Q. Yeah. Do you have any idea how much -- how
12 much your load is on the southern section for native load?
13 I'm asking for native load.

14 A. No, I don't.

15 Q. Would anyone know that?

16 A. You mean in Franks? You mean at the Franks
17 Substation?

18 Q. Yes.

19 A. Well, again, it's a transmission system, so we
20 would be sending power down there and it could head over to
21 the Fletcher area, which could serve some of our load over
22 there. It wouldn't be a significant amount of load compared
23 to the metropolitan area.

24 Q. Yes. And how about the co-ops? They're also
25 utilizing that transmission system on the Bland-Franks

1 line --

2 A. Yes, they are.

3 Q. -- I would assume?

4 Do you know how significant their load might

5 be in the southern portion?

6 A. No. I don't know the size of their load

7 offhand.

8 Q. Okay. I realize this is difficult to answer

9 because, on one hand, the question relates to the

10 engineering and physics of it and, on the other hand, to the

11 actual financial transactions that may be occurring and

12 those two things do not operate in the same way.

13 But in regard to the number of incidents over

14 that line that have caused there to be overloads that you

15 noted in your testimony, would you say that that is

16 primarily due to load growth on Ameren's native load or some

17 other reason?

18 A. I'd say some other reason, combination.

19 Q. And can you tell me what those other reasons

20 might be?

21 A. Well, you have a lot of generation at the

22 northern end. You have the Callaway plant and you have the

23 Labadie plant. And the way the transmission system works

24 is -- is by displacement.

25 So if you have a generator to the north that

1 is serving load to the south, it will displace the power.
2 It won't be that exact meg-- or electron going from, let's
3 say, Chicago or Minneapolis or Iowa or northern Missouri.
4 That electron is not going to go down to the load south. So
5 it will displace Labadie or Callaway generation down the
6 line. And, you're right, it's according to the laws of
7 physics as to how it will go.

8 Q. And would you say that -- you're at least
9 making some suggestion that the load over this line,
10 Bland-Franks line, will likely continue to be a problem and
11 probably increase --

12 A. Yes.

13 Q. -- in the future if nothing is done to relieve
14 it; is that correct?

15 A. I think that's correct.

16 Q. And is that due primarily to the fact that
17 there are additional -- there is additional generation on
18 the transmission grid that's being placed there as we move
19 along in time?

20 A. I'd say that's a big part of it. There also
21 is economic advantages to people to use the economic
22 generation to the north to displace the uneconomic
23 generation to the south, so there's some of that that takes
24 place on the system.

25 Q. From a financial standpoint, have there

1 been -- are you familiar with whether or not there have been
2 increases in the movement of electricity from a financial
3 standpoint from north to south in the last few years?

4 A. I don't know any dollar amount. I know that
5 there's power that's been going from north to south because
6 of the economics.

7 Q. And is some of -- is a significant amount of
8 those financial transactions, transactions that are not
9 about Ameren serving its native load?

10 A. That would prob-- that would be correct.

11 Q. And is a significant amount of perhaps other
12 generators that are not owned by Ameren or its affiliates
13 selling electricity from north to south?

14 A. Even going north. The generator at Vandalia ,
15 for example --

16 Q. Yes.

17 A. -- we've restricted its transfer to Chicago,
18 because it loads up the Bland-Franks line.

19 Q. Yes. And would you say that that additional
20 generation -- let me ask you this.

21 It's true, isn't it, that Missouri is not a
22 deregulated state?

23 A. That's correct.

24 Q. In Missouri the policy is that regulated
25 utilities are supposed to serve their native load and they

1 have a requirement to take care of their native load?

2 A. That's correct.

3 Q. And I don't want to go too far afield from

4 your background here, but are you familiar with the

5 proposals of the Federal Energy Regulatory Commission to

6 change the management of transmission lines in this country?

7 A. To RTOs?

8 Q. In part, yes.

9 A. I'm familiar with some of that.

10 Q. Yes. And is it also true that the federal

11 government is trying to move in the direction of taking the

12 management of transmission lines and placing them into

13 organizations that are not owned by regulated utilities?

14 A. Didn't know that.

15 Q. Well, is an RTO owned by a regulated utility?

16 A. We would -- my understanding is if we are into

17 the RTO that we're becoming members of, that we would still

18 own our transmission, we'd still own our generation, we'd

19 still own our distribution.

20 Q. I didn't ask if you would own it. I asked if

21 you would be managing your transmission.

22 A. I'm sorry. You're right. It would be managed

23 by somebody else.

24 Q. Well, let me ask some other witnesses about

25 this, because that's unfair to you to get into some of that,

1 I think.

2 A. Okay.

3 Q. You're here to talk about the engineering side
4 of it. I'm sure there's somebody else I can ask some of
5 those questions to.

6 JUDGE DIPPELL: Commissioner Gaw, would this
7 be a good place to take a break?

8 COMMISSIONER GAW: Whatever you all would like
9 to do.

10 JUDGE DIPPELL: Okay. Then I think we should
11 go ahead and break for lunch because it's getting kind of
12 late.

13 MR. RAYBUCK: If I may point something out,
14 Mr. Mitchell may, in fact, be the most knowledgeable of all
15 the Ameren witnesses about FERC's regional transmission
16 organizational policy. Just wanted to point that out.

17 COMMISSIONER GAW: Thank you for telling us
18 that.

19 JUDGE DIPPELL: We'll give Commissioner Gaw
20 some time to think about more questions then.

21 We're going to take a break until two o'clock
22 and come back and finish Commissioner Gaw's questions. I
23 have a few questions and a question or two on behalf of
24 Commissioner Lumpe, and then we'll do recross based on those
25 questions and allow redirect.

1 So we can go ahead and take a break, come back
2 at two o'clock.

3 (A RECESS WAS TAKEN.)

4 JUDGE DIPPELL: We're going to continue with
5 Commissioner Gaw's questions. And Mr. Mitchell is back on
6 the stand and has remained sworn, if that's a word.

7 COMMISSIONER GAW: Thank you, Judge.

8 BY COMMISSIONER GAW:

9 Q. I believe when we left, I was -- I thought I
10 was going to get to stop on these standard of market design
11 questions, but if you could, perhaps -- we were talking
12 about the potential for the management of the transmission
13 lines of regulated utilities to be transferred in the
14 future.

15 And I guess from the standpoint of what
16 currently happens in regard to Ameren's management of its
17 transmission lines, could you give us just a little bit of
18 an overview about how you schedule -- how you schedule
19 transmission line usage under the current environment, if
20 you know?

21 A. I don't think I can do that for you. I can
22 give you a thumbnail sketch of what I think happens, but
23 it's --

24 Q. Why don't you try that?

25 A. Okay. As far as I know, is that there is a --

1 kind of a controlling center that people call into on a
2 schedule. The lines are scheduled at our ESO and they
3 schedule it up to a certain point and they run load flow
4 studies to determine whether or not the transmission system
5 can handle what that group or person wants to schedule
6 across the system. If it can, then they say fine, go ahead.
7 If they can't, then they say no, we can't do it.

8 Q. And currently do you know whether or not
9 Ameren's native load gets a preference to the transmission
10 of other generation --

11 A. As far as --

12 Q. -- to other kinds of loads that are not native
13 to Ameren?

14 A. As far as I know, the load on our system gets
15 preferential treatment for non-firm transfers or schedules,
16 but if a firm schedule is already, I would say, in a pool or
17 already considered, then it's just as equal, as far as I
18 know, to the load on the system.

19 Q. But Ameren has a duty, does it not, to serve
20 its native load first --

21 A. Yes.

22 Q. -- under Missouri law?

23 A. Yes, it does.

24 Q. So you would assume that if there was a firm
25 load agreed to by Ameren over a transmission line, that they

1 would have already made sure that their native load was
2 taken care of?

3 A. That's correct.

4 Q. And, again, when you say "they" schedule, I
5 think you used the word "they." You're talking about Ameren
6 scheduling with whoever the generator is that wants to
7 transmit the load or is it someone else?

8 A. It could be a marketer.

9 Q. Okay. Could be a marketer who is in the
10 business of buying and selling electricity --

11 A. Correct.

12 Q. -- is that what you're saying?

13 A. That's correct.

14 Q. But, again, Ameren is the -- Ameren still has
15 to say yes or no, you can or cannot go across these lines?

16 A. As far as -- as far as going across our system
17 and scheduling across our system --

18 Q. Yes.

19 A. -- that's true.

20 Q. All right. And this concept, of course, is
21 also interrelated, I assume, we're -- and we referred to
22 some of your testimony about other associations and that
23 Ameren is a part of even currently where there is
24 coordination along the grid so that when someone is trying
25 to schedule some sort of a sale of electricity from a

1 generation point to a load point, they don't have to go just
2 separately necessarily to all of these different entities
3 that may own transmission lines, or do they, if you know?

4 A. My -- my opinion is -- and it's certainly not
5 an expert opinion -- that they do go through Ameren if they
6 want to schedule through our lines. But if they want to
7 schedule and they don't go through our lines, they'll
8 schedule around us or somewhere else, but the power may
9 still flow through our lines.

10 Q. Because even though financially the
11 transaction may be through someone else's line, the
12 electricity is going to go to equalize the load according to
13 the physics of it, not to the finances of it?

14 A. That's correct. It goes to the path of least
15 resistance.

16 Q. And sometimes that may be over your lines even
17 though it was scheduled over someone else's lines?

18 A. That's correct.

19 Q. And when it occurs that it's actually
20 scheduled over Ameren's lines, do you know whether or not
21 Ameren gets compensated for the usage of its lines?

22 A. I think it does.

23 Q. Yeah. And if it isn't scheduled, but it flows
24 through there anyway, does Ameren get compensated then?

25 A. I would think not.

1 Q. All of this is supposed to come out in the
2 wash sort of, I suppose, isn't it?

3 A. I guess sooner or later.

4 Q. Okay. So when you're trying -- when you've
5 got a situation like you do on the Bland line, if you have a
6 congestion problem there, is that always noted in the
7 financial transaction that Ameren is involved with or is it
8 sometimes not noted on the financial side? In other words,
9 is it possible that the overload may be coming from
10 transactions that Ameren is not a part of even in regard to
11 scheduling transmission?

12 A. I'd say the answer is yes to the last part of
13 that question.

14 Q. Okay. Is there a first part that I --

15 A. Well, I wasn't sure what the first part was,
16 that's why I said the last part.

17 Q. That's all right. I'll come back to that. So
18 when you say it is possible that some of this congestion
19 over the Bland-Franks line may not be due to scheduling that
20 Ameren has done over that line?

21 A. That's correct.

22 Q. Okay. Is it accurate to -- well, let me ask
23 you this from an engineering standpoint. What, if anything,
24 does Ameren do when it gets to the point where that capacity
25 on that Bland-Franks line gets into an area which is too

1 high?

2 A. Well, there are a couple of things it can do.
3 One, is it can try to identify the reason why it's high.
4 And it could be from somebody else's schedule, it could be a
5 line is outaged somewhere. They try to identify that and
6 ask for line loading relief.

7 And if they can get that, that's fine. If in
8 a certain period of time they find out they can't get that
9 and the line is still heavily loaded or getting higher, than
10 they may have to go to reducing an uneconomic dispatch of
11 generation.

12 Q. And whose generation are we talking about?

13 A. Probably ours.

14 Q. So even though Ameren didn't create
15 necessarily the congestion, may not have even scheduled the
16 congestion, Ameren is the one that trims back on its
17 generation?

18 A. That's correct. That's what we have control
19 over.

20 Q. I understand. But Ameren didn't necessarily
21 create the problem?

22 A. That's correct.

23 Q. When you get to the issue, however, of
24 physically not allowing any more over that Bland-Franks line
25 then it's supposed to have over it, physically what do you

1 do to trim back on that load? Is there anything else you
2 can do besides cutting back on the generation somewhere on
3 the line?

4 A. Well, you only have two options, drop load or
5 decrease generation. And that's --

6 Q. All right.

7 A. And then increase it somewhere else to cover
8 your load if you left the load on untouched.

9 Q. Well, here's kind of what I'm getting to. You
10 mentioned earlier something about an inductor or something
11 that could be placed on some lines in order to --

12 A. Yes.

13 Q. -- reduce -- I don't know if it's reducing the
14 amount that can travel on it or what. I'd like for you to
15 tell me what that does.

16 A. Okay. An inductor is -- well, let me back up.

17 Q. That's fine.

18 A. The transmission line has resistance and
19 inductives in it. Let me know if I'm going too deep here.

20 Q. Go ahead. Just explain what you're talking
21 about as you're going along.

22 A. Those are components of a transmission line.
23 It also has what's called capacitance and that's the impact
24 of the three phases of the conductor. It acts like a
25 capacitor.

1 So what you try to do is you try to increase
2 the resistance of the flow of the AC power going across the
3 transmission line. One way you can easily do that is to
4 increase the resistance or the inductance. The higher the
5 inductance, the less the flow.

6 Q. Now, when you say "increase the resistance or
7 the inductance," are you using those terms interchangeably
8 or two different alternatives?

9 A. No. Two different items on the same
10 transmission line.

11 Q. I just want to make sure I'm tracking. Go
12 ahead.

13 A. If you had a DC line, you would not have any
14 inductance, you'd only have resistance. Since it's an AC
15 line, alternating current line, then you have both
16 resistance and inductance and capacitance, but the
17 inductance is what you want to increase to hold back the
18 flow of power or current going through the line.

19 Q. And you want to define inductance? I'm
20 testing your -- your --

21 A. Well, I'm trying to think of an easy way to
22 say that.

23 Q. I figured that. Translation is three-fourths
24 of the battle.

25 A. The easiest way is to talk about henrys

1 divided by two pi omega, but --

2 Q. Translate that.

3 A. I don't know. I may not be able to do that.

4 It's just another way of saying it's an inductance, it's a
5 resistance, it's a -- it's an ability to keep power from
6 flowing across the line.

7 Q. All right. And is it particularly -- is there
8 a particular kind of device that does that?

9 A. It's a big coil.

10 Q. All right.

11 A. If you take a conductor and you wrap it in a
12 loop and you kind of compress that, you can increase the
13 inductance that you have in that particular element. You
14 can make it small, you can make it large depending on the
15 number of turns and the diameter of the coil.

16 When you have three of those, one for each
17 phase of the line, so you increase the inductance, you can
18 increase it so that there's no current flowing on the line
19 or a very, very small amount or you can make it small so you
20 have a lot of current flowing, but not enough that it's
21 causing you the problem. The situation -- is that an answer
22 to the question? I mean, there's a ramification if you do
23 that.

24 Q. What are the ramifications?

25 A. Actually, you decrease the flow on that line,

1 but the power still wants to go from here down to there, so
2 it's -- it squirts around other transmission lines.

3 Q. So if I had a pipe with water in it and I had
4 some other pipe with water in it and this was in -- the
5 bigger pipe is somehow utilized almost up to -- or up to the
6 amount of water that can go through it --

7 A. Yeah.

8 Q. -- sometimes if the pipe is flexible -- and
9 there's some flexibility to it so you can actually put more
10 through it than it was designed for.

11 A. Yes. But then you're taking a risk that
12 you'll rupture it.

13 Q. Yes.

14 A. That's what we're doing here.

15 Q. But it's also possible with this inductor to
16 stiffen up that pipe or to make it so in one area that you
17 can't put quite as much through that pipe if you're using
18 the inductor?

19 A. Yes. You would not be able -- you put kind of
20 a -- you've narrowed the pipe in one area to hold down the
21 flow through there.

22 Q. And that relieves it on down below that area
23 where you reduce --

24 A. Right.

25 Q. -- what can go through?

1 A. Right.

2 Q. So is there an inductor or inductors of sorts
3 on this Bland-Franks line currently?

4 A. No, there are not any.

5 Q. All right. And is that an expensive thing to
6 do?

7 A. Well, it's not terribly expensive, I mean,
8 compared to building of the line, but it's going to cause
9 other problems we need to fix.

10 Q. I understand.

11 A. Okay.

12 Q. I'm just on this subject.

13 A. Okay.

14 Q. So do you have an idea of about what it costs
15 to do that?

16 A. Oh, maybe five, six million dollars.

17 Q. So in some areas it would sound expensive, but
18 when you compare it to some other things like building a
19 transmission line, it's quite substantially less --

20 A. Yes.

21 Q. -- that's what you're saying?

22 A. That's correct.

23 Q. Okay. But your problem is that that forces
24 the electricity somewhere else?

25 A. That's correct.

1 Q. And your concern is that that inductor placed
2 there will force it on other lines that would then have
3 overload problems?

4 A. Yes.

5 Q. And have you documented that in your study?

6 A. It may not be in the report, but we have run
7 the cases. I can check.

8 Q. That would be fine.

9 A. My copy is hard to read, but I think it would
10 be on page 11 of 70.

11 Q. Your copy isn't the only one, but it's not --
12 it's just the size on mine, the print. I can make it out if
13 my arms are long enough.

14 A. Well, there are four cases that we've ran.
15 The D00 case, the D01 case, the D02 case and the D03 case,
16 those all put reactors in the Bland-Franks line as well as
17 reactors in the St. Francois River line -- Rush Island line.

18 Q. And reactor is the same thing as an inductor?

19 A. Inductor.

20 Q. Okay. And what is that saying there --

21 A. Well --

22 Q. -- if you can see it? I understand.

23 A. If you go down to the lower right-hand box,
24 the title of that box is Overton 345 to 161 kV transformer
25 or line -- it's actually a transformer.

1 Q. Yes.

2 A. The rating of that is 300 MVA, megavolt
3 amperes.

4 Q. Okay.

5 A. And if you go to D00 case, the transformer has
6 a rating of 300 MVA, both emergency and normal. If you go
7 down the list, you'll see it's 306, 348, 312, 311, 309, 301,
8 306, 308, 305 and 309. And that's for the outages over on
9 the far left-hand column.

10 Q. Far left-hand column of that block?

11 A. Of that group of boxes.

12 Q. Yes. Okay.

13 A. So that's -- though it's hard to read, it's an
14 outage condition. The first line is base case. The second
15 line is outage, the existing Bland-Franks 345 kV line. The
16 next one is the outage the Rush Island-St. Francois line.
17 Then the Lutesville-Essex-New Madrid line,
18 St. Francois-Lutesville line, Franks-Huben-Morgan, the
19 Franks-Salem-Fletcher, New Madrid-Dell, Shawnee-Marshall,
20 the East West Frankford IP-Shawnee and the Lacygne-Neosho.

21 Those are all the outages that we looked at
22 and those impact with that particular situation, the Overton
23 transformer in the way that I've shown here.

24 And you would have a similar condition on the
25 D01, D02 and D03 case though it lessens, because we're

1 reducing the inductance in the line through this reactor,
2 therefore, there's more power that can flow so you decrease
3 the amount of impact on the other surrounding facilities.

4 Q. And when you do that, what does that -- what
5 does that do to the Bland-Franks line in regard to outage?
6 How much can you reduce the inductance and not get an outage
7 on the Bland-Franks line?

8 I'm not sure if that question ties in with
9 what you just said, but I can go back again. Are you saying
10 that when you're reducing the inductance, is that reducing
11 the inductance on the Bland-Franks line?

12 A. It's increasing the inductance on the
13 Bland-Franks line. It's making it harder for the power or
14 amperes to flow down the line.

15 Q. I understand that. But then you said as you
16 reduced the inductance --

17 A. Yes.

18 Q. -- what are you reducing the inductance on
19 when you're saying that?

20 A. The inductor itself.

21 Q. I understand that. What line?

22 A. The Bland-Franks line.

23 Q. That's what I thought you were saying. What
24 I'm asking you is, as you reduce that inductance on this
25 chart --

1 A. Okay.

2 Q. -- at what point do you get to a place where
3 it is -- you get back into a problem on the Bland-Franks
4 line? Do you see what I'm asking?

5 A. That's below 1.0 percent reactants.

6 Q. Okay. Where does that show up?

7 A. D02 up the group. If you go below the first
8 row of boxes, you have a description of what each one of
9 these cases has. And the D02 case has 1.0 reac-- have to be
10 below that.

11 Q. Okay.

12 A. I didn't run a case for .05 or less, but --

13 Q. Yeah.

14 A. And you can see what the D02 case did. You
15 still had --

16 Q. I'm trying to, but --

17 A. Okay.

18 Q. -- it's sort of hard to see it.

19 COMMISSIONER GAW: I suspect we probably -- do
20 we have an exhibit that has larger print, Judge?

21 JUDGE DIPPELL: I don't believe so.

22 COMMISSIONER GAW: Maybe it would be helpful
23 if the parties supplied that to us at some point.

24 MR. RAYBUCK: We'd be glad to do that, your
25 Honor.

1 JUDGE DIPPELL: Thank you, Mr. Raybuck.
2 BY COMMISSIONER GAW:
3 Q. What does that mean to you then at D02? What
4 are the ramifications at D02 again? I think you already
5 went through that, but that's the hinge point, as I
6 understand it.
7 A. Well, no. It would be below that. We still
8 have overloads on the D02 case. They're not that much, but
9 they're still right close to there. So it would be below
10 the D02 case, the impedance value, which is about 1 percent.
11 Q. All right. And that assumes that the load
12 stays the same?
13 A. Yes. Everything else is the same in the case.
14 Q. And, again, just to make sure I'm following
15 you, the problems on the Bland-Franks line are not due
16 simply to Ameren's native load?
17 A. That's correct.
18 Q. Do you know if there is in any of the material
19 that's been supplied that's contemplated to be put into
20 evidence, do you know if there are any maps of the major
21 transmission lines in Missouri?
22 A. I do have a map that I brought with me.
23 Q. Is it in any of the documents that we have?
24 A. No.
25 Q. I wouldn't mind seeing that if you have one

1 that's -- that we can all see. If it's just on a small
2 page, it might be difficult.

3 MR. RAYBUCK: If I can respond to that, your
4 Honor. We had a couple of maps attached to our application
5 filed back in January that were black and white maps. We
6 have a colored map, which I think would be of more use to
7 you. It's a map of all of the transmission lines in MAIN,
8 the reliability council covering Illinois and eastern
9 Missouri. And we have copies of that and can make that
10 available to you now, if you would like.

11 COMMISSIONER GAW: I think it would be good to
12 have that.

13 JUDGE DIPPELL: So that's a colored copy of
14 what was marked as -- I was trying to see if it was labeled
15 as an exhibit to your application.

16 THE WITNESS: Can I see what it looks like? I
17 can tell you.

18 MR. RAYBUCK: The map attached to the
19 application is different from the MAIN map. What we
20 attached to our application, if I remember correctly, is a
21 map of the Ameren transmission system. And this includes
22 not only Ameren's transmission system, but the transmission
23 systems of other utilities in MAIN such as Commonwealth,
24 Edson, Illinois Power, etc.

25 JUDGE DIPPELL: Then in that case why don't we

1 just mark it as a separate exhibit. And do you have enough
2 copies for counsel as well?

3 MR. RAYBUCK: Well, I have five copies right
4 now, I'm afraid, and we will get more.

5 JUDGE DIPPELL: Okay. Could you show that to
6 Mr. Deutsch and the other counsel --

7 MR. RAYBUCK: I'd be happy to.

8 JUDGE DIPPELL: -- so they can see if they
9 would have any objection to it?

10 Why don't we see if counsel could kind of
11 share a copy and then I'm going to see if we could maybe put
12 that on this white board over here. Let's go off the record
13 just a moment while we figure this out.

14 (AN OFF-THE-RECORD DISCUSSION WAS HELD.)

15 JUDGE DIPPELL: What we've done here is kind
16 of distribute out the copies that we have and Mr. Raybuck is
17 going to give us some additional copies after -- I'm going
18 to mark that as Exhibit No. 52 just for identification
19 purposes.

20 And then I'm sorry, Commissioner Gaw. Did you
21 have a question then about the transmission lines? Am I
22 correct to call that a map of the transmission lines -- of
23 the major transmission lines in Missouri, Illinois and other
24 midwestern states?

25 THE WITNESS: Yes. That's good enough.

1 COMMISSIONER GAW: Mid-America Interconnected
2 Network, Inc. That's the title.

3 THE WITNESS: That's the green and the yellow
4 only. Everything else is in another reliability council.

5 THE WITNESS: Do you want me to sit down or --

6 JUDGE DIPPELL: Whichever you think is going
7 to be easiest. If you want to stand up here while
8 Commissioner Gaw asks you questions about the map, you can
9 do that and just --

10 COMMISSIONER GAW: Just whatever.

11 JUDGE DIPPELL: Speak up if you don't mind, so
12 people can hear you.

13 BY COMMISSIONER GAW:

14 Q. I wish we had it so other people could see,
15 but I think what I'd like to do is, first of all, tell me
16 what this is again.

17 A. Okay. This is -- I can turn this around if
18 you'd like.

19 Q. That would be fine. That way people could see
20 it out there.

21 A. This is a map that MAIN has available to the
22 members. And the green and the yellow portion of the map is
23 the MAIN area, the companies involved and are members of the
24 MAIN reliability council.

25 Q. Let me stop you there. What does MAIN stand

1 for?

2 A. Mid-America Interconnected Network.

3 Q. Thank you. Okay. Go ahead.

4 A. Okay. The important lines that we've been

5 dealing with here are essentially the red lines on there,

6 they're the 345 kV lines. If I could direct you to -- I

7 guess about the center of the state, the --

8 Q. Why don't you go ahead and point out over

9 there and just read to me where you are.

10 JUDGE DIPPELL: Let me stop again. I have

11 another -- I have another technological solution. If anyone

12 knows how to use Elmo, I think we could fold this small

13 enough that we could actually project it on our screen. So

14 I'm going to go off the record one more time while I figure

15 out how to set that up and then we can all see it together,

16 so let's go off the record.

17 (A RECESS WAS TAKEN.)

18 JUDGE DIPPELL: I apologize for the delay. I

19 was trying to get it so that everybody could see what we're

20 looking at. And I'm going to allow our technician to keep

21 working in the background there and we're going to go ahead

22 with these questions. If counsel need to come forward so

23 they can see what we're talking about, then feel free to do

24 that.

25 Commissioner Gaw?

1 COMMISSIONER GAW: Thank you.

2 BY COMMISSIONER GAW:

3 Q. Is it easier for you to work off of that

4 television screen?

5 A. I can.

6 Q. If you want --

7 A. Otherwise, I can point on your map.

8 Q. I think if you'd work off of the screen -- I

9 don't know if counsel can see the screen, that would be

10 better.

11 MR. LOWERY: We can see it.

12 JUDGE DIPPELL: If Mr. Mitchell points on the

13 map on the Elmo there, your hand will project on the screen.

14 THE WITNESS: Is that what you want?

15 JUDGE DIPPELL: Yeah. So you can point to it

16 there, but you may want to then stand to the other side of

17 the Elmo so that the Commissioners can see the screen.

18 There you go.

19 THE WITNESS: Okay. I was in the process, I

20 think, of explaining the red lines on the diagram.

21 BY COMMISSIONER GAW:

22 Q. That would be great. Go ahead.

23 A. The red lines are the 345 kV lines, which we

24 were talking about this morning. And if you can identify

25 the Bland-Franks line, which is -- my fingers -- see, that's

1 Franks and there's Bland.

2 Q. There you go.

3 A. Okay. That's the line that we're talking
4 about. If you were to kind of look at the Bland line, our
5 Bland Substation --

6 Q. Yes.

7 A. -- and if you notice everything to the north
8 of that will fall in kind of a north 345 transmission grid.
9 And if you go to Franks and look at the south part, you have
10 the south 345 kV grid.

11 Q. Right.

12 A. Now, if you look at how those two grids are
13 connected, you'll see that the Bland-Franks is one short
14 path, but there are no others until you get over into
15 Kansas, there's another line over there. And then if you go
16 to eastern Missouri, there's a line that goes from Tyson to
17 Rush Island to St. Francois and then it heads down to
18 Lutesville, then on down to New Madrid. And at that point
19 it connects to the south grid.

20 Q. All right.

21 A. So that's -- so if you go then to the center
22 of the state, there's only one 345 kV line that connects to
23 the north and the south grid.

24 Q. Right. And the lines that are -- there's an
25 east/west 345 that runs from Kansas City eventually over to

1 St. Louis?

2 A. Yes. The --

3 Q. Who owns that if -- and it may be multiple

4 parties.

5 A. We own the line from -- I'll use the general

6 terms from St. Louis to Overton. And then from that point

7 on, it's owned by -- used to be MoPub, I guess it's Aquila

8 now.

9 Q. All right.

10 A. They own that line.

11 Q. All right. And the one farther south down

12 there that seems to run somewhere around --

13 A. Morgan?

14 Q. Well, I'm looking --

15 A. Neosho.

16 Q. -- Neosho and runs east.

17 A. That's all Associated Electric Co-op. I think

18 from Neosho to Morgan to Cuba to Franks, Salem to Fletcher

19 and on down to New Madrid.

20 Q. All right. Okay. Now, if you look up at the

21 345 -- and this helps me to visualize this using this map,

22 so I apologize. We're tracking some of this that you've

23 already been over.

24 A. That's fine.

25 Q. It's easier to see it this way. The stretch

1 that has the congestion currently that we're talking about,
2 is that -- I think you've been referring to that as the
3 Bland-Franks line; isn't that correct?

4 A. Yes. That's correct.

5 Q. Is the portion north of there from Callaway to
6 Bland, is that experiencing congestion?

7 A. No, it's not.

8 Q. All right. But there's sort of almost a
9 wishbone there?

10 A. Comes from Labadie to Bland --

11 Q. Yes.

12 A. -- and two lines from Callaway down, yes,
13 there's two lines that go into Bland and the other line goes
14 south.

15 Q. Is the intersection of those two 345 lines
16 part of what's causing the problem because you have the two
17 pipes going into one, so to speak?

18 A. Well, you do have two sources and if you'll
19 notice at the other end of the non-Bland end, you have two
20 power plants. You have Labadie on the Labadie-Bland line
21 and you have Callaway, which is on the Callaway-Bland line.
22 Those are two power plants that when you have transfers,
23 displaces power from those to plants down the line.

24 Q. All right.

25 A. Not that they're the cause of the line,

1 they're just part of the transmission system.

2 Q. Right. So if we were talking about -- now,

3 the current proposal for this line, would you point to where

4 it runs from and to again?

5 A. Just a second.

6 Q. If you want to point on the screen.

7 A. I'm moving Callaway down.

8 Q. Oh, I'm sorry. Go ahead.

9 A. Callaway is up here, it will go down by

10 Chamois and then follow this line here down to about this

11 location. Then it heads down towards Franks and away from

12 Maries --

13 Q. All right.

14 A. -- Maries.

15 Q. So it will be construction along that path?

16 A. Yes. This -- this path right here.

17 Q. All right. Okay. I'm sure there's an easy

18 explanation for this. Earlier I heard you say that part of

19 the reason for doing this was the amount of distance is

20 shorter or something about distance being shorter; is that

21 correct?

22 A. Yes. What I was comparing was the line from

23 Callaway to Bland to Franks versus the line from Callaway to

24 Franks via this path.

25 Q. Yes.

1 A. And if you compare those two, it's 16 miles
2 longer this way then this way.

3 Q. Yes. Now, if you were to look at a
4 construction to fix this problem that would follow along the
5 existing 345 path, would you need to construct anything from
6 Callaway down to Bland?

7 A. No. There's already two lines there --

8 Q. Okay.

9 A. -- they're parallel.

10 Q. So the construction in that case would just go
11 from Bland down to Franks?

12 A. That's correct.

13 Q. So the actual construction mileage would be
14 less?

15 A. That's correct.

16 Q. Do you know by about how much?

17 A. I think -- I don't know how much less, but I
18 can tell you this is about 44, 45 miles and this is 54 miles
19 approximately.

20 Q. All right. Okay. So somewhere around
21 14 miles difference?

22 A. Okay, 44, 54 -- 10 miles difference.

23 Q. Ten miles. I'm sorry. I misunderstood what
24 you were saying. So 10 miles difference?

25 A. Ten miles difference.

1 Q. Thank you for correcting me. All right. And
2 I guess if we're looking at the place where this
3 congestion -- the congestion could be originating from all
4 over the place, I suppose, and going through that pathway;
5 is that correct?

6 A. Well, the congestion is the Bland-Franks line,
7 but the cause can be from a variety of places.

8 Q. Yeah. And it's difficult to identify what
9 those causes are because they could be different from one
10 minute to the next?

11 A. Yes, they could.

12 Q. Okay. As we're moving along here with changes
13 under -- that are being proposed in regard to management of
14 the line -- let me ask you this I guess, first of all.

15 When you construct a new transmission line
16 under the current regulatory environment, does Ameren expect
17 that Ameren's customers will pay for the construction of new
18 transmission?

19 A. I really don't know how the -- how that works.
20 I would assume that they would, but you're in the
21 regulatory -- I don't know how that works.

22 Q. Okay. That's fine. If there's a change being
23 proposed at the federal level in regard to how transmission
24 lines are -- the funding for them is done, are you familiar
25 with that at all?

1 A. No, I'm not.

2 Q. Are you familiar at all with the proposed
3 changes in federal rules by FERC that are currently pending
4 in front of them?

5 A. The only part that I know is that they're
6 changing the rule from -- I think it's going to go to the
7 seven-factor test as to the definition of whether it's
8 transmission or distribution. That's the only part that I'm
9 aware of.

10 Q. So you really haven't been involved in the
11 ongoing discussions about that rule-making?

12 A. No, I have not.

13 Q. But you are familiar with the fact that they
14 may be -- they are proposing and are pushing for the
15 management of transmission lines to be housed somewhere
16 other than regulated utilities?

17 A. That's correct. I am familiar with that.

18 Q. And are you also familiar with the fact that
19 they are also promoting the idea that there will not be a
20 preference for native load service by regulated utilities
21 over transmission lines that they own?

22 A. I -- I don't really have much knowledge of
23 those regulations or those proposed regulations.

24 Q. Is it possible that part of the reason for the
25 construction of this line then is due to factors that have

1 absolutely nothing to do with serving the native load?

2 A. Well, we know that there are contributions
3 from other transmission users that impact the flow on this
4 line, but since we are still serving our customers in a
5 reliable fashion, we need to correct any deficiencies so we
6 can continue to serve our customers in a reliable fashion.

7 Q. And to some extent, they have to bear the --
8 those customers bear the burden, don't they, of helping to
9 pay for this construction?

10 A. I guess -- I guess so.

11 Q. Even though if it were not for this congestion
12 that were caused by others that have nothing to do with
13 Ameren's native load, they wouldn't need this additional
14 line in order to be served by your generation?

15 A. If there were no overloads, then we wouldn't
16 need to build the line.

17 Q. And don't you think that for the most part
18 these overloads are caused by the movement of electricity
19 with out the state, through the state and outside of the
20 state again?

21 A. That's a contributing part, but we still have
22 the independent power producers that are in our system and
23 are wanting to use our transmission and we have congestion.

24 Q. And when you say "independent," that means
25 they're not owned by Ameren or its affiliates?

1 A. That's correct. That's correct. We don't own
2 them.

3 Q. But they want to utilize your lines?

4 A. Yes, they do.

5 Q. And isn't it true that FERC has been pushing
6 for that to occur?

7 A. They -- yes, they have pushed that the
8 independent power producers do have full access of the
9 transmission system. And if there is a constraint
10 somewhere, that it be fixed and -- so they can have free
11 access to the transmission system.

12 Q. Well, not necessarily free, is it?

13 A. Well, no, it costs. But I mean access to the
14 transmission system.

15 Q. I thought that's what you meant.

16 A. Yes.

17 Q. But, in essence, you're not -- do you believe
18 that the Federal Energy Regulatory Commission is moving even
19 farther in that direction with the rule-making that they've
20 proposed, if you know?

21 A. I don't know.

22 Q. Are any of the individuals who are along the
23 path of this proposed construction to be served by
24 electricity that will go over that line?

25 A. I'm sure they will be, because that's a

1 transmission system and it connects down to distribution
2 facilities. And the power will go into probably Franks and
3 Maries and back into the distribution system that will serve
4 these customers.

5 Q. Do you think they would have any problems
6 getting electricity if it were not for the movement of
7 electricity that has nothing to do with Ameren or
8 Associated?

9 A. Probably not.

10 COMMISSIONER GAW: I think that's all I have.

11 THE WITNESS: Should I sit down?

12 JUDGE DIPPELL: You may take your seat again.

13 Thank you, Mr. Mitchell.

14 BY COMMISSIONER GAW:

15 Q. I might say -- and I'm assuming somebody may
16 ask for it, but if I might, if I could, just a couple of
17 questions to follow-up.

18 A. Sure.

19 Q. This map that you've been referring to, which
20 is marked as Exhibit 5--

21 A. -- 2.

22 JUDGE DIPPELL: It's marked as Exhibit 52.

23 BY COMMISSIONER GAW:

24 Q. Exhibit 52, are you familiar with the line
25 placement in general that's represented on that map?

1 A. I'm not sure I understand your question.

2 Q. Are you familiar with the grid that's shown on
3 that map in general?

4 A. Pretty much so.

5 Q. And do you believe it to be a fair and
6 accurate description or pictorial of that grid as it exists
7 today?

8 A. It's not as geographical as I would like it to
9 be, but it's a close approximation.

10 COMMISSIONER GAW: All right. I think that's
11 all I have, but I would -- Judge, at some point in time if
12 somebody doesn't ask for it, I'd like to see that in the
13 record in evidence.

14 JUDGE DIPPELL: I'm going to ask for it.
15 Would there be any objection to us admitting Exhibit No. 52?

16 MR. DEUTSCH: No objection.

17 MR. BATES: No objection.

18 JUDGE DIPPELL: Thank you. I'll admit
19 Exhibit No. 52 into the record.

20 (EXHIBIT NO. 52 WAS RECEIVED INTO EVIDENCE.)

21 JUDGE DIPPELL: Okay. Commission Forbis, I
22 believe you had some -- oh, are you --

23 COMMISSIONER GAW: I'm done.

24 JUDGE DIPPELL: Commissioner Forbis, I believe
25 you had some questions.

1 QUESTIONS BY COMMISSIONER FORBIS:

2 Q. Good afternoon.

3 A. Good afternoon.

4 Q. We spoke this morning, we're speaking this

5 afternoon, we'll see if it gets to be evening. Just a

6 couple questions. Thank you.

7 A. Okay.

8 Q. Mostly about your direct testimony. On

9 page 19, about there in the middle of lines 13 through 19,

10 you talk about three -- it looks like three things that

11 Ameren was going to do as a result of the joint study to

12 mitigate the heavy loading. And one of those was

13 construction of the Callaway-Franks 345 line?

14 A. Can I ask you what page you're on?

15 Q. I'm sorry. Page 19. Maybe I didn't say that.

16 I apologize.

17 A. No. You did say that. I just couldn't

18 remember it. Okay.

19 Q. And I was just curious with regard to those

20 other two plans. Are either of those underway or are there

21 plans to put them underway? Are they happening?

22 A. The Rush Island/St. Francois line was one of

23 them.

24 Q. Yes.

25 A. It is currently underway. I can't tell you

1 whether or not the construction has started yet or not, but
2 I would assume that if it hasn't, it's pretty close to.

3 Q. Okay.

4 A. The Callaway-Franks line is the one we're
5 talking about today. And the Franks transformer is a
6 transformer that Associated needs to install at Franks
7 Substation because it would be overloaded.

8 Q. But they will be doing that?

9 A. It's my understanding that they will be doing
10 that, that's correct.

11 Q. So all three are in play. And if one of those
12 three does not happen, then the issue won't be resolved and
13 while the other two might take place to help mitigate the
14 problem, it wouldn't resolve the problem?

15 A. Actually, the Rush Island/St. Francois line,
16 if that one were delayed, the Callaway-Franks line would
17 still take care of the congestion problem on Bland-Franks.
18 And the Franks transformer, that is to keep that from being
19 abused and being overloaded and cause to maybe become
20 damaged. So as far as I know, that is still underway, but
21 it weren't, that could be a concern for Associated's
22 existing transformer.

23 Q. And so if I understand, if 1 doesn't happen,
24 No. 2 would resolve the problem being the Callaway-Franks
25 line?

1 A. That would still take care of the overload on
2 the Bland-Franks line.

3 Q. Thank you. I'm making some notes here.

4 On page 22 of your direct testimony, lines 14,
5 15 and 16 you mention that none of these proposals performed
6 as well as the Callaway-Franks line to relieve the loading.
7 Why was that?

8 A. Well, they're far away from the actual
9 overloading. If you -- let's just go through those.
10 Overton-Franks -- Overton is west of Columbia, it's very
11 near Boonville. And a line from Overton down to Franks does
12 not really help impact the overload on the Bland-Franks
13 line.

14 And the next one is Pleasant Hill to Morgan.
15 Pleasant Hill is out by Kansas City and that extends down to
16 Morgan. I think you can see that on your map. It extends
17 down there. Again, that is too far away to provide adequate
18 relief for the Bland-Franks line.

19 And from Callaway to Jefferson City to Franks
20 or Callaway-Jefferson City to Huben, which both were
21 studied, it's just a longer line and is unnecessary based on
22 the study at that point.

23 Q. So all the other ones were discounted because
24 basically the distance and it turned out the Callaway-Franks
25 was the most direct and shortest in your judgment?

1 A. The superior performance, right.

2 Q. Okay. There's been some discussion -- I think
3 you talk about it a little bit in your surrebuttal. There
4 are other options. You can put multiple lines on the same
5 pole, you can raise the pole. And other witnesses for
6 Ameren talk about the cost of being too high generally.

7 Has your company done that though? I mean, is
8 that something that you have used in the past in lieu of
9 developing a new line, doubling up lines, raising the height
10 of the pole, whatever, if you know?

11 A. I know we build them initially double circuit
12 or single circuit. I'm trying to think if we've ever come
13 back -- I can't recall any where we've come back and pulled
14 one out and put another one in or replaced it with a tower
15 that would occupy a new circuit as well as the existing
16 circuit.

17 It causes a few problems, one of which is why
18 was that line there in the first place? It's there because
19 it's needed. And if you remove it, you're probably going to
20 be impacting the reliability of the remaining substations
21 and lines, their ability to serve the customer.

22 So we really don't want to take that line out,
23 especially for an extend period of time. During
24 construction for a day or two or maybe a week, that may be
25 tolerable, but to take the line out for a long period of

1 time is not something that we would do.

2 Q. And the whole line has to be taken out in
3 order to do the construction?

4 A. That's correct.

5 Q. You can't do it in phases or you can't bypass
6 it necessarily because you'll still have a hole in the grid
7 basically?

8 A. That's correct.

9 Q. Okay. Thank you. I had one other question.
10 I'm curious. Have you read the statement of position of the
11 Intervenors, Concerned Citizens of Family Farms?

12 A. I probably have, but I don't have it in front
13 of me.

14 Q. Well, are you familiar -- they listed six
15 conditions that should the Commission grant the certificate,
16 they would like to see included. And Public Counsel this
17 morning in opening statement alluded to them. Are you
18 familiar with the six conditions at all that they talk
19 about?

20 A. No, I'm not.

21 Q. Not comfortable --

22 A. I don't know what they are and they probably
23 don't pertain to me, since I don't know remember what they
24 are.

25 Q. Fair enough. I might see if someone else from

1 Ameren can talk about those because I'd like to know the
2 position of Ameren with regard to those positions.

3 COMMISSIONER FORBIS: That's it. Thank you
4 very much.

5 THE WITNESS: Thank you.

6 JUDGE DIPPELL: Thank you.

7 QUESTIONS BY JUDGE DIPPELL:

8 Q. I have just a couple of questions for you,
9 Mr. Raybuck.

10 A. Mitchell.

11 Q. Sorry, Mr. Mitchell. Getting myself confused.

12 On page 6 of your direct testimony at line 23
13 you mention -- you're discussing interconnections with the
14 electrical power grid and the benefits provided there. And
15 one of those is it says, And allow the company to access
16 power from other systems when necessary in case of emergency
17 or when it is economically desirable when cheaper power is
18 available from sources other than the company's generating
19 units.

20 And I'm just wondering if you know
21 specifically any instances when cheaper power has been
22 available from other sources other than the company's
23 generating units?

24 A. I can't tell you the frequency of it. I know
25 it's available. We may have some generating station that

1 could produce -- I'll just throw out a number out, whether
2 it's meaningful or not -- say it's \$20 a megawatt hour, but
3 we can go to a a place in Iowa or Chicago and get it for \$15
4 a megawatt hour, then we may go there and get it.

5 Q. And who are the -- when you talk about the
6 interconnective grid, are you talking about all of the
7 states that appear on the map that we've admitted as
8 Exhibit 52?

9 A. And more.

10 Q. And more?

11 A. If you draw a line -- it's not exactly a
12 straight line, but around the Rocky Mountains in Colorado
13 and up in Wyoming -- I think it's the eastern part of
14 Wyoming and up into Montana and down into New Mexico.

15 That's kind of -- from that point to the east
16 coast is what's generally called the eastern interconnected
17 system. And all of those -- all of those elements are on
18 the eastern interconnected transmission system. So they're
19 all connected.

20 Q. Okay. And then I think these may be
21 referenced on the map also, but on page 20 of your direct
22 testimony, you mention several different lines by name, the
23 St. Francois-Esther-Rivermines line and so forth. Are all
24 of those Missouri lines that you discuss there in that
25 paragraph under line 8 down?

1 A. Yes. From line -- well, from line 10 where I
2 start talking about these overloaded, down through line 14,
3 those are all Ameren lines.

4 Q. Are the Ameren lines in Missouri?

5 A. Yes, they are.

6 JUDGE DIPPELL: Okay. All right. That's all
7 the questions I have. At this time then we'll go ahead and
8 take recross based on questions from the Bench. So I will
9 start with Staff.

10 MR. BATES: No, thank you, your Honor.

11 JUDGE DIPPELL: Public Counsel?

12 MR. COFFMAN: No questions.

13 JUDGE DIPPELL: Mr. Deutsch?

14 MR. DEUTSCH: Just a couple, your Honor.

15 RE CROSS-EXAMINATION BY MR. DEUTSCH:

16 Q. We lost our map, Mr. Mitchell, but referring
17 to Exhibit 52 --

18 JUDGE DIPPELL: Would you like me to put the
19 map back up there?

20 MR. DEUTSCH: You could do that?

21 JUDGE DIPPELL: I might be able to.

22 MR. LOWERY: This is a test.

23 JUDGE DIPPELL: I have a cheat sheet.

24 BY MR. DEUTSCH:

25 Q. All right.

1 A. All right

2 JUDGE DIPPELL: Whoops. Had it. There we go.

3 Okay. There's your map. If you need to, you can hit zoom

4 out on that device and it will get bigger.

5 MR. DEUTSCH: I think I've got what I need.

6 BY MR. DEUTSCH:

7 Q. Mr. Mitchell, can you hear me over there?

8 A. I'm here.

9 Q. I was just curious, you mentioned in your

10 testimony in response to Commissioner Gaw that there's

11 already two lines between Callaway and Bland -- is that one

12 of the red lines? Yeah. That's it right there. I take it

13 that's the one that doesn't need anything done to it,

14 problems are all down here. Right?

15 A. That's correct.

16 Q. How big are the two lines between Callaway and

17 Bland?

18 A. I think they're both around 1,400 MVA each --

19 1,400 megawatts, I'll just use the short term. They're two

20 that run parallel.

21 Q. Right next to each other?

22 A. Yeah. Double circuit tower.

23 Q. They're bigger than 345 kilovolt, aren't they?

24 A. No. They are operated at 345 kilovolts.

25 Q. But compared to the H-frame structures you're

1 talking about on the proposed line, aren't those -- that's
2 pretty big? It's set up on steel and lattice work and so
3 forth, isn't it?

4 A. It's set -- again, a double circuit tower
5 structure and that's why it's steel lattice structure.

6 Q. Doesn't it make sense that if you have all
7 that capacity between Callaway and Bland, that building all
8 that more distance for any reason rather than just
9 correcting the problem between Bland and Franks makes very
10 little sense, doesn't it? Can you explain that to me?

11 A. Sure. What we're planning to do is to utilize
12 about six miles of that double circuit line coming across
13 from Callaway down to Chamois tapping into one of those
14 circuits and extending on down the remaining 54 miles. And
15 that's -- that conductor that goes down to Franks would have
16 the same capacity as the circuit that would come from
17 Callaway down to that point.

18 Q. What point?

19 A. Chamois.

20 Q. Chamois. And same capacity as what continues
21 from Chamois down to Bland?

22 A. Same capacity.

23 Q. Isn't that kind of a redundancy to build
24 another line over that same distance?

25 A. Over what distance? The --

1 Q. Well, the part of the line that's going to go
2 down from Chamois where you're going to hook into the
3 existing two lines that you have and then swing it out here
4 through the Callaway-Franks corridor that you're proposing.
5 Some of that is redundant to this line over here that has
6 plenty of capacity?

7 A. If you connect it up that way. But that's not
8 a reliable way of doing, but sure, you could do that.

9 Q. What's an ESO?

10 A. Energy supply office. Sorry. Those just come
11 out.

12 Q. I've got one other question, if I can find it.
13 Oh, I know what I wanted to ask you about was Commissioner
14 Murray's question triggered a thought in my mind, because
15 Commissioner Murray was concerned about technology. And
16 you're an engineer, you've been at this for 30 years or so.
17 Does it seem that the technology for building power lines
18 seems to not have progressed much in 30 years?

19 A. Well, there's not a whole lot you can do to
20 them.

21 Q. Hasn't changed a lot, has it?

22 A. Hasn't changed a whole lot.

23 Q. Technology in a lot of other engineering areas
24 has changed quite a bit. Would you agree?

25 A. Yes.

1 Q. Could it be that the reason why technology
2 isn't important in building power lines is that the land to
3 put the power lines out there is so cheap that there's no
4 incentive for anybody to investigate any technology?

5 A. I don't think so.

6 Q. You don't think so, huh? And that maybe
7 because of the right of eminent domain, because you can get
8 the land whenever you need it, there really isn't any reason
9 to do it any different, is there?

10 A. I think the reason is there's not a whole lot
11 of opportunity to advance the technology in there. There's
12 just not that much that's new. There are systems like DC
13 lines, there are systems like Facts, but those particular
14 technologies require a multiplicity of Facts systems
15 throughout the area, otherwise, you just end up, like,
16 putting an inductor or a phase shifting transformer in the
17 line.

18 Q. I didn't understand a word of that, but I
19 agree with you. It just seems to me -- I just want your
20 opinion on it because it relates to this technology issue.
21 Don't you think that so long as the technology really needs
22 not to develop so long as you can continue to build power
23 lines wherever and whenever you want?

24 A. We have in the country an organization called
25 EPRY and they do active research on trying to make the power

1 system more reliable and better and do whatever they can to
2 improve the efficiency of the transmission system and the
3 distribution system. And it just so happens that there's
4 just not much that can be done. When you have a conductor
5 that's overloaded, it's overloaded. You have to do
6 something about it.

7 MR. DEUTSCH: That's all the questions I have.
8 Thank you, Mr. Mitchell.

9 JUDGE DIPPELL: Thank you.
10 Is there redirect?

11 MR. RAYBUCK: Not as to the Commissioner's
12 questions, your Honor, but I have other redirect.

13 JUDGE DIPPELL: You may go ahead and do your
14 other redirect. Are you going to need the map, Mr. Raybuck?

15 MR. RAYBUCK: It might help. If you could
16 leave it up there, that would be appreciated

17 JUDGE DIPPELL: We'll just leave it up.

18 MR. RAYBUCK: A couple of my questions, your
19 Honor, pertained to the proprietary exhibit. To minimize
20 the procedural headache, I'll try to avoid getting into
21 proprietary information so we won't have to go in-camera, if
22 that's all right with you.

23 JUDGE DIPPELL: All right.

24 REDIRECT EXAMINATION BY MR. RAYBUCK:

25 Q. Mr. Mitchell, Mr. Coffman asked you some

1 questions about the joint study and the fact that it was a
2 draft. Do you recall those questions?

3 A. Vaguely.

4 Q. It's been a while, I know. What would you
5 need to do to finish -- to finalize the draft report?

6 A. I think I put in my direct testimony that I
7 need to write the executive summary, which is blank on the
8 draft report. There's some typos that I need to correct.
9 Otherwise, we were satisfied that it represented what we
10 did.

11 Q. Anything else?

12 A. No.

13 Q. And I'm not sure the record is clear on this.
14 You indicated in response to Mr. Deutsch's questions that
15 April 30th of 2002, which appeared on the printout, was not
16 the date of the study. Do you recall --

17 A. That's correct.

18 Q. -- that kind of question?
19 When did you author this study?

20 A. Well, the study, the report actually -- you
21 mean the study or the report?

22 Q. Excuse me. What is the initial date that you
23 developed this draft?

24 A. The -- let me just say it this way. The
25 report was finalized during a meeting. And I think it was

1 in November of 2001 at one of the joint meetings. And we
2 talked about the study and decided that all the comments
3 were in, Associated Electric Co-op was agreeable with what
4 was in there in the study and that's when it was essentially
5 finished except for the summary that I mentioned earlier.

6 Q. November of 2001?

7 A. I think that's right.

8 Q. Mr. Deutsch asked you also some questions
9 about when Bland-Franks would be in a safe condition or an
10 unsafe condition. I'm not sure that the testimony is clear,
11 so I'd like to ask you if you could summarize when, in your
12 opinion, the Bland-Franks line is not in a safe condition?

13 A. It's when it's operated above its designed
14 specifications, which means that it would be overloaded in
15 those situations.

16 Q. Thank you. One other question about the
17 proprietary documents. And, again, I'll try to avoid
18 getting into confidential materials. You were asked by I
19 believe Mr. Deutsch about a letter of intent signed between
20 Ameren and Associated. Do you recall getting a question
21 like that?

22 A. Yes, I do.

23 Q. And my question simply is, does the joint
24 study include the letter of intent that Mr. Deutsch was
25 asking you about?

1 A. No, it did not. The joint study was -- the
2 joint study was separate, the letter of intent was separate
3 from the report.

4 Q. Well, let me ask it this way. If you could
5 turn to page -- to Schedule 4 --

6 A. I see it.

7 Q. -- page 59 of 70. And, again, without getting
8 into any confidential information, does this set forth the
9 letter of intent that describes the agreement reached
10 between Ameren and Associated?

11 A. Yes. Starting on page 59 and going through
12 page 64 is the letter of intent. Starting on page 65 and
13 going through page 70 is the agreement.

14 Q. And what is the date of the letter of intent?

15 A. The letter of intent is May 25, 2001.

16 Q. Does it summarize the agreement reached
17 between Ameren and Associated with respect to the
18 construction of the Callaway-Franks line and related
19 construction?

20 A. Yes, it does.

21 Q. You were asked by Mr. Deutsch about the
22 Bland-Franks -- existing Bland-Franks line and how many
23 properties are located along that line and who the property
24 owners might be. Do you recall those questions?

25 A. Not really.

1 Q. Well, I believe your answer was you did not
2 know how many properties we were talking about and you did
3 not know how many property owners we were talking about or
4 who the property owners were.

5 A. That's correct.

6 Q. Do you recall giving an answer to that effect?

7 A. I can tell you that I don't know who they are.

8 Q. Okay. Well, my question to you is, what do
9 you know about the make-up of this area in terms of the
10 terrain and in terms of the type of business activities that
11 might be located along the Bland-Franks line?

12 MR. DEUTSCH: Your Honor, I'll object to that.
13 He's already answered my question that he doesn't know
14 anything. Now all of a sudden we're not going to according
15 to what the scope of cross was, we're going according to
16 what exceeds the cross of scope to talk about some
17 additional subjects. I didn't ask him any of those
18 questions and I object to it.

19 MR. RAYBUCK: May I respond?

20 JUDGE DIPPELL: Yes.

21 MR. RAYBUCK: I believe this is appropriate
22 follow-up, your Honor. Mr. Deutsch asked specific questions
23 as to the number of properties and who the owners were. I
24 believe it's appropriate for me to ask Mr. Mitchell what, if
25 anything, he knows about the area in general.

1 JUDGE DIPPELL: I'll allow it.

2 THE WITNESS: All I know about that is that

3 it's prob-- I really don't know much about that area. If I

4 know anything about it, I would assume that it was very

5 similar to what you have over on the other line, but I

6 really don't know that.

7 BY MR. RAYBUCK:

8 Q. Okay. Thank you. Mr. Mitchell, you were

9 asked by Commissioner Gaw some questions about inductors and

10 inductance. And my question to you is, did your Direct

11 Testimony address any analyses you did with regard to using

12 inductors as an alternative to the Callaway-Franks line?

13 A. Yes, it did.

14 Q. Can you direct us where in your testimony you

15 discussed this topic?

16 A. Okay. Give me a few minutes.

17 Q. I can expedite it, if you'd like.

18 A. Okay.

19 Q. You can look at page 22 of your direct

20 testimony beginning at line 4.

21 A. Okay.

22 Q. You discuss there what you referred to as a

23 series inductor?

24 A. That's correct.

25 Q. And is that the same as or different from your

1 discussion with Commissioner Gaw about inductors and
2 inductance?

3 A. It's the same thing.

4 Q. Commissioner Gaw also asked you about the
5 Bland-Franks line as compared to the Callaway-Franks line in
6 terms of the length. And I believe you indicated that the
7 Bland-Franks line covered a shorter distance as compared to
8 the proposed Callaway-Franks line. Was that your testimony?

9 A. I think I said that the line from Callaway to
10 Bland to Franks is longer than the line from Callaway to
11 Franks through Loose Creek area, the proposed line, about
12 16 miles. I think that's what I said.

13 Q. I may have misunderstood you. I was comparing
14 the Bland-Franks with the Callaway-Franks line. And was it
15 your -- I think it was your testimony that the Bland-Franks
16 covered a shorter distance?

17 A. It does cover a shorter distance.

18 Q. Why then did you not select the Bland-Franks
19 route?

20 A. Well, we didn't select the Bland-Franks route
21 for several reasons. One, when we did look at the option of
22 the Callaway to Franks line, it performed electrically
23 superior to the Bland-Franks line.

24 Plus, we also had, fortunately, the 80 percent
25 of the easement miles available to us. And that meant that

1 we had willing sellers that were giving us the right or
2 Associated the right to build a line on that -- those
3 easements. Where had we gone down the Bland-Franks line, we
4 wouldn't have that opportunity to start kind of with our --
5 with a running start.

6 MR. RAYBUCK: Thank you. I have no other
7 questions.

8 JUDGE DIPPELL: Thank you. I believe that's
9 all of the questions then for Mr. Mitchell finally.

10 MR. RAYBUCK: If I could do one final
11 housekeeping item, your Honor, we provided to the court
12 reporter after lunch the nonproprietary version of
13 Mr. Mitchell's testimony and to the extent necessary, I
14 would offer that into the record as well.

15 JUDGE DIPPELL: All right. Would there be any
16 objection of incorporating a non-proprietary version of
17 Mr. Mitchell's testimony, basically be Exhibit 1-P and 1-NP
18 is what we would end up having. If there's --

19 MR. BATES: No objection.

20 JUDGE DIPPELL: If there's no objection, then
21 I'm going to admit Exhibit 1-NP as well and that will be the
22 one that is attached to the transcript in the public record.

23 (EXHIBIT NO. 1-NP WAS RECEIVED INTO EVIDENCE.)

24 MR. RAYBUCK: Thank you, your Honor.

25 JUDGE DIPPELL: Another housekeeping matter,

1 Mr. Raybuck, if you would provide additional copies of the
2 map, I'm going to give this one that I have to the court
3 reporter and then I'll need three more -- four more for the
4 Commission and any counsel that did not get a copy will need
5 a copy of that if you can.

6 MR. RAYBUCK: Certainly, your Honor. We've
7 made arrangements to have them mailed from St. Louis.
8 They'll arrive tomorrow morning.

9 JUDGE DIPPELL: All right then. I know we
10 kind of went a little slow there after lunch, but I still
11 feel that we need to take a little break. So we're going to
12 take just a 10-minute break, come back at 20 till and then
13 we will start with the next witness.

14 Thank you. We can go off the record.

15 (EXHIBIT NO. 1-NP AND EXHIBIT NO. 52 WERE
16 MARKED FOR IDENTIFICATION.)

17 (A RECESS WAS TAKEN.)

18 JUDGE DIPPELL: My plan is to go until 5:00
19 and then stop and reconvene in the morning at 8:30 again.
20 So let's go ahead and Ameren can call your next witness.

21 MR. RAYBUCK: Thank you, your Honor. Our next
22 witness is David DeWeese.

23 (Witness sworn.)

24 JUDGE DIPPELL: Thank you. You may go ahead,
25 Mr. Raybuck.

1 MR. RAYBUCK: Thank you, your Honor.

2 DAVID DEWEESE, having been first duly sworn, testified as

3 follows:

4 DIRECT EXAMINATION BY MR. RAYBUCK:

5 Q. Would you please state your full name for the

6 record.

7 A. David W. DeWeese.

8 Q. And, Mr. DeWeese, by whom are you employed?

9 A. Ameren Services Corporation.

10 Q. And what is your position with Ameren

11 Services?

12 A. I'm the supervising engineer of transmission

13 line design.

14 JUDGE DIPPELL: Mr. DeWeese could I get you to

15 talk a little bit closer into the microphone and you too,

16 Mr. Raybuck.

17 MR. RAYBUCK: Pardon me.

18 BY MR. RAYBUCK:

19 Q. Mr. DeWeese, did you prepare written testimony

20 which was filed on your behalf in this case?

21 A. Yes, I did.

22 Q. You have a document in front of you which has

23 been marked as Exhibit No. 3 entitled Direct Testimony of

24 David DeWeese. This is a document consisting of eight pages

25 of testimony. Is this the Direct Testimony that was filed

1 on your behalf?

2 A. Yes, it was.

3 Q. And do you have any changes or corrections to
4 make to your Direct Testimony?

5 A. No, I do not.

6 Q. You also have in front of you a document which
7 has been marked as Exhibit No. 4 entitled the Surrebuttal
8 Testimony of David DeWeese and it consists of 10 pages of
9 testimony; is that correct? Excuse me. Is that your
10 Surrebuttal Testimony?

11 A. Yes, it is.

12 MR. RAYBUCK: Your Honor, if I could go back
13 to the Direct Testimony a moment, there was a little bit of
14 confusion. Mr. DeWeese actually had two schedules to his
15 Direct Testimony which were the two maps that were attached
16 to the company's application. And I don't know whether
17 those maps were actually attached to the testimony that was
18 filed or not.

19 MR. LOWERY: Your Honor, I believe that they
20 were. The service copy that I received indicated that those
21 schedules were attached to the testimony that were filed.

22 JUDGE DIPPELL: Was that the electric
23 transmission -- yeah, this is Schedule 2.

24 MR. RAYBUCK: You have it.

25 JUDGE DIPPELL: My copy had those attached.

1 Were there any other counsel whose copy didn't have both
2 maps attached?

3 MR. DEUTSCH: I have both -- I have two maps.
4 I guess that's them.

5 JUDGE DIPPELL: All right.

6 MR. RAYBUCK: I apologize.

7 JUDGE DIPPELL: That's fine.

8 BY MR. RAYBUCK:

9 Q. Were these two maps, the Schedules 1 and 2,
10 attached to your Direct Testimony?

11 A. Yes, they were.

12 Q. Thank you. Mr. DeWeese, did you have any
13 changes or corrections to make to your Surrebuttal
14 Testimony?

15 A. No, I do not.

16 Q. If I were to ask you the same questions set
17 forth in your Direct Testimony and set forth in your
18 Surrebuttal Testimony, would your answers be the same as
19 contained therein?

20 A. Yes, they would be.

21 MR. RAYBUCK: Your Honor, I move to admit into
22 the record Exhibit Nos. 3 and 4 and make Mr. DeWeese
23 available for cross-examination.

24 JUDGE DIPPELL: Would there be any objection
25 to Exhibit Nos. 3 or 4 coming into the record?

1 MR. BATES: No, your Honor.
2 MR. DEUTSCH: No, your Honor.
3 MR. COFFMAN: None.
4 JUDGE DIPPELL: Then I will admit Exhibits 3
5 and 4.
6 (EXHIBIT NOS. 3 AND 4 WERE RECEIVED INTO
7 EVIDENCE.)
8 JUDGE DIPPELL: Thank you, Mr. Raybuck.
9 MR. RAYBUCK: Thank you.
10 JUDGE DIPPELL: Is there any cross-examination
11 by Staff?
12 MR. BATES: No, thank you, your Honor.
13 JUDGE DIPPELL: Office of the Public Counsel?
14 MR. COFFMAN: No questions for this witness.
15 JUDGE DIPPELL: Mr. Deutsch?
16 MR. DEUTSCH: Yes. Just a couple.
17 CROSS-EXAMINATION BY MR. DEUTSCH:
18 Q. How you doing, Mr. DeWeese?
19 A. Fine, thank you.
20 Q. Exhibit 3 is your Direct Testimony?
21 A. Okay.
22 Q. Could you turn to page 3? Got it?
23 A. Yes.
24 Q. Okay. Right at the bottom, the question there
25 is, How did the company determine the route for the proposed

1 line? Is that right?

2 A. Yes, sir.

3 Q. I want to talk to you about your answer that
4 starts on the next page.

5 A. Okay.

6 Q. Your answer appears to be one that is very
7 consistent. That you did a joint study, found out about the
8 easements, made the choice. About right?

9 A. That's what it says, yeah.

10 Q. That's really about all there was to it,
11 wasn't it?

12 A. Typically, when a line comes to me to design
13 it from point A to point B, I'm intimately involved in the
14 corridor selection process. But, yes, in this particular
15 case, when the project came to me, the corridor was already
16 defined.

17 But now we are -- just like in the public
18 workshops, we had made some proposals to make some
19 adjustments in the alignment and we're still working with
20 property owners to make some adjustments in this alignment
21 to accommodate their needs.

22 Q. Okay. And just what accommodations have you
23 made so far?

24 A. Well, one that was recommended was on the
25 south end of the line, as we went into the workshop, we had

1 actually shifted it over probably several hundred feet to
2 the west, that southern tip.

3 And as a result of the public workshop, we got
4 comments that the property owners didn't really want it in
5 that location, that some people had planned for their
6 property based on what they were told originally and they
7 wanted it shifted back. So we moved that alignment back to
8 its original location.

9 And then also on the --

10 Q. You started a little bit late in the story
11 there. Didn't you make the original change that you then
12 switched back because one of the Concerned Citizens asked
13 you to move it some place on their property? I mean, you
14 made a change, then you undid the change. Right?

15 A. We had proposed a change and because of some
16 of the other people not wanting that change made, we decided
17 to move it back because that's where the line had originally
18 been planned by Associated.

19 Q. But you didn't just decide to make the change.
20 It was asked of you by somebody and you made it and then
21 later on somebody else said something and you changed it
22 back?

23 A. Well, my understanding was we had proposed an
24 alignment based on moving it away from Mr. Redel's property,
25 moving it further to the west so that it wouldn't be on the

1 eastern side of his property. And that was one of the
2 issues. And then moving it further away from some other
3 homes.

4 Some of the other property owners that were
5 involved, they were -- they wanted it back, like I said,
6 essentially to the original alignment that was proposed by
7 Associated at the time the easements were acquired.

8 Q. Also at page 4 right around -- starting at --
9 let's take a look at line 11. One of the things you mention
10 there is that the least land use and impact to the public
11 and the most economical alignment for the new transmission
12 line --

13 A. Yes, sir.

14 Q. -- was something that you found in addition to
15 free easements. You got a study that confirms all that,
16 that this was the least land use, or is that kind of a
17 judgment made on your assumption that you don't need 25 feet
18 that --

19 A. Well, essentially that was -- most of the land
20 use, yes, resolved in that 25 feet you discuss. Because
21 we're overlapping -- being able to parallel the existing
22 corridor and utilize a portion of that right-of-way, we had
23 less land use, yes.

24 Q. Did you actually go to the line and look at
25 what the situation was as far as what that 25 feet would

1 mean for the properties involved, whether, in fact, that was
2 25 feet of something that they didn't even care about? That
3 wasn't part of your study?

4 A. No. It was more of a, well, we're impacting
5 25 less feet of a person's property. I would think they
6 would prefer that.

7 Q. So you made an assumption?

8 A. I guess, yes.

9 Q. And further down on your testimony on that
10 page on line 20 it says, The existing route -- I take it in
11 this case we're talking about the Callaway-Franks
12 corridor -- would allow sharing of the right-of-way for
13 approximately 43 miles to minimize the impact of the new
14 line.

15 Did you study any -- what that impact is? I
16 mean, you refer to an impact of the line. I'm just trying
17 to make sure that I understand that, again, you're just
18 talking about 25 feet that won't be used. And I take it you
19 did no study or went and asked no questions about what the
20 impact would be?

21 A. No, we did not.

22 Q. And you don't have any kind of a study, I take
23 it -- I know I asked Mr. Mitchell, he didn't seem to have
24 one in his proprietary exhibit. You don't have any separate
25 study that you performed in order to determine the economic

1 impact and the social impact of putting a line where it's
2 proposed?

3 A. No, we do not.

4 Q. It's basically still -- at this point in your
5 testimony it's an engineering solution?

6 A. Yes.

7 Q. Could you look at page 7 of your Direct
8 Testimony?

9 A. Okay.

10 Q. The subject is captioned up there
11 Accommodations Which the Company Would be Willing to
12 Consider. The phrasing of that left me a little confused.
13 You know, we have asked -- the Concerned Citizens have asked
14 certain conditions be attached to the certificate of
15 authority, if one is granted.

16 I take it from accommodations you're willing
17 to consider that you're not willing to agree that the
18 accommodations ought to be determined and put in as
19 conditions to the certificate?

20 A. I would agree that they would not be entered
21 into the agreement, yes.

22 Q. To the certificate?

23 A. Certificate, yes.

24 Q. Okay. So I guess that means in looking at
25 your answer to the first question about any changes which

1 the company could make, at this point in the testimony
2 you're talking about changes to accommodate the human beings
3 that have to put up with this line.

4 Between lines 5 and 10 you use some language
5 there that I'm a little unclear with and wanted you to
6 clarify for the record. It says there that, Based on input
7 from the public workshops, we have made some changes to the
8 route, which you just discussed, I believe?

9 A. That was one of them, yes.

10 Q. Yeah. And that was a change actually from
11 what was changed?

12 A. Correct.

13 Q. And have since discussed additional
14 accommodations with property owners; is that right?

15 A. Yes.

16 Q. Who were those discussions with additional
17 property owners? Who were those?

18 A. Well, we've been in discussions with, for
19 example, the Drennens in trying to accommodate them.

20 Also as a result of the workshop, comments
21 from the Hackmanns right at the location where we tapped the
22 Callaway-Franks Line, they asked us to move it out of
23 their -- the tapping point out of their field, so we're
24 looking at a design to shift that back to the south to get
25 it out of their field.

1 Also, at Highway 50, Hometown Lumber, the line
2 was coming up on the west side and it was going to impact I
3 think a future expansion of his facility. And we're looking
4 at another route to actually adjust that to the east side a
5 little bit further south.

6 Q. Did you put any of those proposals in your
7 commitment concerning them in writing?

8 A. Would I -- could you say that again?

9 Q. Have you, with regard to the instances you
10 just mentioned, Drennens, Hackmanns, the other property,
11 have you put anything in writing to any of those landowners
12 that commits Ameren to a course of conduct that would
13 accommodate them on those issues?

14 A. No. Because they haven't been completely
15 resolved yet.

16 Q. And is it your testimony that if you get a
17 certificate of authority and you can then proceed to make
18 offers and condemn the land, that you're going to even
19 consider making any accommodations?

20 A. Oh, we're going to consider accommodations.

21 Q. What would possibly provoke you, incentivize
22 you to make any accommodations once you have your
23 certificate of authority to do this?

24 A. Well, it's always our aim to accommodate the
25 property owners wherever we can and have the impact be as

1 minimal as it can be on their property.

2 Q. And we can trust you on that. Right?

3 A. Yes.

4 Q. And so I guess the rest of what's in this

5 answer here -- I'm still looking between lines 5 and 10.

6 You might follow along with me.

7 A. Okay.

8 Q. You continue to meet with property owners,

9 discuss alternatives provided these alternatives make

10 prudent engineering and economic sense -- I take it you mean

11 to Ameren -- and do not simply push the line or concern onto

12 another person's property?

13 A. Correct.

14 Q. Have you come across or -- talk about the

15 instances of accommodation that you've addressed so far. Do

16 any of those make any sense or have any likelihood of being

17 approved under that standard, that provided that they have

18 to make economic sense, that they have to be prudent

19 engineering? Any of them got a likelihood of even coming to

20 the point of any kind of agreement?

21 A. Sure. Well, for example, with the Hackmanns,

22 it's essentially moving it back along the alignment and

23 making a turn and coming into the line -- existing

24 Callaway-Bland line a little bit further to the south. That

25 shouldn't have any economic --

1 Q. How about engineering?

2 A. No. It shouldn't. I mean, we're going to
3 have to probably go up more on a bluff. There might be an
4 additional structure or something like that, but other than
5 that, no.

6 Q. How about does it push any concerns off on
7 anybody else's property than Hackmanns?

8 A. I think there's another property owner
9 involved, yeah. So it's something we're going to have to
10 get approval from the par--

11 Q. You haven't nailed that one down yet?

12 A. No.

13 Q. How about the Drennens? Do you think it would
14 make prudent engineering sense to go around their house?

15 A. It's -- it's probably not the best engineering
16 solution, no.

17 Q. How about economic sense? Do you think the
18 expense going around their house is worth it?

19 A. It's going to -- it's going to be somewhat
20 costly, but we've made that proposal to the Drennens.

21 Q. You've made what proposal?

22 A. To -- to essentially cross over the line at --
23 just south of their property, cross over the existing line
24 and then go up on the east side of the existing circuit and
25 then come back over to the west side.

1 Q. How close does that come to their house?

2 A. Well, it's on the opposite side of that

3 existing line so the new line would be opposite of the

4 existing Chamois-Maries line -- Maries line.

5 Q. I guess you're more familiar with their layout

6 than I am.

7 Does that have any concerns for any other

8 property owners?

9 A. Yes. It would impact some of their neighbors.

10 We would have to have angle structures which would have

11 guide wires and anchors and things on their property.

12 Q. So what do you give the chances for that one

13 actually coming to an accommodation?

14 A. Hopefully, something can be worked out with

15 them, whether it's that solution or possibly something else.

16 Q. How about you make it a condition of the

17 approval of the certificate?

18 A. Well, we can't just blanket make a condition

19 because we may not be able to reach an agreement with them,

20 but we will try.

21 Q. And you may not really want to after you get

22 the authority, would you?

23 A. No, that's not the case.

24 Q. Also, I see here the next line, next question

25 down 12 to 13, just a housekeeping measure. Is the cost of

1 this proposed line 20 million or 25 million like it says in
2 the application?

3 A. Well, the 25 million takes into account all
4 the substation accommodations.

5 Q. The \$5 million Loose Creek?

6 A. No. There's also changes at Callaway that
7 will be required.

8 Q. Oh, yeah, that's right. You have to hook it
9 up?

10 A. Uh-huh.

11 Q. Could you tell me where construction will
12 begin?

13 A. I can't honestly say at which end of the line
14 we would begin construction at this point.

15 Q. I think we heard earlier in discussing with
16 Mr. Mitchell that the 11 miles of easement that you don't
17 currently hold is up at the part of the line that's above
18 Loose Creek?

19 A. That's where part of them are. Some of
20 them -- there's also some other intermittent ones along the
21 existing -- what you refer to as the other 43 miles of line.

22 Q. So if you were to start your construction on
23 only the easements you had, basically you wouldn't have much
24 choice economically but to go ahead and condemn any
25 properties that stood in the way of completing the line

1 because you've got 43 miles of --

2 A. We would always continue to work with the
3 property owners. Condemnation is the last resort.

4 Q. Yeah. It seems to me when this application
5 first got filed, that Ameren was asking for an approval by,
6 like, June of this year; is that right?

7 A. Yes.

8 Q. What was the big hurry on this line?

9 A. Essentially to relieve the overloading problem
10 as soon as possible.

11 Q. Didn't have anything to do with getting that
12 substation to serve the Cole County area, did it?

13 A. Had nothing to do with that.

14 MR. DEUTSCH: I think that about covers it.

15 Thank you, Mr. DeWeese.

16 JUDGE DIPPELL: Thank you.

17 Are there Commission questions for
18 Mr. DeWeese, Commissioner Gaw?

19 COMMISSIONER GAW: Thank you.

20 QUESTIONS BY COMMISSIONER GAW:

21 Q. Mr. DeWeese, I asked this question earlier of
22 the previous witness. Are you familiar with what, if
23 anything, Ameren is paying to Associated or its affiliates
24 for the use of the transfer of the easements that Associated
25 or its affiliates currently own along the proposed site of

1 construction?

2 A. No, sir, I'm not.

3 Q. Who would know that?

4 A. I'm not certain. Mr. Douglass might know

5 that.

6 Q. Okay. And do you know what the cost of

7 construction would have been to construct the line along the

8 same route as your current 345 kV line is from Bland to

9 Franks?

10 A. No, I don't have that estimate with me.

11 Q. Was one made?

12 A. I don't -- there probably was in the initial

13 planning and looking at the alternatives. There was

14 probably an estimate done, yes.

15 Q. Okay. Do you know if there's any information

16 in the record about what that was?

17 A. I -- I'm not certain. It could be included in

18 that study.

19 Q. Okay.

20 A. I'm not for sure.

21 Q. We could check.

22 How many structures will have to be moved if

23 you stick with your current plans -- moved or destroyed?

24 A. If it's on the current alignment the way we

25 had originally planned?

1 Q. Yes.

2 A. I think there was two homes and two barns and
3 there could be some other smaller sheds or outbuildings.

4 Q. Okay. And the two homes that you're referring
5 to, whose are they, do you know?

6 A. One of them is the Drennens, and I'm not
7 certain of the name of the other party.

8 Q. All right. Will those homes -- are they homes
9 that could be moved, structures that could be moved?

10 A. Essentially, I guess a home could be moved and
11 we've mentioned that to the Drennens possibly if we can find
12 some replacement property to move the house.

13 Q. It couldn't be moved on the property that they
14 currently have though with this construction?

15 A. I don't think that's -- that's an alternative
16 they would like.

17 Q. Yes. Okay. Do you know how many acres the
18 Drennens have?

19 A. I'm not certain of the number. I think it's
20 around one acre.

21 Q. So it's a small -- it's basically a house and
22 an acre or something like that?

23 A. I think so, yeah.

24 Q. The other property with the house?

25 A. I don't know how many acres they actually

1 have.

2 Q. Are these two places places where there are or
3 are not easements that had been granted to Associated or its
4 affiliates?

5 A. I apologize. I'm going to have to defer on
6 that one. I'm not certain whether there were easements
7 there or not.

8 Q. Who would know that?

9 A. Again, I think Mr. Douglass would know that.

10 Q. He's really appreciating you.

11 A. Yeah, I know he is.

12 Q. All right. Are there any other alternatives
13 in going across these structures other than staying in the
14 air? Do you have to stay in the air with the lines across
15 those properties?

16 A. Yes. Essentially we do. I mean, it's -- of
17 course, anything is possible, but I mean, to try to -- what
18 I think you're saying is, like, underground line or --

19 Q. I guess I'm asking is it feasible -- I don't
20 know the answer. Is it feasible to go underground for brief
21 stretches?

22 A. It really is not, no.

23 Q. And why is that?

24 A. Well, it's -- again, it's a cost issue. And
25 then you also have the reliability issue of that piece of

1 line being underground. And if it would happen to fault, it
2 could take substantially more amount of time to get that
3 circuit back in service.

4 Q. So it's just not -- we just don't do
5 underground circuits in the United States?

6 A. Oh, no, there are underground transmission
7 circuits. Yes, there are.

8 Q. I misunderstood you. So it is done?

9 A. It is done, yes.

10 Q. And when is it usually considered as an
11 option?

12 A. Essentially an underground transmission line
13 is built where it's in a congested area, more of an urban
14 area where the right-of-way is just not available.

15 Q. What do they do about reliability problems
16 then?

17 A. Well, I guess it's an issue then they have to
18 address because it's the only alternative that they have.

19 Q. And when that occurs, don't they have to bring
20 the lines out of the air and into the ground at some point?

21 A. Yes.

22 Q. So there is a mechanism for doing that?

23 A. Yes, there is.

24 Q. Okay. When you're looking at the cost of
25 going underground, is that something that increases at a

1 fairly consistent rate just according to the number of feet
2 or miles that you have to go underground?

3 A. Well, you could imagine changing a structure
4 design right -- one little location. I mean, that would be
5 very, very costly. I would have to --

6 Q. Is that the design work itself or the --

7 A. The design work --

8 Q. -- construction?

9 A. -- and construction and cables and everything
10 else is all lumped into that dollar amount. If you were
11 going to try to underground an entire 54-mile line section,
12 it's probably in the vicinity of five to seven times more
13 expensive.

14 Q. And what about just in regard to these places
15 where you're having to move or tear down houses?

16 A. Well, on a per mile basis, I would have to say
17 it's going to be significantly more than that. I don't know
18 what that dollar amount would be.

19 Q. You didn't look at that?

20 A. No, we did not.

21 Q. Do you deal with acquisition of these
22 yourself?

23 A. No, I do not.

24 Q. Just looking through here, I didn't think you
25 would. I just want to make sure I'm not going to miss

1 something.

2 On page 7 you say that -- there's a question
3 there, line 15, and the answer going down through 21 of your
4 direct. I think -- do you see that?

5 A. Yes.

6 Q. And I believe you're referring there to the
7 financing of the construction of this line; is that correct?

8 A. Yes.

9 Q. Are you involved in working on rate cases and
10 other things dealing with financing of transmission lines
11 with Ameren?

12 A. No, I'm not.

13 Q. Okay. So you're taking this from your general
14 knowledge?

15 A. Yes, sir.

16 Q. All right. Do you know if -- you say
17 financing for the project will be from funds available in
18 the company's treasury, a portion of which may be obtained
19 by new financing, period. The amount and nature of any new
20 financing which is subject to the Commission's authority
21 will be submitted to the Commission for approval.

22 That was your answer there, wasn't it?

23 A. Yes.

24 Q. How is that submitted to the Commission for
25 approval?

1 A. I would assume it's in the -- well, I really
2 don't know.

3 Q. Okay. But this was your answer?

4 A. Yes.

5 Q. Where did you get that answer?

6 A. Just, again, general knowledge.

7 Q. Okay. Are you familiar with the way
8 reimbursements are done for usage of the transmission line
9 by others that may financially send electricity over
10 Ameren's lines?

11 A. No, I'm not.

12 Q. The double line that comes down from Callaway
13 to Bland, are you familiar with that --

14 A. Yes.

15 Q. -- line?

16 Tell me about that line. Again, when you say
17 it's a double line, what does that mean?

18 A. It means there's two different 345 kV
19 circuits, one on either side of the lattice steel tower
20 line.

21 Q. Okay. This map that was referred to earlier
22 as Exhibit 52, did you see that --

23 A. Yes.

24 Q. -- this MAIN map?

25 A. Right. Yes, sir.

1 Q. You're familiar with it in general, aren't
2 you?

3 A. In general.

4 Q. It doesn't appear to show -- at least unless
5 I'm not seeing this correctly, it doesn't appear to show
6 those two 345 kV lines. Is that something I'm misreading on
7 here or is it just not showing up?

8 A. I'm not familiar with exactly how they
9 designate those lines, but I guess essentially it's
10 representing a 345 kV corridor.

11 Q. Would you like to see the --

12 A. I know it's -- it's just showing one line.

13 Q. It is. I can't tell the difference in looking
14 at the map between going north of Bland to Callaway and
15 going south of Bland to Franks, quite frankly.

16 A. Right. I could see where you wouldn't be able
17 to tell that, yeah.

18 Q. But indeed there are two 345 kV lines --

19 A. Correct.

20 Q. -- going between Callaway and Bland?

21 A. Correct.

22 Q. And what kind of structure is that on?

23 A. It's lattice steel.

24 Q. Is that necessary in order to handle the two
25 345?

1 A. The structural loads, yes.

2 Q. And what kind of structures are there between
3 Bland and Franks?

4 A. Between Bland and Franks? Those are wood
5 H-frame structures that are just essentially like the ones
6 we're proposing for this route.

7 Q. That's what I assumed. Okay. Are you
8 familiar with the easements owned by the company between
9 Bland and Franks?

10 A. Just in general. I don't have specific
11 knowledge of what's in every one of them, no.

12 Q. Okay. You don't know the width of the
13 easement, do you?

14 A. I think the easement width is -- where it's a
15 single circuit running by itself is 150 feet.

16 Q. Do you know that to be the case or is that
17 generally true with single circuit?

18 A. That's generally true for single circuit
19 345 kV transmission lines of that construction.

20 Q. Because it's possible, is it not, that the
21 easements -- the easement documents that are filed could be
22 different than that?

23 A. It -- it could be, but it's very unlikely it
24 would be.

25 Q. Have you seen those easements?

1 A. At one time or another I've seen them. I
2 haven't looked at them recently to see exactly what the
3 width is, but I would have to say that almost all the 345 kV
4 wood H-frame lines we have are 150-foot right-of-way where
5 they're not paralleling another circuit.

6 Q. All right.

7 COMMISSIONER GAW: I think that's all I have.
8 Thank you.

9 JUDGE DIPPELL: Commissioner Forbis, do you
10 have questions?

11 COMMISSIONER FORBIS: Yeah. Thanks.

12 QUESTIONS BY COMMISSIONER FORBIS:

13 Q. How you doing?

14 A. Fine, thanks.

15 Q. Just a couple of quick questions. In your
16 testimony you talk a lot, like, with regard to construction
17 and clearing and subcontractors, that you have requirements
18 of subcontractors that they do it according to your
19 standard.

20 How do you enforce those requirements other
21 than having your supervisor on-site, which you allude to?
22 Do you write something into a contract for penalties?

23 A. That's really no penalties, but there are
24 specifications. And by accepting the project, you're
25 accepting those specifications and the requirements in those

1 specifications. And we do have a construction supervisor
2 that is there and on call who can address those type of
3 issues.

4 Q. Okay. So absent penalties, if the supervisor
5 is on-site and the contractors haven't done it according to
6 your standard, how do you make them do it?

7 A. Well, if they've damaged someone's property or
8 something like that, they will be held responsible for that
9 damage and have to either repair it or pay for it, pay the
10 damages.

11 Q. If they damage something, then part of their
12 agreement with you is they have to make it right with the
13 property owner?

14 A. That's exactly right.

15 Q. But if they just don't do it according to
16 standard, there's really not any type of penalty other than
17 just -- you just tell them that's not right, go do it again?

18 A. That's exactly right. We don't let them out
19 of the contract until they correct the problem, yes.

20 Q. So you don't pay them, for example --

21 A. Correct.

22 Q. -- until they get it right?

23 A. Correct.

24 Q. Okay. Okay. My other question is, and if the
25 landowners are not happy with the quality of work, what

1 relief exists for them with your company if they call you up
2 and say, This wasn't done right? What would be your
3 response?

4 A. We would send somebody out to visually inspect
5 it and try to reach an agreement with them on what that
6 damage was and how to repair it.

7 Q. And say this happens after you've released the
8 subcontractor. Then would your company make any appropriate
9 correction?

10 A. Hopefully, these things would be resolved
11 before the -- we had released the contractor, because
12 typically they are. The property owner is going to let us
13 know that they're not happy with it --

14 Q. Pretty quickly?

15 A. Yeah.

16 Q. So you haven't run into an instance very often
17 where this has come to the company's attention after the
18 subcontractor has been paid and released?

19 A. Not typically. But if there are those cases,
20 we also have a claims department and real estate department
21 that can handlesome of the damage claims that still exist
22 out there.

23 COMMISSIONER FORBIS: Okay. Thank you.

24 THE WITNESS: Uh-huh.

25 QUESTIONS BY JUDGE DIPPELL:

1 Q. Mr. DeWeese, I just have one other question
2 for you. In your Direct Testimony on page 4, you discuss
3 this a little bit, but I just wanted to see if you could
4 list some other things. At line 12 you talk about, In
5 addition, minor modifications and adjustments are made to
6 the line route.

7 And I think you talked about some of these
8 adjustments with Mr. Deutsch and some with Commissioner Gaw,
9 but could you tell me what you consider to be a minor
10 modification?

11 A. Maybe just a minor shifting of the line to
12 miss an obstruction or something that was in the way.

13 Q. And what's minor? What would be a major
14 change and what would be a minor change?

15 A. I guess maybe minor is not exactly a correct
16 word, but I mean, minor adjustments are short distances and
17 things like that.

18 Q. What's a short distance?

19 A. Maybe a couple hundred feet or something like
20 that.

21 Q. And maybe a major change would be something
22 like --

23 A. We'd have to change the whole alignment.

24 Q. -- re-routing it for miles?

25 All right. Taking it around structures, I

1 think, was one of the options you discussed. What other
2 kind of minor changes remain? Is it just realignments?
3 A. Mainly it was realignments, yes.
4 JUDGE DIPPELL: Okay. I think that's all of
5 the -- well, there may be one more Commission question, so
6 we'll go ahead and do recross now and redirect. If
7 Commissioner Murray has additional questions, then we'll let
8 her ask those as we get to that.
9 So right now we'll go ahead and do recross
10 then based on Commission questions. Were there any from
11 Staff?
12 MR. BATES: No, thank you.
13 JUDGE DIPPELL: Office of Public Counsel?
14 MR. DANDINO: No questions, your Honor. Thank
15 you.
16 JUDGE DIPPELL: Mr. Dandino, would you like to
17 enter your appearance?
18 MR. DANDINO: I would be glad to, your Honor.
19 Michael Dandino, Office of the Public Counsel, representing
20 the Office of Public Counsel and the public and filling in
21 for John Coffman.
22 JUDGE DIPPELL: Thank you. I saw you come in
23 earlier, but I realized we didn't quite have you on the
24 record.
25 And, Mr. Deutsch, did you have

1 cross-examination based on questions from the Bench?

2 MR. DEUTSCH: Yeah. I just wanted to

3 follow-up on a couple things.

4 RECROSS-EXAMINATION BY MR. DEUTSCH:

5 Q. Did I understand you to say that there was a

6 study conducted of the construction costs for just doing a

7 Bland-Franks parallel line solution to this problem of

8 overloading?

9 A. I said I think that there was a -- probably an

10 estimate done to help support the different alternatives

11 that were looked at somewhere along the line.

12 Q. Any chance of my being able to get a hold of a

13 copy of that?

14 A. I'm not certain it exists, so I would have

15 to --

16 Q. So your answer is that you think that it

17 exists or it doesn't exist or --

18 A. Typically, we do estimates for -- for -- in

19 looking at different alternatives. But in this particular

20 case we may not have due to they were looking at more the

21 electrical solution.

22 Q. Yeah. And considering that while looking at

23 other solutions they came across the 80 percent solution,

24 they probably didn't look at it at all, did they?

25 A. I can't answer that.

1 Q. You don't know that they did though, do you?

2 A. No, I don't.

3 Q. Interesting point that Commissioner Gaw

4 raised. The easements that I have looked at in this case

5 are what have been referred to as blanket easements. Are

6 you familiar with that concept?

7 A. Yes.

8 Q. An easement that simply describes the piece of

9 property subject to the easement without saying where

10 exactly the easement goes. Is that close?

11 A. That's -- yeah.

12 Q. Do you have the same kind of easements on the

13 properties that are underlying the Bland-Franks line?

14 A. No, we do not.

15 Q. How do you know that?

16 A. Those easements, I don't -- those easements

17 are -- most of Ameren's easements are based on the

18 centerline description.

19 Q. Got a copy of one of them around I could look

20 at?

21 A. No. I do not have one with me, no.

22 Q. Any chance I could get one of those along with

23 the study of the construction costs?

24 A. Again, I don't know whether there's a study --

25 actual study of the construction costs that exists. But as

1 far as a copy of the Bland-Franks easement, I think we could
2 probably get them a copy of that -- get you a copy of that.

3 Q. I'd like to have that.

4 Did I understand you to say that you could
5 make minor modifications like moving the line a few hundred
6 feet?

7 A. Well, typically these alignments are going to
8 require something more than 200 feet. I might have misspoke
9 a little bit. Typically, it's going to require several --
10 typically, several spans to make an accommodation.

11 Just like, for example, the Drennens. When we
12 have to jump across the line and then it's going to take
13 probably two or three structures to get up back to where we
14 can cross back across the line and accommodate the Boehms
15 also, because he has a barn on the right-of-way.

16 Q. So in answer to the Judge's question when you
17 were talking about these minor adjustments that were
18 available, they're still subject to the three-part test of
19 it being okay with Ameren economically, okay with Ameren
20 from an engineering standpoint, and that it not be on
21 anybody else's property or require that you deal with any
22 other people?

23 A. It's not that it doesn't have to be on
24 somebody else's property, but they have to be agreeable to
25 it.

1 Q. And, of course, everybody can't wait to have
2 one of these. We know that.

3 MR. DEUTSCH: That's all the questions I have.

4 JUDGE DIPPELL: All right. Commissioner
5 Murray, do you have questions for this witness?

6 COMMISSIONER MURRAY: I don't. Thank you.

7 JUDGE DIPPELL: Okay. Is there redirect
8 examination for this witness?

9 MR. RAYBUCK: No redirect, your Honor.

10 JUDGE DIPPELL: All right then. Mr. DeWeese,
11 that was pretty quick and painless. You may be excused.

12 THE WITNESS: Thank you.

13 JUDGE DIPPELL: We have about 35 minutes, so I
14 think we might as well start with the next witness.

15 MR. LOWERY: Your Honor, our next witness will
16 be Geoffrey Douglass.

17 (Witness sworn.)

18 JUDGE DIPPELL: Thank you.

19 You may go ahead, Mr. Lowery.

20 GEOFFREY DOUGLASS, having been first duly sworn, testified
21 as follows:

22 DIRECT EXAMINATION BY MR. LOWERY:

23 Q. Would you please state your name for the
24 record?

25 A. Geoffrey D. Douglass.

1 Q. Mr. Douglass, by whom are you employed?
2 A. Ameren Services.
3 Q. And what is your position with Ameren
4 Services?
5 A. I'm the director of the real estate
6 department.
7 Q. Mr. Douglass, did you prepare written
8 testimony that's to be submitted in this proceeding?
9 A. Yes, I did.
10 Q. I believe that you have in front of you what's
11 been marked as Exhibit No. 5, which is your Direct
12 Testimony. I believe it consists of 15 pages; is that
13 correct?
14 A. That is correct.
15 Q. Mr. Douglass, do you have any changes or
16 corrections to make to your Direct Testimony?
17 A. No, sir.
18 Q. If I were to -- if I were to ask you the
19 questions that are set forth in your Direct Testimony, would
20 your answers be the same as that given in that direct
21 testimony?
22 A. Yes, they would.
23 Q. Mr. Douglass, I believe that your Direct
24 Testimony also consists of two additional schedules; is that
25 correct?

1 A. Yes.

2 Q. First schedule being a letter labeled as

3 Schedule 1, one page?

4 A. That's correct.

5 Q. And the next one being a schedule that I

6 believe consists of seven pages; is that correct?

7 A. Yes. That's correct.

8 Q. Okay. Mr. Douglass, I also believe you have

9 in front of you a document that's been marked as Exhibit

10 No. 6 called Surrebuttal Testimony of Geoffrey D. Douglass;

11 is that correct?

12 A. Yes, it is.

13 Q. And it consists of 11 pages?

14 A. Yes.

15 Q. And there are no schedules to that testimony;

16 is that correct?

17 A. That's correct.

18 Q. Do you have any changes or corrections to make

19 to your Surrebuttal Testimony?

20 A. I did find two typos in the Surrebuttal

21 Testimony.

22 Q. And could you tell us what those are, please?

23 A. The first one is on the bottom of page 9, the

24 very last line, in quotes is the word "unassailable," which

25 should be "unsaleable."

1 Q. Okay. You said there was one other?

2 A. The same word appears on page 10 and it is the

3 answer to the first question, the last word of that answer,

4 same word should also be corrected to "unsaleable."

5 Q. Any other corrections or changes to your

6 testimony?

7 A. No, sir.

8 MR. LOWERY: Judge, I'd move that Exhibit

9 Nos. 5 and 6 be admitted into evidence at this time.

10 JUDGE DIPPELL: Are there any objections to

11 Exhibit Nos. 5 or 6 coming into the record?

12 MR. BATES: None.

13 MR. DEUTSCH: No objection.

14 MR. LOWERY: And we tender the witness for

15 cross-examination.

16 JUDGE DIPPELL: I will admit Exhibits Nos. 5

17 and 6.

18 (EXHIBIT NOS. 5 AND 6 WERE RECEIVED INTO

19 EVIDENCE.)

20 JUDGE DIPPELL: Any cross-examination from

21 Staff?

22 MR. BATES: No, thank you, your Honor.

23 JUDGE DIPPELL: Office of the Public Counsel?

24 MR. DANDINO: No questions, your Honor. Thank

25 you.

JUDGE DIPPELL: Mr. Deutsch?

1 MR. DEUTSCH: Thank you, your Honor.

2 CROSS-EXAMINATION BY MR. DEUTSCH:

3 Q. Mr. Douglass.

4 A. Good afternoon.

5 Q. Let's see. You got your testimony here,

6 Exhibit 5?

7 A. Yes.

8 Q. Start with that on your Direct Testimony.

9 Just had a few questions for you. Let's turn to page 3.

10 A. Okay.

11 Q. Roman Numeral III that's close to the bottom

12 says, How Ameren has dealt with the public regarding the

13 project; is that right?

14 A. Yes, sir.

15 Q. Okay. Let's start first with the letter. You

16 answered a question concerning how you first advised the

17 public. Right?

18 A. Yes, sir.

19 Q. And that was by a letter dated October 19th,

20 2001, which notified approximately 175 property owners whose

21 property we believe might be affected by the new line either

22 because they owned property subject to one of the existing

23 easements we acquired from AECI or because the proposed

24 route may cross their property. Right?

25 A. Yes.

1 Q. You sure you contacted everybody you believed
2 was going to be impacted by the line?

3 A. Yes. We contacted everybody we believed at
4 that time were either owners who had an existing easement on
5 the property or who we would need to acquire an easement on
6 the proposed route.

7 Q. How many owners did you contact that had
8 easements already?

9 A. I think there's approximately 105 property
10 owners that we currently have an easement on.

11 Q. Do you have any method by which you determine
12 whether these property owners that you sent letters to got
13 the letters?

14 A. No.

15 Q. How did you get the addresses?

16 A. We obtained the property owner information and
17 addresses from the local assessor's office.

18 Q. And would that be current information then as
19 to the correct mailing address?

20 A. Generally it would be, because that's where
21 the tax bill is sent to is that mailing address.

22 Q. Do you know for sure if you sent the Drennens
23 a letter?

24 A. We did not send the Drennens an initial
25 letter, no.

1 Q. Why not?

2 A. They were missed.

3 Q. But I believe you think that you did send

4 Mr. McDaniel a letter?

5 A. I believe that's correct.

6 Q. Got any others that you know you missed?

7 A. As I recall, there were a handful of others.

8 I don't remember any specific names, but I believe we

9 subsequently did find other owners.

10 Q. And you invited in this letter the owners who

11 were impacted, affected to come to meetings that you were

12 holding in November of 2001. Is that the purpose for the

13 letter?

14 A. That's correct.

15 Q. And so this letter is in October, meeting's in

16 November. Do you happen to know -- Mr. Mitchell was a

17 little unclear on when it was that the idea was really

18 actually hatched to do the Callaway-Franks line as the

19 selection.

20 Do you happen to have an idea of when you were

21 first told to get to work on the Callaway-Franks easements

22 and collecting people to let them know about this?

23 A. I don't recall the exact date. I'm assuming

24 probably some time in the summer of 2001.

25 Q. So you started preparing to have your meetings

1 in the summer of 2001?

2 A. I'm not sure of the exact date, but that would
3 be approximately.

4 Q. And you sent the notices out in October?

5 A. Yes, sir.

6 Q. Had the meetings in November?

7 A. Yes.

8 Q. Filed your application in January?

9 A. Yes.

10 Q. Were you ever told of a particular reason why
11 things needed to move what seemed like pretty quickly on
12 this project?

13 A. Well, I don't know that it's necessarily
14 quickly. It's a, you know, typical amount of time we
15 typically, you know, have for this type of project.
16 Generally, there's a lot of planning that goes in before it
17 ever gets to us in the real estate department.

18 Q. Did you have a chance to review the testimony
19 of the 37 witnesses that filed for the Concerned Citizens?

20 A. The majority of it.

21 Q. Did you particularly note that a large
22 percentage of them felt they hadn't been contacted?

23 A. Yes.

24 Q. Do you think they're wrong about that?

25 A. Well, I know some of the ones who said they

1 were not contacted actually did sign a registration sheet at
2 one of our public workshops.

3 Q. They came to you?

4 A. Correct.

5 Q. But as far as you coming to them, you
6 contacting them?

7 A. Well, we would typically not contact a
8 property owner until we had information ready for them in
9 terms of the easement we would be seeking from them or some
10 other information.

11 Q. For the ones without an easement. Right?

12 A. Right. And -- right, that's correct.

13 Q. Some of the ones that had easements didn't
14 seem to think they were contacted either.

15 A. Well, no, they would be contacted -- our plan
16 was to contact them about the same time.

17 Q. I noticed in your letter and in your handout
18 material that's attached to your Direct Testimony you didn't
19 mention anything about any of the alternatives that were
20 considered to anybody that you were approaching about this.
21 That's true, isn't it?

22 A. Which alternatives?

23 Q. The ones that were considered as part of the
24 initial effort in this to figure out what was the best
25 solution for the overloading problem.

1 A. That's correct.

2 Q. And that's because you pretty much decided
3 that this is what you were going to do and so you probably
4 didn't want to suggest that there was a possibility of doing
5 something else?

6 A. Right. At this point we're only notifying the
7 people that would be affected by the proposed line.

8 Q. And at this point did you do a social impact
9 study?

10 A. The only thing in terms of a social impact
11 study would be just the decision that it would be less of an
12 impact to follow an existing transmission line corridor and
13 to utilize existing easements rather than put the burden on
14 someone else, you know, in another area.

15 Q. There was already a line on the property.
16 Right? I forget what they call it, the Franks -- the AECI
17 line, the 161,000 volt.

18 A. For the majority of the route.

19 Q. Is that the existing easement you're talking
20 about?

21 A. No. The existing easement meaning the
22 easement that Associated acquired and assigned to us.

23 Q. You didn't have all of that easement?

24 A. No, we do not have all the easements.

25 Q. Still don't?

1 A. That's correct.

2 Q. Going to condemn that property if you can't
3 get any agreements on it?

4 A. Well, as suggested in prior testimony, we use
5 condemnation as a last resort. I think a good example of
6 that is the existing project that was referred to, the
7 St. Francois-Rush Island where we've acquired 61 of 64
8 easements for a project very similar to this. So I would
9 anticipate we would acquire a great majority of them without
10 that.

11 Q. We're going to hear from Mr. Nunn later that
12 farmland is farmland and farmers are farmer, so the fact
13 that you guys were able to accomplish that small miracle in
14 another part of the state, no reason why it shouldn't happen
15 here too. Right?

16 A. I'd anticipate we'd have similar success.

17 Q. There was a few people that didn't seem to
18 think that they wanted to cooperate with selling you their
19 land and that they were probably going to fight you on it.
20 Do you think you're going to be able to convince them?

21 A. I would hope so.

22 Q. And I take it when you talk about condemnation
23 being the last resort, that it means that prior to that last
24 resort, you wouldn't consider changing your mind and
25 building this somewhere else as being one of the other

1 things you might consider before getting to the last resort?

2 A. Yes, it would. As Mr. DeWeese testified,

3 we're looking at several, you know, possibilities to make

4 adjustments to the route to hopefully accommodate people.

5 Q. What about accommodating them by building an

6 additional line between Bland and Franks?

7 A. Well, I think in terms of going to a brand-new

8 corridor, that's not something we considered at this point.

9 What I was referring to was places where we have toll

10 properties, we can actually move the line to, say, avoid

11 their house or to avoid, you know, a particular structure on

12 their property.

13 Q. And you've talked to folks about doing that,

14 haven't you?

15 A. Yes, sir.

16 Q. You personally?

17 A. Yes.

18 Q. Have you made any written offers to anybody or

19 put anything in writing as to what you're willing to do?

20 A. No. At this point we do -- we have the survey

21 information back from the line, but we've not prepared

22 actual easements for anybody.

23 Q. And so I guess we're going to have to trust

24 that if you get your certificate, you're going to honor any

25 of those commitments that are not yet reduced to writing?

1 A. Well, whether we need a certificate or not,
2 it's always our intent to try to work with the property
3 owners and acquire anything voluntarily. And if that means
4 we can make some adjustments to the route to get the job
5 done, that's what we do.

6 Q. And I take it your statement there is
7 qualified also by the three-part test of it being
8 economically good for Ameren, that it be a good engineering
9 solution according to Ameren, and that it not impact any
10 other property owner?

11 A. Well, I don't think we said not impact any
12 other property owner. Some of the solutions would impact
13 other property owners. What we're doing in those cases,
14 we're hoping that those property owners would help us with
15 the solution and not mind the additional burden or be
16 compensated for the additional burden.

17 Q. What kind of investigation of obtaining
18 easements have you done along the Bland-Franks line?

19 A. We've not done any.

20 Q. What kind of property -- do you know -- have
21 you surveyed the property owners, numbers of property, who
22 owns the property that's under your Bland-Franks line?

23 A. We counted property owners. We think there's
24 approximately 160 property owners along the route from Bland
25 to Franks.

1 Q. Have you been over to that line, kind of
2 walked it or drove it or flew it lately?

3 A. I have not. Some employees who work in my
4 department did do that.

5 Q. And did they believe that there was going to
6 be fewer structures moved and fewer people impacted as far
7 as their houses if you were to put a line parallel to the
8 Bland-Franks line?

9 A. Well, without doing a detailed study to know
10 which side of the route we'd be on, they more or less did a
11 general assessment counting property owners. Their
12 assessment was we would cross similar types of property,
13 similar terrain, family farms and rural residential property
14 for the most part.

15 Q. Similar properties, but what about similar
16 impact upon those properties? How many structures are going
17 to be implicated in putting a line on either side of the
18 Bland-Franks line?

19 A. They did not look at it in that detail.

20 Q. Are you aware that if they went down one side,
21 they would have six, none of them residences, and down the
22 other side four, none of them residences, and if they're
23 willing to cross once, they wouldn't have to take any of
24 them out?

25 MR. LOWERY: Your Honor, I'm going to object

1 to that question as assuming facts not in evidence. I don't
2 believe there's been any testimony filed by anybody that
3 establishes any of those numbers.

4 MR. DEUTSCH: I just asked him if he was
5 aware.

6 JUDGE DIPPELL: I'm going to let the witness
7 answer if he's aware.

8 THE WITNESS: I'm not aware.
9 BY MR. DEUTSCH:

10 Q. Anybody on your staff talk to you about that?

11 A. No.

12 Q. Because they haven't really done any kind of
13 analysis to figure out what it would take to do an
14 additional line there, have they?

15 A. Well, what I stated before, the analysis they
16 did was to get an estimate of the number of properties that
17 would be affected and the type of properties that would be
18 affected.

19 Q. And that basically brings us back to October
20 the 19th. That's basically all you did in evaluating the
21 impact of Callaway-Franks line too, isn't it?

22 A. I'm sorry. Could you rephrase that, please?

23 Q. October 19th, that was your letter that went
24 out inviting everybody to come to the meetings on the new
25 Callaway-Franks line. And I was asking you if that level of

1 effort you put forth on the Call-- or the Bland-Franks line
2 wasn't identical to the level of effort you put forth on
3 this new Callaway-Franks?

4 A. No. That's not correct.

5 Q. What additional did you do besides identifying
6 the property owners?

7 A. In addition to identifying the property
8 owners, we have aerial photography of the area so we can
9 lay out a proposed route on the aerial photography. Those
10 aerial photos were presented to the property owners at the
11 workshops so they could see, you know, where we were
12 proposing to put the line on their property and providing
13 input to that.

14 We did look at structures that would be
15 impacted, you know, by the proposed route. So much more
16 detailed than I'm talking about what we did as a cursory --

17 Q. This was prior to your workshops?

18 A. Yes, sir.

19 Q. And prior to your letter?

20 A. Yes, sir.

21 Q. Did you make any effort to contact any of
22 those persons that you now know are going to be more
23 impacted than others, or did you just simply send out the
24 letter and see if they attended?

25 A. Prior to the workshop, we made contact with

1 the county commissioners, the elected officials and we also
2 contacted property owners that we thought would be more
3 impacted than others; in other words, the ones that would
4 have structures involved or possibly impacted by the line.

5 Q. Those contacts with the commissioners and the
6 Representatives and the Senators, they always pay pretty
7 close attention to those, do they?

8 A. I was not at that meeting where those
9 happened, but generally they are interested, yes.

10 Q. Commissioner Gaw probably knows the answer to
11 that question better than the rest of us.

12 Unless a county commissioner's living under
13 that line, do you think he's going to really pay any
14 attention at all to what Ameren is saying they're going to
15 do?

16 A. In the past they've been very interested,
17 because a lot of times what will happen is their
18 constituency will call them even though it's something the
19 county's not doing it, but they're, you know, concerned
20 about what's going on in the area.

21 Q. It's pretty much a bottom-up enterprise. If
22 people at the bottom aren't fully aware of what's going on,
23 it's a lot easier ride for Ameren, isn't it?

24 A. I'm not sure I understand.

25 Q. You don't have to put up with county

1 commissioners asking for publish hearings, state legislators
2 wanting to know what you're doing if they don't have
3 constituents that are asking them what are these guys doing;
4 is that right?

5 A. Well, part of our process through the public
6 information workshop is to keep the elected officials
7 advised of what we're doing so they're aware of these
8 projects when the constituents come to them.

9 Q. And basically the purpose of your workshops in
10 November 2001 were primarily to address your concerns to the
11 easement owners along the property and convince them that
12 this was a good idea?

13 A. Well, the primary purpose of the workshop is
14 it's really our first opportunity to talk to the property
15 owners to let them know in detail how this project may or
16 may not affect them. And then we also have a comment sheet
17 that we request input from them so that we could make any
18 adjustments to the route, you know, based on those comments.

19 Q. Do you get a lot of comments from people
20 saying how wild they were for having this line?

21 A. I don't recall a comment to that effect. We
22 did get quite a few comments.

23 Q. So I take it that the public information
24 system is really kind of a one-way endeavor? You tell them,
25 but if they tell you back, it doesn't really change things,

1 does it?

2 A. Well, no. That's not correct. If we have
3 meaningful comments -- and what I mean by meaningful
4 comments, if someone has an alternative that we can use and
5 also, you know, meet some of the criteria we discussed
6 earlier, we'll certainly take a look at that.

7 Q. But you won't take a look at any alternatives
8 to where to put the line? You won't do that, will you?

9 A. Well, no. That's what I'm talking about. We
10 will make revisions to the line route, you know, if it does
11 make sense to do so.

12 Q. Would you make a revision to the line route by
13 moving it over to the Bland-Franks corridor?

14 A. Well, I don't -- we have not looked at
15 changing the entire corridor, no.

16 Q. No. So we're still talking about these minor
17 adjustments within the existing framework of what Ameren's
18 already decided is the solution?

19 A. Well, some I would consider more than minor.
20 In some cases we're talking about several potential routes
21 that we may be able to revise, you know, if we can get a
22 group of property owners who will support it.

23 Q. Do you remember who the representatives of the
24 Commission Staff were that were at your workshops?

25 A. I believe Mr. Ketter was there and I also

1 believe Mr. Bax was there.

2 Q. Both of them? Both meetings?

3 A. I believe so. I'm not positive.

4 Q. Was Mr. Mitchell there, Chuck Mitchell?

5 A. Yes, sir.

6 Q. You mentioned you had aerial photographs?

7 A. Yes.

8 Q. Didn't he kind of put those together for the

9 folks to show them what the whole line looked like?

10 A. Well, I don't know that Mr. Mitchell did.

11 Basically, we have a group that works on planning for these

12 informational workshops. Between real estate, planning

13 transmission line design and drafting we put those together.

14 Q. I also see that you have representatives at

15 these meetings from your capital district. That's on page 5

16 of your Direct Testimony. Where's the capital district at?

17 A. The capital district basically serves our

18 customers in mid-Missouri.

19 Q. Jeff City?

20 A. Yes.

21 Q. And what exactly was their role in being in

22 Osage, Maries and Pulaski County?

23 A. We always invite representatives from local

24 districts, because a lot of times people have questions not

25 necessarily related to the particular project we're there to

1 talk about, but other questions that may come up about
2 things going on in Ameren, whether it be their distribution
3 facilities or billing or whatever.

4 Q. Page 6 of your Direct Testimony, around
5 line 15, it says you're continuing to work with all
6 interested property owners to try to minimize the impact of
7 the line when we can do so consistent with our obligation to
8 prudently build a safe, reliable and efficient line that
9 will address the needs for which it is being built.

10 Is that what that says?

11 A. That's correct.

12 Q. So is that kind of a paraphrasing of the other
13 three-part test, that you're not doing anybody any favors,
14 that you're willing to listen to them?

15 A. Well, what we're saying is we will try to look
16 at ways to adjust the route if we can minimize the impact on
17 property owners.

18 Q. The Loose Creek Substation part of the need
19 for which the Callaway-Franks line is being built?

20 A. In terms of a need, that's probably more of a
21 planning question.

22 Q. And what's the answer to that question?

23 A. Well, probably be more directed to our
24 planning department.

25 Q. At the top of page 8 of your Direct Testimony

1 you seem to be testifying to some knowledge of the
2 acquisition of these easements in the Callaway-Franks
3 corridor by AEI. I wanted to ask you about that. You
4 don't appear to be that old a guy. Were you around working
5 on this in 1978?

6 A. No.

7 Q. So how do you know that AEI, when they
8 acquired the easements, that in most cases the property
9 owner was given a rough idea of where his or her property
10 line would be built?

11 A. Really that came from information we had
12 received from some of the property owners who told us that
13 when they assigned the easement or the time of the
14 negotiations, they were giving an aerial photo that had the
15 location of the line route on that aerial photo. And there
16 were copies of those in the acquisition files that
17 Associated then turned over to us.

18 Q. And are you comfortable with making a
19 condition of any kind of a certificate that you're going to
20 honor each of the exact locations that might appear on --
21 for these people who you've talked to or who exist
22 concerning a specific spot for the line?

23 A. I'm not sure in terms of a condition. I think
24 we still want the flexibility to be able to work with
25 property owners. And if there's some way we can adjust it

1 which it would be more favorable, we'd like to do it. But
2 we have stated that we do plan to honor the location that
3 was originally portrayed to them by Associated.

4 Q. But after you get your authority with a
5 blanket easement, you're not really required to honor what
6 the discussions were back then, are you?

7 A. I'm not sure on that.

8 Q. And, in fact, if you decided that for your
9 interest, rather than the accommodation of the citizens in
10 the area, that you needed to move something around, you'd be
11 allowed to do that so long as you stayed within the
12 easement, which is the piece of property, the whole thing,
13 wouldn't you?

14 A. I'm not sure if that's correct.

15 Q. Bottom of page 8 you mention for the first
16 time in your testimony that if you can't acquire the new
17 easements, you'll have to condemn those properties.

18 Do you think that owners that you're
19 approaching right now might be somewhat influenced by the
20 fact that you're going to be able to condemn their property
21 in the end anyway, as far as dealing with you?

22 A. I'm not sure if that plays a factor or not.

23 Q. You don't pay attention to the fact that they
24 know that you're going to end up with their property anyway?

25 A. Right. We -- the approach we take is make

1 every effort to negotiate with them and work out an
2 acceptable solution. Like I said, condemnation is a last
3 resort and very rarely used.

4 Q. And we can trust you on that. Right?

5 A. Well, I think you could go back and we could
6 show you statistics, like I mentioned, the Rush Island/St.
7 Francois line that would bear that out.

8 Q. But you don't want to make any kind of
9 conditions on your certificate that you're going to honor
10 those? You'd like to maintain some flexibility and we can
11 trust you on that?

12 A. I think you can trust me that we say we will
13 work with the property owners to try to work out an
14 acceptable situation because that would be a win/win for
15 everybody.

16 Q. And if it turned out being they lose, you win,
17 it wouldn't make much difference for you, would it? You
18 still get the easement and they're still stuck with your
19 line?

20 A. Well, yes, it would make a difference. Like I
21 said, we want to work out a solution that works for
22 everybody without condemning anybody.

23 Q. I guess it never occurred to me that Ameren
24 was so much into the popularity business. Your basic
25 business is selling electricity, isn't it?

1 A. Yes. That's correct.

2 Q. And do people have to like you as a monopoly

3 to pay for the electricity that they're required to take

4 from you?

5 A. No.

6 Q. But you want them to like you anyway?

7 A. I don't think I said like us. I think what I

8 said, it's more efficient if we're able to work something

9 out with the property owners. If we can get all the

10 easements worked out, it will allow us to build the line

11 faster, put it in service quicker.

12 Q. And at the top of page 9 under the heading of

13 Other Issues you mention Missouri ratepayers. I take it --

14 MR. LOWERY: Pardon me, Mr. Deutsch. Can you

15 give us that reference again? I don't seem to be tracking

16 with you.

17 MR. DEUTSCH: I'm sorry. Page 9, the Direct

18 Testimony, Exhibit 5, top of the page, line 1 is a long

19 question that asks about, Are there other issues that you

20 take into consideration in routing a line?

21 MR. RAYBUCK: Thank you.

22 MR. DEUTSCH: You got that?

23 MR. LOWERY: Thank you. Sorry about that.

24 BY MR. DEUTSCH:

25 Q. And you mention in here -- and I just want to

1 get clarification because it's the way I took your answer --
2 ratepayers are going to pay for all this, aren't they?

3 A. It's my understanding that's correct.

4 Q. And are those people who are going to pay for
5 it in rates, are they just your customers or are they
6 everybody that subscribes to any electrical service that
7 runs off the grid?

8 A. That I'm not sure.

9 Q. If you had to -- if you found yourself subject
10 to certain conditions in fulfilling your certificate of
11 authority from the PSC in the Callaway-Franks corridor that
12 made building that line more difficult, would you
13 consider -- or would you have to consider perhaps building a
14 new Bland-Franks line as an alternative?

15 A. Well, that would be hard to speculate not
16 knowing what the conditions would be.

17 Q. What about a condition where you couldn't put
18 your line within 300 feet of any residence?

19 A. I think we would have to take that condition
20 and evaluate whether we can do it with the existing route or
21 what modifications we'd have to make to it.

22 Q. Would the expense of doing it enter into your
23 analysis?

24 A. Yes.

25 Q. In your judgment, isn't that really the only

1 difference between the two solutions is the expense of a new
2 Bland-Franks line without free easements as measured against
3 the lack of expense where you only pay 280,000 -- well, you
4 got it for free, the other guy paid 280,000 for 43 miles.
5 That's really the only difference between these proposals,
6 isn't it?

7 A. I mentioned earlier, we do look at the social
8 impacts of a proposed line. And in this case those existing
9 easements were one of the social impacts we considered.

10 Q. Yeah. But you didn't look at any social
11 impact along the Bland-Franks line, so you really don't have
12 anything to compare it to?

13 A. Just from a high level, looking at the type of
14 properties that we would cross and the number of properties.

15 Q. Yeah. But you didn't look at it in any detail
16 like you did Callaway-Franks?

17 A. That's correct.

18 Q. So you really don't have anything to compare
19 Callaway-Franks to as far as what the social impact is, do
20 you?

21 A. Just at a very high level.

22 Q. High in altitude or high in AmerenUE?

23 A. Well, meaning high level, not a lot of detail
24 where, like I said, with the Bland-Franks, we looked at the
25 type of properties that would be crossed and the number of

1 properties that would be crossed, where we went in more
2 detail with Callaway-Franks looking where those existing
3 easements, where they were granted, where they would go, but
4 also if there were any structures or houses that would be
5 impacted by that route.

6 Q. Does Ameren usually make \$25 million decisions
7 based upon the number of assumptions we see here that you
8 assume, that it's not going to have as much social impact
9 but don't know, and you assume that there are similar
10 properties with similar farmers with similar desires? It
11 seems to me you're doing an awful lot of assumptions for a
12 \$25 million project. Is that routine?

13 A. I'm not aware of that.

14 Q. Whether it's routine?

15 A. Well, like I said, the assumptions we made
16 were that we looked at the proposed route for the
17 Bland-Franks line and it would cross similar types of
18 properties was our conclusion.

19 Q. Have you made any effort to notify the owners
20 that have the properties that are under what we're told is
21 an unsafe, unreliable line on Bland-Franks, that they've got
22 a problem over there?

23 A. Well, I'm not aware that there's a problem,
24 but we've not notified any property owners.

25 Q. Are you personally aware of anybody that's

1 banged their head on an overloaded line over there?

2 A. No, sir.

3 Q. Any kind of problems like that that you're

4 familiar with on the real estate concerning the Bland-Franks

5 line?

6 A. Nothing from a real estate standpoint, no.

7 Q. But it sounds like -- well, I'll ask you. Are

8 you in agreement that there's a very serious problem over

9 there with overloading and all of its bad consequences?

10 A. Well, like I said, I'm not involved in the

11 planning process where that information was looked at.

12 Q. So your basic role is once the decision is

13 made by the engineers that it will be here, you go out and

14 sell the idea, or in this case just you line up the

15 easements?

16 A. Correct. We generally get involved at the

17 level when once a corridor has been selected and we get

18 involved with a lot of groups putting the workshops

19 together, how we're going to inform the public of the

20 project and then ultimately acquire the easements.

21 Q. And you don't do any kind of a social impact

22 study yourself because the decision's already made. Right?

23 A. Well, where the social impact comes in is

24 that's where we look at -- if we're looking at, say, a

25 corridor how that will impact --

1 Q. Within the corridors?

2 A. That's correct.

3 Q. The decision's already made, you're supposed

4 to make the best of it, I assume?

5 A. Well, the decision's made that a line needs to

6 be built from point A to point B. And then we get involved

7 with helping figure out what's the best route to get there.

8 Q. So we have engineers making the judgment as to

9 the social impact?

10 A. Well, in this case the decision on route A to

11 B was made as a joint effort between Ameren planning and

12 Associated.

13 Q. There were engineers, weren't there?

14 A. I believe there were engineers involved,

15 that's correct.

16 Q. Anybody else that you know of that was

17 involved in it?

18 A. I was not involved.

19 Q. Did you read the report?

20 A. No, sir.

21 Q. Keep it secret even from you, huh?

22 JUDGE DIPPELL: Mr. Deutsch, I'm going to

23 interrupt and we're going to stop for the day because it's

24 after 5:00.

25 MR. DEUTSCH: You're two minutes over, Judge.

1 JUDGE DIPPELL: I know. And we will take up
2 in the morning at 8:30 and you can continue your questions
3 then.
4 MR. DEUTSCH: Thank you.
5 JUDGE DIPPELL: Mr. Raybuck, your two
6 witnesses that were available tomorrow, Mr. Nunn, and you'll
7 have to tell me how to say --
8 MR. RAYBUCK: Dr. Gajda. They will both be
9 here as of 8:30 tomorrow morning.
10 JUDGE DIPPELL: And will you still need
11 Dr. Gajda, is that --
12 MR. RAYBUCK: Gajda.
13 JUDGE DIPPELL: Will you still need him to be
14 advanced in the order above Mr. Nunn?
15 MR. RAYBUCK: Well, I think we'll have to see
16 how long the cross-examination is for the other witnesses.
17 JUDGE DIPPELL: I was trying to see if there
18 was a conflict, a problem we were going to have tomorrow
19 morning.
20 All right. Well, then we can adjourn for the
21 day and I'll see you back at 8:30.
22 WHEREUPON, the hearing was adjourned until
23 8:30 a.m., October 1st, 2002.

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1	I N D E X	
2	Opening Statement by Mr. Lowery	13
	Opening Statement by Mr. Bates	32
3	Opening Statement by Mr. Coffman	41
	Opening Statement by Mr. Deutsch	43
4		
5	AMERENUE'S EVIDENCE	
	CHARLES E. MITCHELL	
6	Direct Examination by Mr. Raybuck	59
	Cross-Examination by Mr. Coffman	62
7	Cross-Examination by Mr. Deutsch	64
8	(In-Camera Portion)	
	Cross-Examination by Mr. Deutsch	97
9	Questions by Commissioner Murray	125
	Questions by Commissioner Forbis	126
10	Cross-Examination (Cont'd) by Mr. Deutsch	127
11	(Public Proceeding Resumed)	
	Questions by Chair Simmons	136
12	Questions by Commissioner Murray	139
	Questions by Commissioner Gaw	143
13	Questions by Commissioner Forbis	199
	Questions by Judge Dippell	204
14	Recross-Examination by Mr. Deutsch	206
	Redirect Examination by Mr. Raybuck	211
15	DAVID DEWEESE	
16	Direct Examination by Mr. Raybuck	220
	Cross-Examination by Mr. Deutsch	223
17	Questions by Commissioner Gaw	235
	Questions by Commissioner Forbis	245
18	Questions by Judge Dippell	247
	Recross-Examination by Mr. Deutsch	250
19	GEOFFREY DOUGLASS	
20	Direct Examination by Mr. Raybuck	253
	Cross-Examination by Mr. Deutsch	257
21		
22		
23		
24		
25		

1	EXHIBITS INDEX		
		Marked	Rec'd
2	Exhibit No. 1-P		
3	Direct Testimony of Charles Mitchell, Proprietary	11	61
4	Exhibit No. 1-NP		
5	Direct Testimony of Charles Mitchell, Non-Proprietary	219	218
6	Exhibit No. 2		
7	Surrebuttal Testimony of Charles Mitchell	11	61
8	Exhibit No. 3		
9	Direct Testimony of David DeWeese	11	223
10	Exhibit No. 4		
11	Surrebuttal Testimony of David DeWeese	11	223
12	Exhibit No. 5		
13	Direct Testimony of Geoffrey Douglass	11	256
14	Exhibit No. 6		
15	Surrebuttal Testimony of Geoffrey Douglass	11	256
16	Exhibit No. 7		
17	Direct Testimony of Thomas Beerman	11	
18	Exhibit No. 8		
19	Surrebuttal Testimony of Thomas Beerman	11	
20	Exhibit No. 9		
21	Surrebuttal Testimony of Gary Fulks	11	
22	Exhibit No. 10		
23	Surrebuttal Testimony of David Nunn	11	
24	Exhibit No. 11		
25	Surrebuttal Testimony of Walter Gajda	11	
	Exhibit No. 12		
	Rebuttal Testimony of James L. Ketter	11	
	Exhibit No. 13		
	Rebuttal Testimony of Darin Arbes	11	
	Exhibit No. 14		
	Rebuttal Testimony of Mary Lois Arbes	11	

1	EXHIBITS INDEX (CONT'D)		
		Marked	Rec'd
2	Exhibit No. 15		
	Rebuttal Testimony of Byron P. Baker	11	
3			
	Exhibit No. 16		
4	Rebuttal Testimony of Bonnie J. and Ronald H. Baker	11	
5			
	Exhibit No. 17		
6	Rebuttal Testimony of Sheldon and Lisa Bauer	11	
7			
	Exhibit No. 18		
	Rebuttal Testimony of Darrell and Lori Bax	11	
8			
	Exhibit No. 19		
9	Rebuttal Testimony of Dennis and Rhonda Bax	11	
10			
	Exhibit No. 20		
	Rebuttal Testimony of Mary C. Bexten	11	
11			
	Exhibit No. 21		
12	Rebuttal Testimony of D.L. and Barbara Bishop	11	
13			
	Exhibit No. 22		
	Rebuttal Testimony of Felix and Viola Boehm	11	
14			
	Exhibit No. 23		
15	Rebuttal Testimony of Steve and Joyce Boehm	11	
16			
	Exhibit No. 24		
	Rebuttal Testimony of Howard Doyle	11	
17			
	Exhibit No. 25		
18	Rebuttal Testimony of Alvin and Jill Drennen	11	
19			
	Exhibit No. 26		
	Rebuttal Testimony of Dale and Lana Hackmann	11	
20			
	Exhibit No. 27		
21	Rebuttal Testimony of David and Donna Hackmann	11	
22			
	Exhibit No. 28		
	Rebuttal Testimony of Sean Hackmann	11	
23			
	Exhibit No. 29		
24	Rebuttal Testimony of Linus and Florence Kever	11	
25			

1	EXHIBITS INDEX (CONT'D)		
2	Exhibit No. 30		Marked Rec'd
3	Rebuttal Testimony of Patrick and Tammy Kliethermes	11	
4	Exhibit No. 31		
5	Rebuttal Testimony of Thomas Knollmeyer	11	
6	Exhibit No. 32		
7	Rebuttal Testimony of Carolyn Koenigsfield	11	
8	Exhibit No. 33		
9	Rebuttal Testimony of Herbert Kramer	11	
10	Exhibit No. 34		
11	Rebuttal Testimony of Mary Claire Kramer	11	
12	Exhibit No. 35		
13	Rebuttal Testimony of Eric C. May	11	
14	Exhibit No. 36		
15	Rebuttal Testimony of Larry May	11	
16	Exhibit No. 37		
17	Rebuttal Testimony of Doug McDaniel	11	
18	Exhibit No. 38		
19	Rebuttal Testimony of Norbert Mengwasser	11	
20	Exhibit No. 39		
21	Rebuttal Testimony of Edward J. Nichols	11	
22	Exhibit No. 40		
23	Rebuttal Testimony of Francis A. Platt	11	
24	Exhibit No. 41		
25	Rebuttal Testimony of Edward and Patricia Redel	11	
	Exhibit No. 42		
	Rebuttal Testimony of Victor and Mabel Renkemeyer	11	
	Exhibit No. 43		
	Rebuttal Testimony of Bernard Samson	11	
	Exhibit No. 44		
	Rebuttal Testimony of Edward J. Schaefer, Jr.	11	

1	EXHIBITS INDEX (CONT'D)		
2	Exhibit No. 45	Marked	Rec'd
3	Rebuttal Testimony of Paul Scheulen	11	
4	Exhibit No. 46		
5	Rebuttal Testimony of Stanley E. Strobe	11	
6	Exhibit No. 47		
7	Rebuttal Testimony of Dorothy Thomas	11	
8	Exhibit No. 48		
9	Rebuttal Testimony of Ted and Alice Waldbart	11	
10	Exhibit No. 49		
11	Rebuttal Testimony of Ted Waldbart		
12	(Lee Waldbart Trust)	11	
13	Exhibit No. 50		
14	Rebuttal Testimony of James R. Wieberg	11	
15	Exhibit No. 51		
16	Transmission line easement	91	94
17	Exhibit No. 52		
18	Mid-America Interconnected Network, Inc. map	219	198
19			
20			
21			
22			
23			
24			
25			