

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

FILED  
March 30, 2017  
Data Center  
Missouri Public  
Service Commission

In the Matter of the Application of Grain Belt Express )  
Clean Line LLC for a Certificate of Convenience and )  
Necessity Authorizing it to Construct, Own, Operate, )  
Control, Manage, and Maintain a High Voltage, Direct )  
Current Transmission Line and an Associated Converter )  
Station Providing an interconnection on the Maywood- )  
Montgomery 345 kV Transmission Line )

Case No. EA-2016-0358

**ERRATA SHEET TO  
SURREBUTTAL TESTIMONY OF ANTHONY WAYNE GALLI**

Grain Belt Express Clean Line LLC (“Grain Belt Express” or “Company”) states the following as its errata sheet to the Surrebuttal Testimony of Anthony Wayne Galli.

1. On page 36 of his Surrebuttal Testimony in footnotes 55 and 56, Dr. Galli refers to certain Staff Responses to the Company’s Data Requests to Staff, indicating they can be found in Schedule AWG-13. However, Schedule AWG-13 does not contain the Staff Responses that Dr. Galli intended to refer to. Rather, the Staff Responses that Dr. Galli intended to refer to are attached here as Schedule AWG-18, which will be the next numbered schedule to Dr. Galli’s Surrebuttal.

2. This corrected reference does not change the testimony or opinions of Dr. Galli.

WHEREFORE, Grain Belt Express Clean Line LLC provides this errata sheet of corrections regarding the Surrebuttal Testimony of A. Wayne Galli.

GB Exhibit No. 129  
Date 3-21-17 Reporter KP  
File No. EA-2016-0358

Respectfully submitted,

/s/ Karl Zobrist

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**ATTORNEYS FOR GRAIN BELT EXPRESS  
CLEAN LINE LLC**

**CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing was served upon all parties of record in this case on this 14th day of March 2017.

/s/ Karl Zobrist  
Attorney for Grain Belt Express Clean Line LLC

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

**In the Matter of the Application of )  
Grain Belt Express Clean Line LLC for a )  
Certificate of Convenience and Necessity ) Case No. EA-2016-0358  
Authorizing it to Construct, Own, Operate, )  
Control, Manage and Maintain a High )  
Voltage, Direct Current Transmission Line )  
and an Associated Converter Station )  
Providing an Interconnection on the )  
Maywood-Montgomery 345kV transmission )  
line. )**

**STAFF RESPONSES TO  
GRAIN BELT EXPRESS CLEAN LINE LLC'S  
FIRST SET OF DATA REQUESTS DIRECTED TO  
STAFF OF THE MISSOURI PUBLIC SERVICE COMMISSION**

For its First Set of Data Requests Directed to Staff of the Missouri Public Service Commission ("Staff"), Grain Belt Express Clean Line LLC ("Grain Belt Express" or "Company") states the following:

Definitions

1. The term "documents" includes all of the items listed in Missouri Rule of Civil Procedure 58.01(a)(1).
2. The term "Grain Belt Express Project" or "Project" means the transmission line and associated facilities described in Paragraph 14 of the Application in this proceeding.

## Data Requests

1. On p. 18 of its Rebuttal Report, Staff writes "It is possible that KCP&L might be willing to sell some of the RECS from these two wind farms...?"

a. Please provide all relevant information and documentation which support this "possibility."

**Staff Response:** Staff's statement based on the fact that KCPL and GMO were expected to have excess Renewable Energy Credits ("RECs"), RECs that will not be needed to comply with Missouri's Renewable Energy Standard ("RES"), when Staff filed testimony on September 15, 2014 in Case No. EA-2014-0207. Since that time, KCP&L announced the purchase from the two wind farms referenced above. Since Staff continues to believe that KCP&L can meet the RES requirements without these two wind farms, the addition of these two wind farms should result even more excess RECs and therefore there is an opportunity for KCP&L to sell excess RECs. If an electric utility has excess RECs, it would be prudent to sell those RECs at a fair market value as has been the practice in Missouri.

*Provided by Staff Witness Daniel I. Beck, PE*

b. Does Staff know if KCP&L will be purchasing the RECs "bundled" with the power from these wind generators or will KCP&L be purchasing the power exclusively from the wind generators?

**Staff Response:** All current contracts for wind that are in place for the 4 Missouri investor-owned electric utilities are for "bundled" resources. It is Staff's understanding that is also true of the two wind farm contracts discussed above.

*Provided by Staff Witness Daniel I. Beck, PE*

c. Has Staff analyzed the effect of the differing wind speeds on cost of wind energy between these two wind generators versus the wind speeds found in western Kansas.

**Staff Response:** Staff has not performed any analysis that compares the Osborn Wind Farm or the Rock Creek Wind Farm to any wind farms that might be located in western Kansas.

*Provided by Staff Witness Daniel I. Beck, PE*

2. Other than Staff's legal position regarding the obtainment of necessary county assents, does Staff have any basis to believe that Ameren Transmission Company's Mark Twain project will not be in service by the end of 2021? If so, please explain and provide all relevant information and documentation.

**Staff Response:** The Missouri Public Service Commission ordered in the EA-2015-0146 Report and Order Pg. 40 Item 2:

"The certificate is contingent upon ATXI providing certified copies of county assents for the Mark Twain Project from Marion, Shelby, Knox, Adair, and Schyler Counties, Missouri"

As Staff indicated in its report, Staff is aware that cases are pending regarding the Mark Twain Project which may have an impact on the timing of the Mark Twain Project in-service date:

ATXI V SHELBY COUNTY COMMISSION	16SB-CC00009
ATXI V SHELBY COUNTY COMMISSION	16SY-CV00145
ATXI V ADAIR COUNTY COMMISSION	16AR-CV00790
ATXI V KNOX COUNTY COMMISSION	16KN-CC00051
ATXI V MARION COUNTY COMMISSION CV00182	16MM-

In addition, Staff is aware of a pending case that involves legal issues beyond just the obtainment of necessary county assents. The following case involves multiple legal issues and may have an impact on the timing of the Mark Twain Project in-service date:

AMEREN TRANSMISSION, RES NEIGHBORS UNITED, APEL	WD79883
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It should be noted that Staff has not stated an in-service date for the Mark Twain project in the current case proceeding.

*Provided by Staff Witness Shawn Lange*

3. On p. 30 of its Rebuttal Report, Staff writes "The MJMEUC contracts accounts for up to 5.71% of the SPP-MISO capacity, and up to .63% of the MISO-PJM capacity." Please provide Staff's calculation and basis for this statement.

**Staff Response:** This was provided as Sarah Kliethermes' workpaper.

*Provided by Staff Witness Sarah Kliethermes*

4. On p. 31 of its Rebuttal Report, Staff writes "Another concern with the assertion that costs will not be recovered from Missouri ratepayers is that if upgrades are necessary to the MISO grid associated with the Missouri converter station, and those upgrades are determined by MISO to address a local reliability concern, the pro rata of those costs is recoverable through MISO from those entities deemed to be beneficiaries of the improvement, and ultimately incurred by Missouri ratepayers." Please provide the basis, including relevant documentations or citations, for Staff's assertion.

**Staff Response:** See MISO OATT, and MISO OATT, Attachment X, Appendix 6 to GIP, 9.9.2: Other Users. If required by Applicable Laws and Regulations or if the Parties mutually agree, such agreement not to be unreasonably withheld or delayed, to allow one or more Parties to use the Transmission Owner's Interconnection Facilities, or any part thereof, Interconnection Customer will be entitled to compensation for the capital expenses it incurred in connection with the Interconnection Facilities based upon the pro rata use of the Interconnection Facilities by Transmission Owner, all non-Party users, and Interconnection Customer, in accordance with Applicable Laws and Regulations or upon some other mutually-agreed upon methodology. In addition, cost responsibility for ongoing costs, including operation and maintenance costs associated with the Interconnection Facilities, will be allocated between Interconnection Customer and any non-Party users based upon the pro rata use of the Interconnection Facilities by Transmission Owner, all non-Party users, and Interconnection

Customer, in accordance with Applicable Laws and Regulations or upon some other mutually agreed upon methodology. If the issue of such compensation or allocation cannot be resolved through such negotiations, it shall be submitted to Dispute Resolution pursuant to Section 12 of the Tariff."

*Provided by Staff Witness Sarah Kliethermes*

5. On p. 37 of its Rebuttal Report, Staff cites "Statistic Brain (2016)" regarding "failure rate" of an industry category entitled "Transportation, Communications and Utilities":

a. Please provide documentation of which companies are included in the Transportation, Communication and Utilities category in the cited survey.

**Staff Response:** Please refer to the citation, "Statistic Brain (2016). "Startup Business Failure Rate By Industry" <http://www.statisticbrain.com/startup-failure-by->

industry. (1/13/2017). Staff did not seek further documentation of which companies were included in the Transportation, Communication and Utilities category.

*Provided by Staff Witness Michael Stahlman*

- b. Are any companies owning transmission lines included in the survey?

**Staff Response:** Staff does not know.

*Response provided by Staff Witness Michael Stahlman*

- c. Has Staff ever used "Statistic Brain" in another proceeding before the Missouri Public Service Commission?

**Staff Response:** Staff is unaware of any other citation of the Statistic Brain Research Institute's information before the Commission.

*Response provided by Staff Witness Michael Stahlman*

6. On p. 37 of its Rebuttal Report, Staff writes "While the category is broad, Grain Belt's business model is atypical of the utilities that are generally granted regulatory protections by this Commission."

- a. What "protections" will Grain Belt be provided if the Missouri Commission approves its CCN application? Please explain what the word "protections" means?

**Staff Response:** In the context of quotation above, "protections" was used as describing the granting of a certificated service territory. If approved, Grain Belt will be authorized it to construct, own, operate, control, manage, and maintain electric transmission facilities within Buchanan, Clinton, Caldwell, Carroll, Chariton, Randolph, Monroe and Ralls Counties, Missouri, as well as an associated *converter station in Ralls County*.

*Response provided by Staff Witness Michael Stahlman*

- b. How many receiverships has the Commission sought for utilities with what the Staff would consider typical business models, including small water and sewer in the last 10 years?



**Staff Response: 8.**

*Response provided by Staff Witness Michael Stahlman*

c. Does Staff consider a PPA between a wind generator and load-serving entity to be a typical business model?

**Staff Response: Yes.**

*Response provided by Staff Witness Michael Stahlman*

7. Does Staff agree that changes in off-system sales are included in Mr. Copeland's Adjusted Production Cost analysis presented in his direct testimony?

**Staff Response:** Staff doesn't know. Staff agrees that at page 16 Mr. Copeland testifies: "Adjusted Production Cost (\$) – The total variable cost of generation plus the cost of energy purchases minus revenue from off-system sales (exports). This metric captures the ability for Missouri to recognize revenue from outside sales, as well as the costs associated with market purchases. It is a proxy for the cost to serve wholesale load within the State of Missouri."

*Response provided by Staff Witness Sarah Kliethermes*

8.

8. On page 40 of Staff's Rebuttal Report, Staff writes, "To the extent that contingency planning for the regional would need to account for the sudden failure of a 500 MW generator, this would increase reserve margin requirements to preserve existing reliability."

a. Please provide Staff's understanding of how reserve margins are established in the region.

**Staff Response:**

See: <http://www.nerc.com/pa/RAPA/ri/Pages/PlanningReserveMargin.aspx>;  
<http://www.nerc.com/comm/PC/Performance%20Analysis%20Subcommittee%20PAS%202013/1-3%20July%209.pdf>

*Response provided by Staff Witness Sarah Kliethermes*

b. Provide all relevant citations or documentation which support Staff's understanding of how reserve margins are set in the region.

**Staff Response:** Staff does not know what "the region" is as referenced by Ms. Kelly in the statement Staff discusses in the quoted text. Citations to general documents informing Staff's understanding of reserve margins are provided in response to 8.a.

*Response provided by Staff Witness Sarah Kliethermes*

c. Please provide any examples of additional capacity being added in Missouri which has required the reserve margin for Missouri to increase?

**Staff Response:** Staff is not aware that there is a reserve margin "for Missouri" specified.

*Response provided by Staff Witness Sarah Kliethermes*

d. Please provide all relevant citations or documentations which support Staff's belief the potential for additional reserve margins to be added because of the interconnection in Missouri.

**Staff Response:** Staff does not agree that this question accurately states Staff's belief. Staff understands that every interconnection is studied in an N-1-1

8. contingency state. *Response provided by Staff Witness Sarah Kliethermes*

8(9) Is Staff aware of any transmission line which have been decommissioned in the first twenty years of their operation? If so, please provide relevant documentation.

**Staff Response:** No.

*Response provided by Staff Witness Daniel I. Beck, PE*