

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

In the Matter of the Application of Ameren)
Transmission Company of Illinois for a)
Certificate of Convenience and Necessity)
Authorizing it to Operate and Maintain an)
Interconnection of the High Prairie Wind)
Project with the Mark Twain Transmission)
Line)

Case No. EA-2021-0167

STAFF RECOMMENDATION TO APPROVE APPLICATION

COMES NOW the Staff of the Missouri Public Service Commission (“Staff”), by and through undersigned counsel, and for its *Staff Recommendation to Approve Application* respectfully states:

1. On December 11, 2020, Ameren Transmission Company of Illinois (“ATXI”) filed an Application seeking an order declining jurisdiction or, alternatively, requesting a certificate of convenience and necessity (“CCN”) to operate and maintain interconnection facilities in Schuyler County, MO that connect the High Prairie Wind Generation Facility (“High Prairie”) with the Applicant's 345 kV electric transmission line, which is commonly referred to as the “Mark Twain Transmission Line” or the “Mark Twain Project.” The Application also included a request for waiver of the Commission’s 60-day notice requirement under Commission Rule 20 CSR 4240-4.017 and for expedited treatment pursuant to 20 CSR 4240-2.080(14).

2. On December 15, 2020, the Commission issued its *Order Directing Notice and Setting Deadlines for Intervention Applications and Staff’s Recommendation*, in which Staff was ordered to file either a recommendation regarding ATXI’s Application or a status report no later than January 11, 2021.

3. On January 11, 2021, in order for Staff to finalize its recommendation, Staff respectfully requested, and was granted, a one week extension. The Commission ordered Staff to file its recommendation no later than January 19, 2021.

4. ATXI is engaged in the construction, ownership and operation of interstate transmission lines and related facilities that transmit electricity for the public use, including within Missouri.

5. In 2018, ATXI obtained a CCN from the Commission to construct, finance, own and operate the Mark Twain Transmission Line in Case No. EA-2017-0345.¹

6. ATXI goes on to further explain that Union Electric d/b/a Ameren Missouri (“Ameren”) was issued a CCN for the 400 mega-watt wind generation facility at High Prairie, which is also located in Schuyler County, MO.² ATXI adds that it expects Ameren to close on the purchase of High Prairie in December 2020.³

7. In order to deliver its 400 MW load, ATXI posits that High Prairie must interconnect to 345 kV transmission in its area. ATXI goes on to explain that “in essence, the Hughes Switchyard constitutes the High Prairie interconnection to the Mark Twain Project.”⁴ The interconnection is governed by GIA and includes ATXI, Ameren, and MISO.

¹ Case No. EA-2017-0345, *Order Approving Unanimous Stipulation and Agreement*, January 10, 2018.

² *Application of Ameren Transmission Company of Illinois for Order Declining Jurisdiction or, Alternatively, Granting a CCN to Operate and Maintain an Interconnection; and Motion for Expedited Treatment and for Waiver of 60-Day Notice Requirement*, December 11, 2020, ¶ 7.

³ *Ibid.*

⁴ *Ibid.*

I. The Commission has jurisdiction over ATXI's Application

8. In its Application, ATXI states that "it believes that implicit in the Mark Twain CCN is a Commission determination that the public convenience and necessity requires that ATXI own, operate, and maintain interconnections to the Mark Twain Project."⁵

9. However, ATXI has filed its Application in this matter because it discovered that, in Case Nos. EA-2016-0188 and EA-2016-0190, "Transource Missouri, Inc. ("Transource") sought, Staff recommended, and the Commission granted, CCNs for two switchyards that interconnect Transource's 345 kV electric transmission line in northwest Missouri with two area wind farms"⁶ Similar to ATXI, Transource argued that it was not a Missouri rate-regulated entity and did not directly serve retail electric customers in Missouri, and thus argued there was no need for the Commission to assert its jurisdiction.⁷

10. In both Case Nos. EA-2016-0188 and EA-2016-0190, Staff recommended that the Commission did indeed have jurisdiction over Transource, arguing that "Transource is an 'electrical corporation' that owns and operates 'electric plant'...for the sale of electricity to others, has CCNs for those transmission lines, and requires a CCN from the Commission for the proposed Switch Station facilities to interconnect the Rock Creek Wind Project with the Sibley-Nebraska City 345 kV transmission line in Missouri."⁸

⁵ *Id.*, ¶ 9.

⁶ *Ibid.*

⁷ Case No. EA-2016-0188, *Application of Transource Missouri, LLC for Order Declining Jurisdiction or, in the Alternative, a Certificate of Convenience and Necessity; Request for Waiver; and Motion for Expedited Treatment*, ¶ 2 and 12 (January 19, 2016). See also Case No. EA-2016-0190, *Application of Transource Missouri, LLC for Order Declining Jurisdiction or, in the Alternative, a Certificate of Convenience and Necessity and Motion for Expedited Treatment*, ¶ 12 (July 22, 2016).

⁸ *Id.*, *Staff's Memorandum Recommendation*, ¶ 11 (March 16, 2016). See also Case No. EA-2016-0190, *Staff's Memorandum and Recommendation*, ¶ 21 (September 20, 2016).

11. In the Transouce cases, the Commission sided with Staff, stating:

This Commission has jurisdiction over the sale and transmission of electricity within the state, as well as electric plants, and the corporations that own, operate or control the same. Transource Missouri is an “electrical corporation” and the switch station is an “electric plant” under Missouri’s statutes. Transource Missouri is, therefore, a public utility subject to the jurisdiction, control, and regulation of the Commission.⁹

12. Staff concludes the same arguments apply to ATXI, and that it does fall under the jurisdiction of the Commission because ATXI “is an ‘electrical corporation’ and the switch station is an ‘electric plant’ under Missouri’s statutes.”¹⁰

II. The Commission Should Grant ATXI’s Request for a CCN

13. Staff’s Memorandum, attached hereto and incorporated as Appendix A, which details Staff’s investigation and analysis into ATXI’s request for a CCN.

14. In summary, having reviewed ATXI’s Application, Staff recommends the Commission order the issuance of a CCN to operate and maintain the Hughes switching station located in Schuyler County, MO, as well as a waiver of the 60-day notice requirement under Commission Rule 20 CSR 4240-4.017.

15. Staff further recommends that the Commission include in its order a waiver of other filing requirements, identified in Staff’s Memorandum, consistent with other waivers granted to electric corporations that have facilities in Missouri but do not directly serve Missouri retail customers.

⁹ *Id.*, *Order Granting Certificate of Convenience and Necessity*, pg. 3-4, footnotes omitted (April 6, 2016). See also Case No. EA-2016-0190, *Order Granting Certificate of Convenience and Necessity*, pg. 3 (October 5, 2016).

¹⁰ *Ibid.*

WHEREFORE, Staff prays that the Commission will accept this *Staff Recommendation to Approve Application*, and issue an order authorizing ATXI's request for a CCN to operate and maintain the Hughes switching station located in Schuyler County, MO, as well as order a waiver of certain filing requirements.

Respectfully Submitted,

/s/ Travis J. Pringle

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand delivered, transmitted by facsimile or electronically mailed to the Complainant and/or all counsels of record this 19th day of January, 2021.

/s/ Travis J. Pringle

MEMORANDUM

TO: Missouri Public Service Commission Official Case File
Case No. EA-2021-0167
In the Matter of the Application of Ameren Transmission Company of Illinois for a Certificate of Convenience and Necessity Authorizing it to Operate and Maintain an Interconnection of the High Prairie Wind Project with the Mark Twain Transmission Line.

FROM: Shawn E. Lange, Professional Engineer, Engineering Analysis

SUBJECT: Recommendation to Approve Application

DATE: January 19, 2021

/s/ *Claire Eubanks* 01/19/21
Engineering Analysis Manager/ Date
Engineering Analysis

/s/ *Travis Pringle* 01/19/21
Associate Counsel / Date
Staff Counsel's Office

SUMMARY

Staff has reviewed the December 11, 2020, Application of Ameren Transmission Company of Illinois (“ATXI”) concerning the Hughes switching station, adjacent to the High Prairie Wind Farm. As discussed below, Staff recommends the Commission order the issuance of a Certificate of Convenience and Necessity (“CCN”) to operate and maintain the Hughes switching station located in Schuyler County, Missouri. Staff also recommends the Commission include in its order a waiver from certain filing requirements, consistent with other waivers granted to electric corporations that have facilities in Missouri but do not directly serve Missouri retail customers.

BACKGROUND & OVERVIEW

On December 11, 2020, ATXI submitted an Application for (1) an order declining jurisdiction or (2) alternatively, a Missouri Public Service Commission (“Commission”) CCN authorizing it to operate and maintain the Hughes switching station, within Schuyler County, Missouri, per section 393.170, RSMo 2018. ATXI further requests waiver of the 60 day filing rule under 20 CSR 4240-4.017(1)(D), and moves for expedited treatment pursuant to 20 CSR 4240-2.080(14). The Application meets the filing requirements of 20 CSR 4240-2.060.

Included in ATXI's Application is language¹ that may be requesting a waiver from 20 CSR 4240-10.145², 20 CSR 4240-20.105³, 20 CSR 4240- 3.175, and 3.190(1), (2), (3)(A)-(D), or may be stating ATXI's belief that such rules have already been waived with respect to ATXI and all CCN's obtained by ATXI. Whether such waiver was granted in a previous case or is requested here, Staff recommends the Commission include in its order that ATXI is not obligated to file reports pursuant to 20 CSR 4240-10.145, 20 CSR 4240-20.105, 20 CSR 4240- 3.175, and 3.190(1), (2), (3)(A)-(D) because ATXI does not serve retail customers in the state of Missouri.

On December 15, 2020, the Commission issued an Order informing any proper person or entity who desired to intervene in this case must do so by January 4, 2021. No entities intervened. In the same Order, the Commission directed the Staff to file its recommendation or a status report in this case by January 11, 2021. On January 11, 2021, Staff filed a status report indicating it would file its recommendation no later than January 18, 2021.

ATXI is a corporation existing and organized in the State of Illinois, with its principal place of business being in St. Louis, Missouri. As illustrated in Appendix A to its Application, ATXI is authorized to do business within the State of Missouri. Staff is not aware of any pending actions or unsatisfied judgments against ATXI concerning customer service or rates occurring within three years of this filing.

ATXI's Application includes the following description:

Ameren Transmission Company of Illinois ("ATXI"), pursuant to Section 393.170, 20 CSR 4240-2.060, 20 CSR 4240-20.045, and 20 CSR 4240-4.017, and hereby submits its Application for an order declining jurisdiction or, alternatively, for a certificate of convenience and necessity ("CCN") to operate and maintain Interconnection Facilities generally consisting of a 345 kilovolt ("kV") switchyard in Schuyler County, Missouri that connect the High Prairie Wind Generation Facility ("High Prairie") with the Applicant's 345 kV electric transmission line, which is commonly referred to as the "Mark Twain Transmission Line" or the "Mark Twain Project"; and its motion for a waiver of the 60-day notice requirement under 20 CSR 4240-4.017 and for expedited treatment of its Application pursuant to 20 CSR 4240-2.080(14).

¹ "In 2018, ATXI obtained a CCN from the Commission to construct, finance, own, and operate the Mark Twain Transmission Line. See Order Approving Unanimous Stipulation and Agreement, File No. EA-2017-0345 (Jan. 10, 2018) ("Mark Twain Order"). Because ATXI has no retail customers, the Mark Twain Order granted ATXI waivers of 20 CSR 4240-3.145, .165, .175, and .190(1), (2), (3)(A)-(D)." ATXI Application Pg. 2 Paragraph 5.

² The rule was formerly codified in Chapter 3 of Division 240 of the Department of Economic Development's rules, and pertain to annual reports (3.165)

³ The rule was formerly codified in Chapter 3 of Division 240 of the Department of Economic Development's rules, and pertain to retail rate schedules (3.145).

Per the Generator Interconnection Agreement (“GIA”) for High Prairie:

The property for the Hughes switching station site will be purchased by the Interconnection Customer and quit claimed to the Transmission Owner. The Interconnection Customer will bear the full cost and responsibility for property acquisition, site grading to Transmission Owner specifications, constructing and furnishing an access road, permitting, right of way, and all other costs associated with acquiring the necessary real estate for this station.

DISCUSSION

ATXI’s request in this docket pertains to the Hughes switching station which interconnects the High Prairie wind farm to the 345 kV Mark Twain Transmission line. A switchyard or switching station is where energy is routed either from different sources or to different customers.⁴ For example, a switching station near an energy generating facility may be able to switch some or all of its energy flow from one region to another as needed. A switching station near a city, on the other hand, might allow the city to switch between different energy providers if one provider goes offline or routes their energy to a different customer. Switching stations often contain circuit breakers, reclosures and other automated mechanisms that switch or divide their output between different distribution lines when system faults occur or shut down transmission altogether in the event of a serious problem.⁵ Voltage will not be transformed at the Hughes switching station, in that both the High Prairie Wind Generation Facility line and the Mark Twain line operate at 345 kV, and there is no interconnection at the point in question with the surrounding distribution system.

Commission rule 20 CSR 4240-20.045(5)(A) requires “[a] description of the asset(s) to be operated.” ATXI constructed the Hughes switching station and certain transmission owner interconnection facilities described in Appendix A and Appendix C to the GIA. A technical description of the Hughes switching station and these related transmission owner interconnection facilities is contained in Appendix C of the GIA.

Commission rule 20 CSR 4240-20.045(5)(B) requires “[t]he value of the asset(s) to be operated.” The Hughes switching station was constructed at a cost of approximately \$9.6 million.

⁴ A substation should not be confused with a switch station / switch yard. A substation is a high voltage electric system facility. It is used to switch generators, equipment, and circuits or lines in and out of a system. Also, it is used to change AC voltages from one level to another, i.e., either step up or step down an AC voltage level.

⁵ <https://www.collinsdictionary.com/dictionary/english/switching-station>.

Commission rule 20 CSR 4240-20.045 (5)(C) requires “[t]he purchase price and plans for financing the operation.” There is not a purchase price other than the cost of the Hughes switching station. ATXI financed the project with funds from its treasury. The payer of the costs of construction will ultimately be governed by the GIA included in Appendix F of the Application.

Commission rule 20 CSR 4240-20.045(5)(D) requires filing of “[p]lans and specifications for the asset, including as-built drawings” and 20 CSR 4240-20.045(3)(C) requires that “[i]f any of the items required under this rule are unavailable at the time the application is filed, the unavailable items may be filed prior to the granting of authority by the commission, or the commission may grant the certificate subject to the condition that the unavailable items be filed before authority under the certificate is exercised.” Appendix F to the Application included a diagram of the Hughes switching station and surrounding facilities. A technical description of the Hughes switching station and the related interconnection facilities is provided in Appendix F to the Application. Appendix G to the Application includes as-built or as-installed drawings.

Staff reviewed the Application based on the five factors the Commission listed in *In Re Tartan Energy*, GA-94-127, 3 Mo.P.S.C.3d 173, 177 (1994) – need, qualified to own, operate, control and manage the facilities and provide the service, financial ability, economic feasibility and promotion of the public interest (“Tartan Criteria”). A short description of how, in Staff’s opinion, each criteria has been met for the Hughes switching station is summarized below:

- Is the service needed?
 - Yes. High Prairie needs to be able to deliver its 400MW to load via the Mark Twain Transmission Line. As a result of the Midcontinent Independent System Operator GIA between High Prairie and ATXI, this interconnection will be via an ATXI-owned Hughes switching station.
- Is the applicant qualified to provide the service?
 - Yes. ATXI, an affiliate of Ameren Corp., has been in business for over fourteen (14) years, and has access to Ameren Services, which also provides expertise to Ameren Missouri.
- Does the applicant have the financial ability to provide the service?
 - Yes. ATXI represents the Hughes switching station was constructed at a cost of approximately \$9.6 million using funds from ATXI’s treasury and which, as noted, will be covered by the charges addressed in the GIA.
- Is the applicant’s proposal economically feasible?
 - Yes. For the same reasons provided above concerning financial ability and qualifications to provide the service.

- Does the service promote the public interest?⁶
 - Yes. The public interest assessment involves a reconsideration of the other Tartan Criteria. In that the project is necessary for the interconnection of Ameren Missouri's High Prairie wind farm, ATXI is qualified to provide the service, has the financial ability, and the proposal is economically feasible; Staff concludes the operation and maintenance of the Hughes switching station promotes the public interest.

CONCLUSION

Staff has reviewed the filing and information obtained through prior discussions with ATXI as well as discovery conducted as part of this matter. In this Application, ATXI is requesting and Staff supports the issuance by the Commission of a CCN for ATXI to operate and maintain the Hughes switching station located in Schuyler County, Missouri, because these transmission facilities are necessary for the interconnection of the High Prairie Wind Farm. Staff also supports a waiver from certain filing requirements identified above. The waiver would be consistent with other waivers granted to electric corporations that have facilities in Missouri but do not directly serve Missouri retail customers.

⁶ In the Matter of the Application of Tartan Energy Company, LLC, d/b/a Southern Missouri Gas Company, 3 Mo P.S.C. 3d 173, 177 (1994). See also Section 393.170, RSMo (2000).

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Line)

AFFIDAVIT OF SHAWN E. LANGE

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COMES NOW Shawn E. Lange, and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Staff Recommendation to Approve Application, in Memorandum form*; and that the same is true and correct according to his best knowledge and belief, under penalty of perjury.

Further the Affiant sayeth not.

/s/ Shawn E. Lange
Shawn E. Lange