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

In the Matter of the Application of Grain Belt Express LLC for an Amendment to its Certificate Of Convenience and Necessity Authorizing it to Construct, Own, Operate, Control, Manage, and Maintain a High Voltage, Direct Current Transmission Line and Associated Converter Station

File No. EA-2023-0017

## SIERRA CLUB'S STATEMENT OF POSITION

Sierra Club, by and through counsel, provides this Statement of Position, with issues

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numbered according to the Joint List of Issues filed by Staff on May 22, 2023. Sierra Club takes

a position on Issue 1. Sierra Club reserves the right to modify its positions or to take additional

positions as the case proceeds.

1. Does the evidence establish that the following amendments to the Certificate of Convenience and Necessity ("CCN") held by Grain Belt Express LLC ("Grain Belt Express") are "necessary or convenient for the public service" within the meaning of that phrase under section 393.170, RSMo:

a. Relocating the Missouri converter station from Ralls County to Monroe County and increasing the capacity of the Missouri converter station from 500 MW to 2500 MW.

b. Relocating the AC connector line (the "Tiger Connector") from Ralls County to Monroe, Audrain, and Callaway Counties.

c. Constructing the Project in two phases. i. If the Commission determines that constructing the project in two phases is "necessary or convenient for the public service," should the Commission approve a modification to the "Financing Conditions," as set forth in Section I of Exhibit 1 to the Report & Order on Remand in Case No. EA-2016-0358, to allow for constructing the Project in two phases?

Sierra Club states that the Commission should approve the revised application for the Grain

Belt Express and grant the requested CCN. There is strong evidence, including in the Rebuttal Testimony of Michael Milligan on Behalf of Sierra Club, that the Grain Belt Express transmission

line will markedly improve the economic operation of the grids in Missouri, offer significant

resilience value, and improve the reliability of the grid for utilities and customers in Missouri.

First, the Grain Belt Express will provide significant economic benefits to Missouri. The operational economic benefits from building transmission primarily result from a reduction in transmission constraints, enabling access of remote generation resources that may have lower variable costs of producing energy, such as wind and solar. Recent studies have found that transmission system congestion costs customers billions of dollars per year in MISO and SPP. By providing a new "pathway" connecting resources to demand, existing constraints between Kansas and Missouri will be reduced and electric costs will be lowered overall. The Grain Belt Express would help alleviate the curtailment of renewable energy by providing a new outlet to regions that need cost-effective energy. By removing congestion and improving access to low-cost generation, the Grain Belt Express will lower costs for Missouri customers throughout the state.

Second, the Grain Belt Express will increase operational reliability of the grids in Missouri and will improve long-term reliability and resource adequacy. Operational reliability will be enhanced by the stronger links between regions that would help the grid to respond to disturbances, such as the loss of a large generator. A stronger connection to neighboring areas allows for greater contingency reserve sharing, and for a better, more coordinated economic dispatch response as part of the recovery from the disturbance. Stronger transmission connections would allow for more coordinated resource planning across regions. Further, utilities in Missouri will have broader access to projects when they plan to meet their reserve margin requirements.

Third, the Grain Belt Express will improve grid resilience in Missouri, as it will link together disparate areas, both in terms of geography and grid regions that include MISO, SPP, and PJM. In effect, the Grain Belt Express will help create a larger geographic/electrical area, which helps make the 'grid larger than the storm,' enabling relatively remote resources not affected by a severe storm to deliver to load centers within the storm that otherwise might be without power. The expanded capacity of the Grain Belt Express would deliver significant resilience benefits during storms and similar events by allowing more power to flow between grid regions.

The Commission should grant the requested CCN.

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Dated: May 30, 2023

Respectfully Submitted,

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Counsel for Sierra Club

## **CERTIFICATE OF SERVICE**

I hereby certify that on this day, May 30, 2023, a true and correct copy of the foregoing was served on all parties on the official service lists for this matter by filing with the Commission's EFIS system, and by email to all counsel of record.

<u>/s/ Sarah Rubenstein</u> Sarah Rubenstein