# BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

| In the Matter of the Application of Transource Missouri, | ) |                       |
|--|---|-----------------------|
| L.L.C. for a Certificate of Convenience and Necessity    | ) |                       |
| Authorizing it to Construct, Finance, Own, Operate,      | ) | File No. EA-2013-0098 |
| and Maintain the Iatan-Nashua and Sibley-Nebraska        | ) |                       |
| City Electric Transmission Projects                      | ) |                       |
| In the Matter of the Application of Kansas City Power &  | ) |                       |
| Light Company and KCP&L Greater Missouri Operations      | ) |                       |
| Company for Approval to Transfer Certain Transmission    | ) | File No. EO-2012-0367 |
| Property to Transource Missouri, L.L.C. and for other    | ) |                       |
| Related Determinations                                   | ) |                       |

# JOINT LIST OF ISSUES, ORDER OF WITNESSES AND ORDER OF CROSS-EXAMINATION, AN ORDER OF OPENING STATEMENTS

COMES NOW the Staff of the Missouri Public Service Commission ("Staff"), by and through the Staff Counsel's Office, on behalf of the "Parties" in File Nos. EA-2013-0098 and EO-2012-0367, i.e., the Staff, the Office of the Public Counsel ("OPC"), Missouri Industrial Energy Consumers ("MIEC"), and the Applicants Transource Missouri, LLC ("Transource Missouri"), Kansas City Power & Light Company ("KCP&L"), and KCP&L Greater Missouri Operations Company ("GMO"), and files this *Joint List Of Issues, Order Of Witnesses And Order Of Cross-Examination, An Order Of Opening Statements*.

On March 19, 2013, the Commission at the request of the Parties issued an Order Modifying Procedural Schedule in which it moved the dates for the filing of the (i) List of Issues, Order of Witnesses, Order of Cross-Examination, Order of Opening Statements from March 19 to March 26, 2013; (ii) Joint Stipulation of Non-Disputed Material Facts from March 20 to March 27, 2013; and (iii) Position Statements from March 21 to March 28, 2013. On March 26,

<sup>&</sup>lt;sup>1</sup> MIEC is comprised of Bayer CropScience, Boehringer-Ingelheim, Corn Products, and Ford Motor Company.

<sup>&</sup>lt;sup>2</sup> Transource Missouri is the Applicant in File No. EA-2013-0098.

<sup>&</sup>lt;sup>3</sup> KCP&L and GMO are the Applicants in File No. EO-2012-0367.

2013, the Commission granted the Parties' request to extend the time in which to file (i) the List of Issues, Order of Witnesses, Order of Cross-Examination, Order of Opening Statements to March 27, 2013, and (ii) the Joint Stipulation of Non-Disputed Material Facts to after the hearing.

This joint filing does not indicate that all Parties agree with the statement of every issue, or that each issue on the following List of Issues is appropriate for Commission decision, and the Parties reserve the right to comment in their Position Statements on whether a listed issue is properly before the Commission.

#### **LIST OF ISSUES**

- 1. What are the criteria or standards for granting a line certificate of convenience and necessity ("CCN") to Transource Missouri to construct, finance, own, operate and maintain the regional Iatan-Nashua 345-kV transmission Project ("Iatan-Nashua Project") and the regional Sibley-Nebraska City 345-kV transmission Project ("Sibley-Nebraska City Project") pursuant to Section 393.170.1 RSMo.?
  - A. Does Transource Missouri meet the necessary criteria for line CCNs to construct, finance, own, operate and maintain the Iatan-Nashua Project and the Sibley-Nebraska City Project?
  - B. Have the Applicants fully satisfied the applicable filing requirements pertaining to Electric Utility Applications for a CCN contained in 4 CSR 240-3.105?
  - C. Have the Applicants provided sufficient information, including, but not limited to, the provision of 4 CSR 240-3.105 filing requirement information, regarding the final selection of the Iatan-Nashua and Sibley-Nebraska City routes in their CCN application for the Commission to determine whether the requested CCN is necessary and convenient for the public interest?
- 2. What is the appropriate ratemaking methodology for recovery of the costs of the Iatan-Nashua Project and the Sibley-Nebraska City Project if KCP&L or GMO rather than Transource Missouri were to build and own these regional transmission lines?
  - A. Does ownership of the Iatan-Nashua Project and the Sibley-Nebraska City Project by Transource Missouri rather than KCP&L or GMO affect the ratemaking treatment that is applied to retail customers?

- 3. Does the Commission have authority under state law with respect to the Applicants' proposal to facilitate the novation and transfer of the Notifications to Construct ("NTCs") for the Iatan-Nashua 345-kV transmission Project and the Sibley-Nebraska City 345-kV transmission Project held by KCP&L and GMO to Transource Missouri by the Applicants seeking approval from the SPP Board of Directors to enter into a Designee Qualification and Novation Agreement pursuant to Section VI of Attachment O to the SPP Tariff and Section 7070 of the SPP OATT Business Practices, whereby Transource Missouri would become the alternate Designated Transmission Owner ("DTO") responsible for constructing the Iatan-Nashua Project and the Sibley-Nebraska City Project?
  - A. Whether the MoPSC can prevent a Designated Transmission Owner from novating the SPP-directed Projects pursuant to SPP's FERC-approved Tariff and the SPP OATT Business Practices.
  - B. If the Commission does have the authority under state law, what are the criteria or standards for the Commission granting KCP&L and GMO the authority to terminate, release, and novate and transfer the NTCs for the Iatan-Nashua Project and the Sibley-Nebraska City Project to Transource Missouri?
  - C. Does the proposed novation and transfer of the NTCs for the Iatan-Nashua Project and the Sibley-Nebraska City Project held by KCP&L and GMO to Transource Missouri meet the necessary criteria described in Issue 3B?
- D. Is an NTC part of KCP&L's or GMO's "franchise, works or system, necessary or useful in the performance of its duties to the public" pursuant to Section 393.190.1 RSMo.?
- 4. Should the Commission authorize the transfer of certain electric transmission assets, property, right of way and easements from KCP&L and GMO (existing 161-kV line known as East Segment of the Iatan-Nashua Project, existing West Segment structures, and any Middle Segment property and/or land rights acquired by GMO) to Transource Missouri under Section 393.190.1 RSMo.?
- 5. Should the Commission grant a waiver or variance of all provisions in the Commission's Affiliate Transactions Rule, 4 CSR 240-20.015 ("Rule") so that information, assets, goods and services of KCP&L and GMO may be transferred or provided to Transource Energy, LLC ("Transource") and its regulated utility affiliates at fully distributed cost or net book value without mark-up for profit and/or market value, with respect to both (1) transactions related to those transactions identified in these cases, and (2) all future transactions between KCP&L and GMO on the one hand, and Transource and its regulated utility affiliates on the other hand?
  - A. What is the purpose of the Rule as it relates to Transource and its regulated utility affiliates?

- B. Have the Applicants complied with the requirements of the Rule with respect to the transfer, license or assignment of property, easements, and right of ways (or use thereof, including joint usage where KCP&L/GMO are using the easement or right of way and permit Transource Missouri to use the same easement or right of way) associated with the Iatan-Nashua Project and the Sibley-Nebraska City Project from GMO and/or KCP&L to Transource Missouri?
- C. Have the Applicants complied with the requirements of the Rule with respect to materials and services (including, but limited not to, usage of KCP&L/GMO employees, contracted labor/services, vehicles, equipment and facilities) provided by GMO or KCP&L to Transource or its regulated utility affiliates?
- D. Have the Applicants complied with the requirements of the Rule with respect to the proposed novation and transfer of the NTCs from GMO and KCP&L to Transource Missouri.
- 6. Should the Commission address, in these cases, the future participation of Transource Missouri in SPP?
- 7. Should the Commission grant Transource Missouri waiver of the reporting requirements for filing depreciation studies under 4 CSR 240-3.175 and fuel, outage, accident, and event reports under 4 CSR 240-3.190 with the Commission.
- 8. Whether KCP&L, GMO, GPE, Transource Missouri, and Transource have provided adequate assurances that Staff will have adequate access to Transource and its affiliate's books, records, and personnel at reasonable times and places.
- 9. Should the Missouri Commission condition any authorization of a CCN to Transource Missouri and the novation and transfer of the Iatan-Nashua Project and Sibley-Nebraska City Project NTCs to Transource Missouri on the Iatan-Nashua and/or the Sibley-Nebraska City transmission lines first being offered to KCP&L and GMO at its/their then current net book value before being offered to other entities?

#### ORDER OF OPENING STATEMENTS

Companies Staff Public Counsel MIEC

## **ORDER OF WITNESSES**

## **Companies**

Antonio P. Smyth (Direct & Surrebuttal)

Michael L. Deggendorf (Direct & Surrebuttal)

Darrin Ives (Direct & Surrebuttal)

Todd Fridley (Direct)

Charles Locke (Surrebuttal)

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Scott. P. Moore (Direct & Surrebuttal)

Jerald Boteler (Surrebuttal)

Kevin Bryant (Surrebuttal)

Lisa M. Barton (Direct)

## Public Counsel

Ryan Kind (Rebuttal & Surrebuttal)

#### Staff

Alan J. Bax (Rebuttal)

David Murray (Rebuttal)

Charles R. Hyneman (Rebuttal)

Michael L. Stahlman (Rebuttal)

## **ORDER OF CROSS-EXAMINATION**

<u>Companies Witnesses</u> <u>Staff Witnesses</u> <u>Public Counsel Witness</u>

MIEC MIEC MIEC Staff Public Counsel Staff

Public Counsel Companies Companies

**WHEREFORE** the Staff on behalf of the Parties in File Nos. EA-2013-0098 and EO-2012-0367 files the instant *Joint List Of Issues, Order Of Witnesses And Order Of Cross-Examination, An Order Of Opening Statements*.

Respectfully submitted,

/s/ Steven Dottheim

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Attorney for the Missouri Industrial Energy Consumers

# **CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing *Joint List Of Issues, Order Of Witnesses And Order Of Cross-Examination, An Order Of Opening Statements* have been transmitted electronically to all counsel of record this 27th day of March, 2013.

/s/ Steven Dottheim