BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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In the Matter of the Joint Application of Invenergy Transmission LLC, Invenergy Investment Company LLC, Grain Belt Express Clean Line LLC and Grain Belt Express Holding LLC for an Order Approving the Acquisition by Invenergy Transmission LLC of Grain Belt Express Clean Line LLC

Case No. EM-2019-0150

JOINT MOTION FOR CLARIFICATION OR RECONSIDERATION

Invenergy Transmission LLC ("Invenergy Transmission"), Invenergy Investment Company LLC ("Invenergy Investment" and together with Invenergy Transmission, "Invenergy"), Grain Belt Express Clean Line LLC ("Grain Belt"), and Grain Belt Express Holding LLC ("Grain Belt Express Holding") (collectively, "Joint Applicants"), along with the Staff of the Public Service Commission of the State of Missouri ("Staff"), the Missouri Joint Municipal Electric Utility Commission ("MJMEUC"), and Renew Missouri Advocates d/b/a Renew Missouri ("Renew Missouri") (collectively, "Joint Movants"), hereby file this Joint Motion pursuant to 4 C.S.R. 240-2.080 for clarification or reconsideration of the June 5, 2019 Report and Order ("June 5 Order") issued by the Public Service Commission of the State of Missouri ("PSC" or "Commission") in the above referenced docket.¹ As explained below, Joint Movants request that the Commission clarify the June 5 Order by correcting misstatements included in the restatement of conditions. In support of this Motion, Joint Movants state as follows:

¹ The Commission has previously granted motions for clarification on numerous occasions. *See, e.g.*, Order Granting Motion for Correction, Case No. ER-2018-0255 (May 10, 2018); Order Granting Clarification and Correcting Order, Case No. EA-2016-0036 (Jan. 30, 2017); Order Regarding Applications for Rehearing, Motion for Reconsideration, and Requests for Clarification, Case No. EA-2015-0146 (June 8, 2016); Order Regarding Compliance Tariff Sheets, Case No. ER-2014-0370 (Sept. 16, 2015).

1. On March 20, 2019, the Commission issued a Report and Order on Remand ("Remand Order") granting a certificate of convenience and necessity ("CCN") to Grain Belt for the purpose of constructing, owning and operating a high-voltage, direct current ("HVDC") transmission line and associated facilities (the "Project"). The Remand Order adopted certain conditions to the CCN which were set forth in Exhibits 206 and 205 and attached to the Remand Order as Attachments 1 and 2, respectively.² Further, the Remand Order set forth seven additional conditions in Ordering Paragraphs 4-10.³ With the exception of two conditions that expressly reference Grain Belt's owners, all of the conditions adopted in the Remand Order apply to Grain Belt.⁴

2. In the current proceeding, the Joint Applicants requested Commission approval of a transaction whereby Invenergy Transmission will acquire Grain Belt from Grain Belt Express Holding (the "Transaction"). After the Transaction, Grain Belt will become a wholly-owned subsidiary of Invenergy Transmission. The Transaction does not involve merging or otherwise dissolving Grain Belt; rather, Grain Belt will continue to hold the CCN, will continue to hold and acquire easements, will remain a party to existing capacity contracts and enter new capacity

² Report & Order on Remand, p. 51, Case No. EA-2016-0358 (Mar. 20, 2019).

³ *Id*. at pp. 51-53.

⁴ The first of the two exceptions is Part I.1(a) of Exhibit 206, which requires Grain Belt to file "On a confidential basis, equity and loan or other debt financing agreements and commitments entered into or obtained by Grain Belt <u>or its parent company</u> for the purpose of funding Grain Belt's multi-state transmission project that, in the aggregate, provide commitments for the total project cost." The second exception is Ordering Paragraph 4 of the Remand Order, which states, "Grain Belt Express Clean Line LLC's <u>owners</u>, including, but not limited to, Invenergy <u>Transmission LLC</u>, Invenergy Investment Company LLC, and any related subsidiaries, shall cooperate with the Commission's Staff in providing reasonable access to its un-redacted financial records until the completion or official abandonment of the Grain Belt Project."

contracts, and own, manage, and control the "electric plant" that will facilitate the construction and operation of the Project.⁵

3. The June 5 Order approved Invenergy Transmission's acquisition of Grain Belt as proposed. The Commission concluded by stating, "The Commission approves the acquisition of Grain Belt Express Clean Line LLC by Invenergy Transmission LLC, subject to the same conditions placed upon Grain Belt Express Clean Line LLC in the Report and Order on Remand in File No. EA-2016-0358 as set out below."⁶ However, when setting out the conditions approved in the Remand Order, the Commission replaced the term "Grain Belt" with the term "Invenergy" throughout the conditions.⁷ This "transfer" of the conditions from Grain Belt to Invenergy appears to be an error or a misstatement and, if not corrected, would be detrimental to the public interest. Accordingly, Joint Movants request that the Commission clarify its June 5 Order as follows:

- (a) Removing the restatement of conditions and simply incorporating the previouslyapproved conditions by reference, or (b) correcting the restatement of conditions to match the previously-approved conditions; and
- Correcting the second-to-last sentence on page 15 of the June 5 Order as follows: "It is appropriate to transfer those protections and conditions to Invenergy, and the Commission will restate those conditions in this order, making <u>make</u> this order subject to those same conditions."

4. If not corrected, the error or misstatements would be detrimental to the public interest because they create confusion regarding compliance with and enforceability of the conditions. First, Grain Belt is the only entity with authorization to construct, own, and operate the Project. As the Commission found in the Remand Order, Grain Belt is an "electrical

⁵ *See* Joint Application for Transaction Approval and Motion for Expedited Treatment, p. 7 and Exhibit A (Post-Transaction Organizational Chart).

⁶ June 5 Order, p. 16.

⁷ *Id*. at pp. 16-25.

corporation" and a "public utility" under Missouri law and is subject to the Commission's jurisdiction.⁸ Accordingly, the conditions should be placed on Grain Belt, such that the Project cannot move forward unless Grain Belt complies with the conditions.

5. Second, after the Transaction closes, Invenergy Transmission and Invenergy Investment will be upstream owners of Grain Belt—the same positions currently occupied by Grain Belt Express Holding LLC and Clean Line Energy Partners LLC ("Clean Line Energy Partners"). Other than the two exceptions noted in footnote [4] above, none of the conditions set forth in the Remand Order applied directly to Grain Belt Express Holding or Clean Line Energy Partners. This is for good reason, as the upstream Clean Line entities are not electrical corporations or public utilities under Missouri law, so the Commission jurisdiction over those entities is limited. Likewise, the upstream Invenergy entities are not electrical corporations or public utilities under Missouri law, so if the June 5 Order is not corrected, the enforceability of the conditions will be weakened.

6. To be clear, Invenergy agrees to the conditions as set forth in the Remand Order—that is, after the Transaction closes, Invenergy agrees to exercise its control over Grain Belt such that Grain Belt will comply with the conditions. Invenergy has consistently affirmed that position throughout Case No. EA-2016-0358 and the current proceeding, including at the EA-2016-0358 evidentiary hearing on remand,⁹ the Surrebuttal Testimony of Kris Zadlo in this proceeding,¹⁰ and in Joint Applicants' Initial Brief in this proceeding.¹¹ Further, the other Joint Movants understood Invenergy's statements to mean that Invenergy agrees to exercise its control

⁸ Report & Order on Remand, pp. 37-38, Case No. EA-2016-0358 ("the Commission determines that Grain Belt is an 'electrical corporation' within the meaning of Section 386.020(15), RSMo, and subject to the jurisdiction of the Commission.")

⁹ Tr. Vol. 22, pp. 2024-26, Case No. EA-2016-0358 (Zadlo).

¹⁰ Ex. 4, p. 2 (Surrebuttal Testimony of Kris Zadlo).

¹¹ Joint Applicants' Initial Brief, p. 16.

over Grain Belt such that Grain Belt will comply the conditions, not that the conditions should be transferred from Grain Belt to Invenergy. No other party took a position contrary to this understanding.

WHEREFORE, Joint Movants respectfully request that the Commission clarify or reconsider its June 5 Order as set forth herein.

Respectfully submitted,

/s/ Frank A. Caro, Jr.

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served upon all parties of record by email or U.S. mail, postage prepaid, this 14th day of June, 2019.

<u>/s/ Andrew O. Schulte</u> Attorney for Invenergy Investment and Invenergy Transmission