

**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)
Under 393.170.1, RSMo Relating to) File No. EA-2024-XXXX
Transmission Investments in Northeast)
Missouri)

**APPLICATION OF AMEREN TRANSMISSION COMPANY OF ILLINOIS
FOR AN ORDER GRANTING A CCN FOR A TRANSMISSION SWITCHYARD IN
KNOX COUNTY, MISSOURI**

COMES NOW Ameren Transmission Company of Illinois (“ATXI,” “Company,” or “Applicant”), pursuant to Section 393.170.1 RSMo (Cum. Supp. 2022), 20 CSR 4240-2.060, 20 CSR 4240-20.045, and 20 CSR 4240-4.017, and for its Application for an order granting it a certificate of convenience and necessity (“CCN”) to construct, install, own, operate, maintain, and otherwise control a new 345 kV switchyard and associated facilities ("Fabius Switchyard") in Knox County, Missouri, states as follows:

A. The Applicant

1. ATXI is a corporation organized under the laws of Illinois with its principal office at 1901 Chouteau Avenue, St. Louis, Missouri 63103. It is a wholly-owned subsidiary of Ameren Corporation (Ameren). ATXI is duly authorized to do business in Missouri. A certified copy of ATXI’s Authority to Conduct Business in the State of Missouri is attached to this Application as **Appendix A.**

2. ATXI is what is referred to as a transmission-only utility. It was initially created to help facilitate additional transmission development in Illinois. Today, ATXI generally pursues and develops transmission opportunities that create value for end-use customers in the region in general,

but that might not best fit into the project development portfolios of Union Electric Company d/b/a Ameren Missouri or Ameren Illinois Company d/b/a Ameren Illinois.

3. ATXI was first recognized by the Commission as a public utility in File No. EA-2015-0145. ATXI has a successful track record in developing Multi-Value Projects like the Mark Twain Transmission Project and other collaborations like the Limestone Ridge Project (File No. EA-2021-0087).

4. Other than matters that may be pending before the Federal Energy Regulatory Commission (FERC), ATXI states that it has no pending actions or final unsatisfied judgments or decisions against it from any state or federal court or agency within the past three (3) years which involve customer service or rates. ATXI has no annual reports or assessment fees that are overdue.

5. All correspondence, communications, notices, orders, and decisions of the Commission with respect to this matter should be sent to the undersigned counsel and to:

Justin Stewart
Senior Manager, Transmission Services Business Center & RTO Policy
AMEREN SERVICES COMPANY
1901 Chouteau Avenue
St. Louis, MO 63166
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6. An affidavit providing the authorized officer verification required by 20 CSR 4240-2.060(1)(M) is attached as **Appendix B** to this Application.

7. ATXI previously filed the 60-day notice required by 20 CSR 4240-4.017, thus creating this case file.

B. The Interconnection Facilities

8. On December 19, 2023, ATXI, the Midcontinent Independent System Operator, Inc. ("MISO"), and Northeast Missouri Wind, LLC ("NEMO Wind" or "Interconnection Customer") entered into an Amended and Restated Generator Interconnection Agreement ("GIA"), a copy of

which is attached hereto and incorporated herein by this reference as **Confidential and Public Appendix C**.

9. Pursuant to the MISO Generator Interconnection Procedures (“GIP”), NEMO Wind proposes to construct MISO project J1025, which represents a 290 [net] megawatt (“MW”) wind generation project located in Knox County, Missouri (the "Generating Facility").

10. In order to deliver its anticipated output to the market, NEMO Wind must interconnect to the transmission system in the area. To that end, NEMO Wind is seeking to interconnect to ATXI's Maywood-Zachary 345 kV transmission line [a segment of the Mark Twain Transmission Project] via a new, ATXI-owned Fabius Switchyard on land that will be owned by ATXI and that is located immediately adjacent to the Maywood-Zachary transmission line.

11. ATXI has no defined retail service territory, meaning that construction of the switchyard in the place intended requires a CCN per Section 393.170.1 RSMo (Cum. Supp. 2022) and 20 CSR 4240-20.045(1)(A)2. The location of the Fabius Switchyard is shown on **Appendix D** attached hereto and incorporated herein by this reference.

12. The Fabius Switchyard will be constructed in a ring bus configuration with three-line terminal positions and room for one additional future connection should one be required. A diagram showing the layout of the Fabius Switchyard is provided in Original Sheet No. 96 in **Confidential Appendix C**.¹

13. As provided for by the GIA, NEMO Wind will, prior to commencement of construction by ATXI, acquire a site a site, at least 600 feet by 800 feet in size, and convey title of the same to ATXI. NEMO Wind will have full responsibility for all land acquisition costs. NEMO Wind is also responsible for 100% of the costs of the dedicated interconnection facilities –

¹ There are no other projects in the MISO Generator Interconnection Queue currently proposing to connect to Fabius.

commonly referred to in the GIA as the Transmission Owner Interconnection Facilities ("TOIF") - at the Fabius Switchyard.²

14. As reflected in the GIA, the total cost of the ATXI work necessary to interconnect the Generating Facility was originally estimated at \$10,997,000. As discussed further in ATXI Exhibit 1.0, given inflationary pressures and the generally rising cost environment, Ameren has estimated that the final costs will be closer to \$13 million, with the potential to be 10-15% higher, as ATXI receives back bids in February and progresses with Project execution. Pursuant to MISO's tariffs, ATXI will collect 90% of its transmission revenue requirement for the actual cost of the Fabius Switchyard [non-TOIF components] and the other identified Network Upgrade³ from the Interconnection Customer. The remaining 10% will be allocated to the MISO Ameren Missouri Pricing Zone. As indicated above, NEMO Wind will be responsible for 100% of the costs of the TOIF at the Fabius Switchyard.

C. Request for a CCN

15. ATXI requests that it be granted a CCN to construct, own, operate and maintain the Fabius Switchyard. The Fabius Switchyard is clearly necessary for NEMO Wind to interconnect the renewable development with the Missouri transmission grid and to deliver renewable generation capacity and energy to the market. The Fabius Switchyard is a necessary component of that

² The TOIF is located wholly within the Fabius Switching Station. Thus, ATXI's request for a CCN for Fabius also includes a request to construct the related TOIF and to engaged in the line work further described in fn 4.

³ In addition to the construction of Fabius itself, which is characterized in the GIA as a Stand-Alone Network Upgrade, interconnection of the Generating Facility will also trigger two other Network Upgrades. Those Network Upgrades include: (1) cutting the existing line and re-terminating it at Fabius and (2) upgrading some terminal equipment at the electrically adjacent Zachary Substation. Along with construction of the Fabius Switchyard and the associated TOIF, ATXI is including in its CCN request authority to engage in the line work associated with Fabius, but not does believe the work at Zachary requires a CCN. The total cost of the two Network Upgrades (\$1,163,000) plus the cost of the TOIF (\$1,024,000) plus the cost of the station itself, bring the total, interconnection-related costs to the \$10,997,000 reflected in the GIA.

transmission grid, and will facilitate grid reliability and promote public policy considerations related to increasing the availability of renewable energy.

16. The “Tartan Factors,” typically relied upon by the Commission in evaluating CCN requests, support issuance of a CCN, as follows:

- a. The operation and maintenance of the Fabius Switchyard is needed for the reasons given above.
- b. The operation and maintenance of the Fabius Switchyard is economically feasible for several reasons, including since the cost of the land and 90% of the switchyard will be covered by the Interconnection Customer, and due to the jobs, tax revenues, and economic development generally that both switchyard construction and facilitating the integration of new renewable generation in the state will cause.
- c. ATXI has the financial ability to own, operate, and maintain the Fabius Switchyard, which, exclusive of the TOIF, but including the associated line work was originally estimated to cost approximately \$9,691,000, to be initially funded using funds from ATXI's treasury. As noted above, 90% of these actual costs of will ultimately be paid for by the Interconnection Customer.
- d. ATXI is qualified to own, operate, and maintain the Fabius Switchyard given that it has developed, owns, and operates hundreds of miles of 345 kV electric transmission lines and associated sub/switch stations.
- e. Operation and maintenance of the Fabius Switchyard is in the public interest for the reasons discussed herein and in the accompanying testimony. It should be noted that because factors (a) through (d) are satisfied, the Commission would generally

conclude, without more, that factor (e), the public interest, is also served by granting the CCN.⁴

The foregoing facts demonstrate that issuance of a CCN for the Fabius Switchyard is required by the public convenience and necessity.

D. Specific Requirements Applicable to CCN Applications for New Assets

17. Depictions of the proposed location for the Fabius Switchyard are found on **Appendix D** and on Original Sheet Nos. 94 and 96 of **Confidential Appendix C**. 20 CSR 4240-20.045(6)(A)

18. There are no electric, gas or telephone lines of regulated and nonregulated utilities, railroad tracks or underground facilities, as defined in § 319.015 RSMo, which the Fabius Switchyard will cross. 20 CSR 4240-20.045(6)(B)

19. Detailed plans and specifications for construction of the Fabius Switchyard are provided in **Confidential Appendix E**. 20 CSR 4240-20.045(6)(C).⁵

20. ATXI intends to commence construction of the Fabius Switchyard by July 1, 2024, and anticipates that it will be complete and providing backfeed by June 1, 2025. The target Commercial Operations Date for the related generating facility is November 15, 2025.

21. ATXI will finance its investment in the initial construction of the Fabius Switchyard through existing funds in its treasury. 20 CSR 4240-20.045(6)(F)

22. As a transmission-only utility, ATXI has no Preferred Resource Plan under 4 CSR 240-22. Thus, the information required by 20 CSR 4240-20.045(6)(G) is not applicable.

23. Likewise, the project involves the construction of no common plant that would otherwise need to be described per 20 CSR 4240-20.045(6)(E).

⁴ See *In Re Tartan Energy*, GA-94-127, 3 Mo.P.S.C.3d 173, 189 (1994) ((citing *In re: Intercon Gas, Inc.*, 30 Mo. P.S.C. at 561).

⁵ The attached plans and specifications reflect approximately 90% design completion.

24. ATXI plans to use a competitive bidding process for the construction of this project. Ameren Services, on behalf of ATXI, will use a formal sourcing process to secure bids for the labor necessary to construct the project that includes: (i) formation of a contract development team to identify and write the scope of work to be completed, identification of qualified contractors for bidding, and the contractor selection criteria necessary; (ii) evaluation and acceptance of the statements of qualifications and bids received from those interested in the work as scoped; and (iii) negotiation of the terms and conditions most favorable to ATXI. 20 CSR 4240-20.045(6)(H)

25. Once the project is complete, ATXI will operate and maintain the switchyard in the same manner and fashion as it does all of its electric switchyards. The switchyard will be operated from a primary control center that will conduct all operational switching and coordination with adjacent and interconnected systems. The Fabius Switchyard will be continuously monitored through SCADA by the control center. The control center is staffed around-the-clock by system operators that are certified by NERC. The system operators are required to maintain their certification through a combination of computer-based training and live system simulation drills. Backup control centers are also in place in the unlikely event that the primary control center must be evacuated to minimize any potential disruption to operating the transmission system.

26. With respect to maintenance, Ameren subsidiaries currently own and operate over 300 substations that contain transmission class equipment. Ameren Services and other Ameren operating subsidiaries maintain in-house substation maintenance expertise as well as operations and maintenance personnel at locations spread throughout Missouri and Illinois. All transmission substations are inspected routinely and the individual equipment contained therein (breakers, etc.) is subject to an internal substation maintenance strategy setting equipment-specific maintenance expectations. Substation equipment is maintained to meet or exceed requirements set by NERC, and Ameren Services maintains documentation verifying this compliance, as well as information

documenting the intervals at which maintenance activities are performed and the scope of work executed on any maintenance projects or visits. Any issues identified during substation inspections will be given a priority as provided by internal maintenance standards and a remediation action will be scheduled based on that priority. 20 CSR 4240- 20.045(6)(I)

27. The Company follows documented processes governing responses to unplanned outages, and in the event of an unplanned outage, subject matter experts will be assigned to review the outage data, utilize fault location information to determine distance to fault, dispatch field resources to assess damage, and determine material and labor resources (internal and external) necessary for the safest and most efficient restoration. 20 CSR 4240-20.045(6)(J)

28. Because NEMO Wind will transfer the land for the switchyard to ATXI, no landowners are directly affected by the construction of the proposed Fabius Switchyard and no notice is required under 20 CSR 4240-20.045(6)(K).

29. ATXI has not yet conclusively determined what permits or other authorizations may be required from any affected governmental bodies in order to commence construction of the Fabius Switchyard. If any are required, ATXI will provide them when they are available, as permitted under 20 CSR 4240-20.045(3)(C).

WHEREFORE, ATXI respectfully requests that the Commission grant it, subject to the conditions described herein, a Certificate of Convenience and Necessity to construct, own, operate and maintain the Fabius Switchyard, pursuant to Section 393.170.1, RSMo., to be effective on or before May 31, 2024.

Respectfully submitted,

/s/ Eric Dearmont

Eric Dearmont

Director and Assistant General Counsel

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Dated: February 02, 2024

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing was served on the Staff of the Commission and the Office of the Public Counsel via electronic mail (email) on this 2nd day of February, 2024.

/s/ Eric Dearmont