

Exhibit No.: 4.0  
Issue(s): Finance  
Witness: Amanda Finnis  
Type of Exhibit: Direct Testimony  
Sponsoring Party: NextEra Energy  
Transmission  
Southwest, LLC  
File No.: EA-2022-0234  
Date Testimony Prepared: July 7, 2022

**MISSOURI PUBLIC SERVICE COMMISSION**

**FILE NO.**

**EA-2022-0234**

**DIRECT TESTIMONY**

**OF**

**AMANDA FINNIS**

**ON**

**BEHALF OF**

**NEXTERA ENERGY TRANSMISSION SOUTHWEST, LLC**

**JULY 7, 2022**

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1 I. INTRODUCTION

2 Q. Please state your name and business address.

3 A. My name is Amanda Finnis. I work for NextEra Energy Transmission, LLC  
4 (“NEET”) at 700 Universe Blvd., Juno Beach, FL 33408.

5 Q. What is your position with NEET?

6 A. I am the Executive Director, Finance for NEET.

7 Q. Please describe your educational background and employment experience.

8 A. I have a Bachelor of Arts in Economics from New York University. I joined  
9 NextEra Energy Transmission in mid-2021, and my current position is Executive Director,  
10 Finance. Prior to my current position, I have held various positions at NextEra Energy, Inc.  
11 (“NextEra Energy”) and its subsidiaries, including Assistant Treasurer and Director of Investor  
12 Relations. My responsibilities in these roles included execution against our financing activities,  
13 as well as establishing and maintaining effective working relationships with the investment and  
14 banking communities. In addition, I held multiple positions in energy marketing and trading  
15 activities. Prior to joining NextEra Energy in 2005, I held early career roles in finance.

16 Q. Have you previously provided testimony before the Missouri Public Service  
17 Commission?

18 A. No.

19 Q. What is the purpose of your testimony?

20 A. I will provide an explanation of NEET Southwest’s financial ability to construct,  
21 operate, and maintain the Wolf Creek-Blackberry 345 kilovolt (“kV”) transmission line project  
22 (“Wolf Creek-Blackberry Project” or the “Project”). I will discuss the experience and success of  
23 the NextEra Energy companies in developing, financing, owning, and operating new or existing  
24 transmission assets throughout the U.S. I will also describe NEET Southwest’s plan to finance the

1 Project and the effect of the Project on NEET Southwest’s finances, which supports the economic  
2 feasibility of the Project, consistent with the Commission’s *Tartan*<sup>1</sup> Factors.

3 **Q. Are you sponsoring any schedules or exhibits as part of your direct testimony?**

4 A. Yes, I am sponsoring Highly Confidential Schedule AF-1, which is a guarantee  
5 commitment letter from NextEra Energy Capital Holdings, Inc. (“NEECH”) for the financing of  
6 this NEET Southwest transmission line project. I am also sponsoring Schedule AF-2, which is a  
7 commitment letter from NEECH to provide or secure equity capital injections up to \$10 million  
8 per year, as needed to maintain the financial integrity of the Project consistent with an investment-  
9 grade credit profile.

10 **II. NEET SOUTHWEST’S FINANCIAL CAPABILITY**

11 **Q. Please summarize the corporate structure of NEET Southwest and its relevant**  
12 **parent and affiliate companies.**

13 A. As NEET Southwest witness Becky Walding testifies in her Direct Testimony,  
14 NEET Southwest is a Delaware limited liability company formed in 2014 to develop, own, and  
15 operate transmission assets within the Southwest Power Pool, Inc. (“SPP”) footprint. NEET  
16 Southwest is a direct, wholly-owned subsidiary of NEET, which in turn is an indirect, wholly-  
17 owned subsidiary of NEECH, which is wholly owned by NextEra Energy. NextEra Energy is one  
18 of the largest power and utility holding companies in North America. NextEra Energy’s principal  
19 businesses are Florida Power & Light Company (“FPL”), which is Florida’s largest electric utility  
20 with approximately 5.7 million customer accounts, and NextEra Energy Resources, LLC

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<sup>1</sup> *In re Tartan Energy Company, L.C. dba Southern Missouri Gas Company*, Case No. GA-94-127 (Sept. 1994).

1 (“NEER”), which is the largest generator of renewable energy from the wind and sun in North  
2 America.

3 **Q. How does NEET Southwest Plan to finance the construction of the Project?**

4 A. NEET Southwest plans to finance the construction of the project with initial  
5 funding provided by NEECH, which holds direct or indirect ownership interests in and is a source  
6 of funding for NextEra’s operating subsidiaries other than FPL. As shown in Highly Confidential  
7 Schedule AF-1 to my testimony, NEECH has provided a letter of commitment of funding. As set  
8 forth in more detail in its Application, to the extent the Commission believes this financing  
9 arrangement falls within its jurisdiction, NEET Southwest requests that the Commission approve  
10 the NEECH guarantee commitment letter.

11 **Q. Please describe NEECH’s resources and its ability to finance the construction**  
12 **of the project.**

13 A. NEECH has sufficient resources to finance the construction of the Project. As of  
14 December 31, 2021, NEECH had approximately \$7.6 billion of net available liquidity, primarily  
15 consisting of bank revolving line of credit facilities, letter of credit facilities, cash and cash  
16 equivalents, less letters of credit issued under the credit facilities, and commercial paper  
17 outstanding. Furthermore, NEECH has access to and regularly secures financing in public and  
18 private debt capital markets on behalf of certain NextEra Energy operating subsidiaries.  
19 Additionally, NEECH enjoys exceptional access to credit and the capital markets to meet its capital  
20 requirements, in addition to substantial operating cash flows and maintains strong investment  
21 grade credit ratings. NEECH’s corporate credit ratings as of February 3, 2022 are as follows:

| <b>Company</b> | <b>Moody’s</b> | <b>S&amp;P</b> | <b>Fitch</b> |
|----------------|----------------|----------------|--------------|
| <b>NEECH</b>   | Baa1           | A-             | A-           |
| <b>Outlook</b> | Stable         | Stable         | Stable       |

1           **Q.     What is NEECH’s approach to financing construction projects?**

2           A.     NEECH’s standard short-term approach is to utilize NEECH’s general corporate  
3 funds to contribute funding to the Project during the construction period and then the project may  
4 pursue debt financing as part of maintaining its regulatory capital structure. Therefore, customers  
5 will receive the benefit of a project constructed with strong equity support, combined with the  
6 financial strength and support provided by NEECH.

7           **Q.     Has NEECH financed other transmission projects?**

8           A.     Yes. NEECH has financed several transmission projects in various regions of the  
9 U.S. These projects have included the construction and operation of high voltage transmission  
10 lines and related transmission facilities owned and operated by NEECH’s subsidiaries, Horizon  
11 West Transmission, LLC (“Horizon West”); New Hampshire Transmission, LLC (“New  
12 Hampshire Transmission”); and Horse Hollow Generation Tie, LLC (“Horse Hollow Generation  
13 Tie”).

14          **Q.     Please describe these other transmission projects that NEECH has financed.**

15          A.     NEECH provided financing for two projects that are constructed or are expected to  
16 be constructed, owned, and operated by Horizon West: (1) a 300 megavar (“MVar”) Dynamic  
17 Reactive Power Device and one-mile underground 230 kV transmission line at the existing  
18 Suncrest substation in San Diego County, California; and (2) the 230/70kV Estrella Substation  
19 near Paso Robles, California. NEECH has also provided financing for projects and upgrades  
20 implemented at the Seabrook Substation in Seabrook, New Hampshire, which includes a 345 kV  
21 switchyard and is owned by New Hampshire Transmission. Additionally, NEECH provided

1 financing for a 214-mile 345 kV transmission line owned and operated by Horse Hollow  
2 Generation Tie.

3 **Q. Has NEET Southwest secured any additional financial resources to support**  
4 **the Project once it is constructed and placed into service?**

5 A. Yes. NEECH has also committed to provide or secure equity capital injections up  
6 to \$10 million per year, as needed to maintain the financial integrity of the Project consistent with  
7 an investment-grade credit profile. The commitment letter from NEECH is provided as Schedule  
8 AF-2 attached my testimony. This provides significant financial resources available to the Project  
9 to support operations and maintenance with no negative impact on the company's financial health,  
10 in addition to NEET Southwest's expected rate recovery, which I will discuss in more detail below.

11 **III. ECONOMIC FEASIBILITY OF THE PROJECT**

12 **Q. Does NEET Southwest have an existing transmission rate on file at the Federal**  
13 **Energy Regulatory Commission ("FERC")?**

14 A. Yes. On September 30, 2016, as amended on December 21, 2016, in FERC Docket  
15 No. ER16-2720, NEET Southwest filed a formula rate template and implementation protocols  
16 ("formula rate") to determine and recover the costs of NEET Southwest's investment in  
17 transmission facilities located in the SPP region. On November 3, 2017, FERC accepted NEET  
18 Southwest's formula rate, subject to a compliance filing, to be effective once was filed with the  
19 FERC to become part of SPP's Tariff. NEET Southwest submitted the required compliance filing  
20 on March 19, 2019, which FERC accepted on May 24, 2019. NEET Southwest expects to recover  
21 the costs of the Project through its FERC formula rate, subject to the specific financial and cost  
22 commitments that it made related to the Project. As a result, NEET Southwest's operation and  
23 maintenance of the project should have no negative impact on the financial health of the company.

1           **Q.     What is the proposed construction cost for the Project?**

2           A.     As Ms. Walding testifies in her Direct Testimony, NEET Southwest’s proposed  
3 construction cost for the Project is \$85.2 million in 2021 dollars **\*\*** [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED] **\*\*2** NEET Southwest  
7 proposed a number of other cost containment measures, as well.

8           **Q.     How will NEET Southwest recover its costs to construct the project?**

9           A.     Subject to these cost containment measures, NEET Southwest will populate its  
10 formula rate with its revenue requirement for providing service over the Project, which will include  
11 construction costs and the specific cost containment commitments that NEET Southwest has made  
12 to SPP for the Project. NEET Southwest will then coordinate with SPP to incorporate NEET  
13 Southwest’s formula rate into the SPP Open Access Transmission Tariff (“SPP Tariff”) to allow  
14 for recovery of the costs of the Project from transmission customers in the SPP regions where the  
15 Project is located. The inclusion of NEET Southwest’s formula rate in the SPP Tariff and recovery  
16 of costs for the Project requires acceptance by FERC. NEET Southwest’s formula rate will be  
17 updated according to the methods set forth in NEET Southwest’s formula rate protocols. Upon  
18 FERC’s acceptance of the proposed revisions to the SPP Tariff to incorporate NEET Southwest’s  
19 formula rate, NEET Southwest will become a transmission-owning member of SPP. NEET  
20 Southwest and SPP will request that FERC accept these revisions to the SPP Tariff after NEET  
21 Southwest has obtained all required state regulatory approvals.

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<sup>2</sup> This highlighted portion has been designated as “Highly Confidential” as defined in NEET Southwest’s pending Motion for Protective Order filed on July 7, 2022. The highlighted portion contains confidential information that is competitively sensitive for the purpose of future bidding on SPP and other RTO bidding events.





1 Testimony of Ms. Walding, the costs associated with the Project will be recovered in SPP  
2 transmission rates, subject to FERC oversight. Thus, the Project is economically feasible.

3 **Q. Does this conclude your testimony?**

4 **A. Yes, it does.**

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

In the Matter of the Application of NextEra )  
Energy Transmission Southwest, LLC for a )  
Certificate of Public Convenience and )  
Necessity to Construct, Install, Own, Operate, )  
Maintain, and Otherwise Control and Manage ) File No. EA-2022-0234  
a 345 kV Transmission Line and associated )  
facilities in Barton and Jasper Counties, )  
Missouri )

**Affidavit of Amanda Finnis**

1. My name is Amanda Finnis. I am the Executive Director, Finance for NextEra Energy Transmission, LLC at 700 Universe Blvd., Juno Beach, FL 33408.

2. I have read the above and foregoing Direct Testimony and the statements contained therein are true and correct to the best of my information, knowledge, and belief.

3. I am authorized to make this statement on behalf of NextEra Energy Transmission Southwest, LLC.

4. Under penalty of perjury, I declare that the foregoing is true and correct to the best of my knowledge and belief.

/s/ Amanda Finnis  
Amanda Finnis  
Executive Director, Finance  
NextEra Energy Transmission, LLC

Date: July 7, 2022