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## Exhibit No. 6

Grain Belt Express LLC – Exhibit 6  
Rolanda Shine  
Surrebuttal Testimony  
File No. EA-2023-0017

Exhibit No.:  
Issue(s): Financing Plan  
Witness: Rolanda Shine  
Type of Exhibit: Surrebuttal Testimony  
Sponsoring Party: Grain Belt Express LLC  
File No.: EA-2023-0017  
Date Testimony Prepared: May 15, 2023

**MISSOURI PUBLIC SERVICE COMMISSION**

**FILE NO.**

**EA-2023-0017**

**SURREBUTTAL TESTIMONY**

**OF**

**ROLANDA SHINE**

**ON**

**BEHALF OF**

**GRAIN BELT EXPRESS LLC**

**MAY 15, 2023**

**CONTENTS**

I. Introduction..... 3

II. Response to Staff Witness Dr. Seoung Joun Won’s Rebuttal Testimony. .... 3

III. Response to Staff Witness Claire Eubanks’ Rebuttal Testimony..... 6

IV. Response to Staff Witness Michael Stahlman’s Rebuttal Testimony..... 12

V. Response to Public Comments..... 14

VI. Conclusion ..... 15

1 I. INTRODUCTION

2 Q. Please state your name, present position and business address.

3 A. My name is Rolanda Shine. I am the Vice President of Finance and Capital Markets  
4 for Invenergy LLC (“Invenergy”). My business address is One South Wacker, Suite 1800,  
5 Chicago, Illinois 60606.

6 Q. Have you previously submitted testimony in this proceeding?

7 A. Yes, I submitted direct testimony on August 24, 2022 and accompanying  
8 exhibits/schedules identified as Schedules RS-1 through RS-2.

9 Q. What is the purpose of your surrebuttal testimony?

10 A. I am testifying to address issues discussed in the rebuttal testimony submitted by  
11 Missouri Public Service Commission (“MPSC” or “Commission”) Staff witnesses Dr. Seoung  
12 Joun Won, Claire Eubanks, and Michael Stahlman. I also respond to several public comments  
13 submitted at Public Hearings held March 6–8, 2023 in accordance with the Commission’s *Order*  
14 *Setting Local Public Hearings and Directing Notice*, issued February 8, 2023.

15 II. RESPONSE TO STAFF WITNESS DR. SEOUNG JOUN WON’S REBUTTAL  
16 TESTIMONY.

17 Q. Commission Staff witness Dr. Seoung Joun Won proposed revisions (“Dr.  
18 Won’s Revised Financing Condition”) to Grain Belt Express’ proposed Amended Financing  
19 Condition, if the Commission approves the phasing of the Amended Project.<sup>1</sup> Does Grain  
20 Belt Express agree with Dr. Won’s Revised Financing Condition?

21 A. Grain Belt Express’ proposed Amended Financing Condition (“Amended  
22 Financing Condition”) is set forth on page 18, line 4 through page 19, line 18 of Kevin Chandler’s

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<sup>1</sup> See Rebuttal Testimony of Dr. Seoung Joun Won, p. 7–8 (Apr. 19, 2023) (hereinafter Rebuttal Testimony of Seoung Joun Won).

1 Direct Testimony in this Docket. The Amended Financing Condition, among other things, requires  
2 Grain Belt Express obtain commitments for funds sufficient to construct each Phase of the Project  
3 prior to commencing construction of that Phase.

4 Dr. Won's Revised Financing Condition includes the suggested edits in Mr. Chandler's  
5 financing condition but adds references to each Phase's cost as set forth in the Direct Testimony  
6 of Aaron White. Grain Belt Express notes the references to Phase-specific costs in Dr. Won's  
7 Revised Financing Condition are currently projected costs of each Phase only and are subject to  
8 change. As a result, those references do not represent a commitment to the Project's cost.

9 Nevertheless, Grain Belt Express agrees to the terms of Dr. Won's Revised Financing  
10 Condition as set forth on Page 17, Line 12 through Page 8, Line 20 of Dr. Won's Rebuttal  
11 Testimony but with an additional clarification as explained below.

12 Because Grain Belt Express agrees to the terms of Dr. Won's Revised Financing Condition,  
13 for the remainder of my Surrebuttal Testimony I will refer to the agreed upon Financing Condition  
14 as the Amended Financing Condition.

15 **Q. What is the additional clarification?**

16 A. The activities permitted by the phrase "install transmission facilities" are not  
17 defined in the existing Financing Condition or the Amended Financing Condition as it relates to  
18 the timing of obtaining commitments to funds in an amount equal to or greater than the total cost  
19 to build the entirety of each Phase of the Project.

20 **Q. What is your understanding of the meaning of "install transmission facilities"**  
21 **as it relates to the activities that Grain Belt Express may undertake before obtaining**  
22 **commitments for funds?**

23 A. Grain Belt Express believes that the phrase "install transmission facilities" means:

1 To affix permanently to the ground transmission towers or other transmission equipment,  
2 including but not limited to bases, poles, towers and structures, such wires and cables as  
3 Grain Belt shall from time to time suspend therefrom, foundations, footings, attachments,  
4 anchors, ground connections, communications devices and other equipment, accessories,  
5 access roads and appurtenances, as Grain Belt may deem necessary or desirable in  
6 connection therewith, but shall not include (A) preparatory work such as surveys, soil  
7 borings, engineering and design, obtaining permits and other approvals from governmental  
8 bodies, acquisition of options and easements for right of-way, and ordering of equipment  
9 and materials, and (B) site preparation work and procurement and installation of equipment  
10 and facilities on property owned in fee by Grain Belt Express including the converter  
11 station site.

12 **Q. Why is this definition appropriate?**

13 A. The definition provides clarity on what activities are permitted before they occur.  
14 This definition is consistent with the definition established in Illinois, which also conditioned  
15 Grain Belt Express' certificate on similar financing requirements.<sup>2</sup>

16 **Q. How does the proposed definition address the Commission's prior concerns?**

17 A. The Commission has previously been concerned about facilities being installed on  
18 landowner property that are later abandoned.<sup>3</sup> Grain Belt Express' recommendation prevents any  
19 possibility that Grain Belt Express installs permanent structures on easements but must abandon  
20 them because of insufficient funds to complete the Project. Grain Belt Express' recommendation  
21 also balances the need for Grain Belt Express to adhere to its construction schedule to achieve its  
22 planned commercial operation date.

23 **Q. Is the proposed definition consistent with Grain Belt Express' financing plans?**

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<sup>2</sup> Docket No. 2022-0499, Final Order, App. B (Mar. 8, 2023).

<sup>3</sup> For example, in the Commission's Report and Order on Remand ("Report & Order on Remand"), the Commission ordered the modification of the Missouri Landowner Protocol relating to the decommissioning fund. Case No. EA-2016-0358, Report and Order on Remand, p. 52–53 (hereinafter "Report & Order on Remand"). That modification was the result of the Commission's concerns about the Project being abandoned. *Id.* at 48.

1           A.     Yes.  As Dr. Won confirmed,<sup>4</sup> Invenergy Renewables has sufficient capital  
2 resources to provide the funding necessary to enable Grain Belt Express to undertake the initial  
3 development and permitting work for the Project.  Once the Project reaches an advanced stage of  
4 development and licensing, Grain Belt Express plans to enter project-specific financing  
5 arrangements with investors and lenders to secure the capital needed to complete the development  
6 and construction of the Project and place it into operation.  Accordingly, the proposed definition  
7 appropriately distinguishes the initial development and permitting work from the advanced  
8 development work that will occur after project financing is completed, as contemplated in the  
9 Amended Financing Condition.

10           **III.     RESPONSE TO STAFF WITNESS CLAIRE EUBANKS’ REBUTTAL**  
11                                 **TESTIMONY**

12           **Q.     Staff Witness Claire Eubanks does not support the modification to allow**  
13 **construction on easements prior to the *entire* Project being fully financed.  What is your**  
14 **understanding of Ms. Eubanks reasoning for that position?**

15           A.     Ms. Eubanks does not explain her reasoning in much detail, so my response is  
16 primarily based on her statement that “fully financ[ing] the entire project before constructing on  
17 easements is a landowner protection.”<sup>5</sup>

18           **Q.     How do you respond to Ms. Eubanks’ concerns about landowner protections?**

19           A.     Grain Belt Express’ proposal to phase the project does not weaken landowner  
20 protections.  The project financing process and Amended Financing Condition provide landowner  
21 protections equivalent to those in the existing Financing Condition.

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<sup>4</sup> Rebuttal Testimony of Seoung Joun Won, pp. 3–4.

<sup>5</sup> Rebuttal Testimony of Claire Eubanks, p. 3–4 (Apr. 19, 2023).

1           **Q.     How does the Amended Financing Condition provide equivalent landowner**  
2 **protections as those in the existing Financing Condition?**

3           A.     The project financing process is designed to protect against the possibility that  
4 Grain Belt Express installs permanent structures on easements that must be abandoned because of  
5 insufficient funds to complete the Project. Installation of permanent structures is extremely  
6 unlikely because private investors are highly motivated to prevent any possibility of an incomplete  
7 project. A typical condition on closing of any amount of project financing is that the sponsor (in  
8 this case, Invenergy Transmission) has obtained sufficient financing to complete the project and  
9 that the lenders and their advisors have verified achievement of this condition.

10           For clarification, Phase I and Phase II of the Project will be financed separately. As each  
11 Phase of the Project approaches the beginning of construction, Grain Belt Express will enter Phase-  
12 specific financing arrangements with investors and lenders to secure the capital needed to complete  
13 development and construction of each Phase of the Project and place it into operation.

14           In other words, each Phase of the Project must be independently economically viable to be  
15 constructed. Upon completion, Phase I will be independently economically viable because it will  
16 be operational and capable of delivering power into Missouri via interconnections with the  
17 Midcontinent Independent System Operator, Inc. (“MISO”) system along the Ameren 345 kV AC  
18 transmission line connecting the McCredie substation and the Montgomery substation and with  
19 the Associated Electric Cooperative Incorporated (“AECI”) system at the McCredie 345 kV  
20 substation in Callaway County, Missouri. As discussed in the Direct and Surrebuttal Testimony  
21 of Shashank Sane, the demand for the renewable resources and reliability benefits to which Grain  
22 Belt Express provides access has increased substantially in MISO and AECI. Phase I of the Project  
23 will deliver 2,500 MW into Missouri, including 1,500 MW into MISO and an additional 1,000



1 MW into AECl. That delivery, once contracted, supports Phase I construction and is sufficient for  
2 Phase I to remain economically viable throughout the Project life without any additional delivery  
3 into PJM. The economic viability of Phase I is modeled in Highly Confidential Schedule RS-3,  
4 attached hereto, which contains the financing model provided in response to Staff DR No. 006.1.<sup>6</sup>

5 As well, upon completion, Phase II will be independently economically viable because it  
6 will be operational and capable of delivering power into Illinois via interconnections with the PJM  
7 Interconnection, LLC (“PJM”) system at the American Electric Power Company (“AEP”) Sullivan  
8 Substation in Sullivan County, Indiana.

9 **Q. What conditions may project lenders require before they advance money to**  
10 **build the Project?**

11 A. As described on page 12 of my Direct Testimony filed in this Docket, in my  
12 experience, lenders will only advance money once certain conditions have been met. As I discussed  
13 in my Direct Testimony, those conditions may include (a) having all necessary permits, (b) having  
14 procured any remaining financial commitments beyond lenders’ funding to complete construction,  
15 and (c) having a high degree of certainty on budget and timeline. Construction lenders will not  
16 release funds to begin construction unless Grain Belt Express demonstrates that it has  
17 commitments for sufficient financing to construct each Phase. Lenders will not take the risk that  
18 additional necessary financing cannot be obtained, resulting in an incomplete project with limited  
19 collateral value.

20 In other words, the process of obtaining project financing in and of itself protects Missouri  
21 landowners.

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<sup>6</sup> Schedule RS-3 is marked as Highly Confidential pursuant to the Amended Protective Order in this case because it contains information that Grain Belt Express classifies as proprietary, non-public financial information related to it and affiliated Invenergy companies.

1           **Q.     Is land acquisition an important part of the diligence conducted by lenders?**

2           A.     Yes. Grain Belt Express must also demonstrate substantial progress on land  
3 acquisition for each Phase prior to obtaining full financial commitments for the Project. The exact  
4 percentage of land acquisition needed is dependent on a variety of factors. But as discussed in Mr.  
5 Chandler’s Surrebuttal Testimony, land acquisition in Illinois trails land acquisition in Kansas and  
6 Missouri by a significant margin because land acquisition could not begin in earnest in Illinois  
7 until Grain Belt Express was granted a Certificate of Public Convenience and Necessity in Illinois  
8 in March 2023.

9           If the Commission were not to accept the Amended Financing Condition, then project  
10 financing would be delayed until Illinois land acquisition reached an advanced stage. This would  
11 also delay the benefits of the Project accruing to Missouri ratepayers.

12           **Q.     In addition to the project financing process inherently protecting landowners,**  
13 **how else does the Amended Financing Condition protect Missouri landowners?**

14           A.     First, the Amended Financing Condition makes a clear statement that transmission  
15 facilities for either Phase will not be installed on easement property until Grain Belt Express has  
16 obtained commitments for funds in an amount equal to or greater than the total cost to build the  
17 entirety of each Phase of the Project:

18                     GBE will not install transmission facilities associated with Phase I of the  
19 Project on easement property in Missouri until it has obtained commitments  
20 for funds in an amount equal to or greater than the total cost to build the  
21 entirety of Phase I of the Project. Further, GBE will not install transmission  
22 facilities associated with Phase II of the Project on easement property in  
23 Missouri until it has obtained commitments for funds in an amount equal to  
24 or greater than the total cost to build the entirety of Phase II of the Project.

25           Second, prior to installing transmission facilities on either Phase, the Amended Financing  
26 Condition requires that Grain Belt Express demonstrate compliance with the following conditions:

1 To allow the Commission to verify compliance with this condition, GBE shall file  
2 the following documents with the Commission at such a time as GBE is prepared  
3 to begin to construct electric transmission facilities in Missouri associated with  
4 Phase I and Phase II, respectively:

- 5 a. On a confidential basis, equity and loan or other debt financing  
6 agreements and commitments entered into or obtained by GBE or  
7 its parent company for the purpose of funding the respective Phase  
8 of the transmission project that, in the aggregate, provide  
9 commitments for the total cost of such Phase.
- 10 b. An attestation by an officer of GBE that GBE has not, prior to the  
11 date of the attestation, installed transmission facilities associated  
12 with the respective Phase on easement property; or a notification  
13 that such installation is scheduled to begin on a specified date.
- 14 c. A statement of the total cost of the respective Phase, broken out by  
15 the categories of engineering, manufacturing and installation of  
16 converter stations; transmission line engineering; transmission  
17 towers; conductor; construction labor necessary to complete the  
18 Phase; right-of way acquisition costs; and other costs necessary to  
19 complete the Phase, and certified by an officer of GBE, along with  
20 a reconciliation of the total cost of such Phase in the statement to the  
21 total cost of such Phase as of the Application to Amend (*i.e.*, \$3.52  
22 billion for Phase I and \$1.43 billion for Phase II as set forth in the  
23 Direct Testimony of Aaron White); and property owned in fee by  
24 GBE associated with the respective Phase, including the converter  
25 station sites.
- 26 d. A reconciliation statement certified by an officer of GBE showing  
27 that (1) the agreements and commitments for funds provided in  
28 subsection (a), above, are equal to or greater than the total cost of  
29 the Phase provided in subsection (c), above; and (2) the contracted  
30 transmission service revenue is sufficient to service the debt  
31 financing of the Phase (taking into account any planned refinancing  
32 of debt).

1 These compliance requirements in combination with Grain Belt Express’ commitment to not  
2 install transmission facilities associated with either Phase of the Project until it has obtained  
3 commitments for funds provide equivalent protections as the existing Financing Condition.

4 **Q. Did Ms. Eubanks offer any additional reasoning for not supporting the**  
5 **phasing of the Project?**

6 A. Yes. Ms. Eubanks also references Dr. Won’s determination that Grain Belt Express  
7 is financially capable of undertaking the Project and the fact that the Project has been approved in  
8 Illinois to assert that the modification is not warranted.<sup>7</sup>

9 **Q. How do you respond to that reasoning?**

10 A. Grain Belt Express’ financial capability is not a reason to oppose the phasing of the  
11 Project. It is a reason *to support* the phasing of the Project because it permits the benefits of the  
12 Project to accrue to Missouri ratepayers sooner than it otherwise would. This is especially true  
13 given the independent economic viability of the Phases.

14 Kevin Chandler’s Surrebuttal Testimony on at pages 5 and 6 addresses Ms. Eubanks’  
15 concerns as to Ms. Eubanks’ reliance on Grain Belt Express’ approval in Illinois.

16 **Q. Are there any other reasons phasing of the Project should be approved?**

17 A. Yes. Staff of the State Corporation Commission of the State of Kansas (“KCC  
18 Staff” and “KCC,” respectively) filed a Report & Recommendation (“R&R”) on April 27, 2023  
19 addressing Grain Belt Express’ Motion to Amend the Unanimous Settlement filed March 10, 2023.  
20 KCC Staff supported and recommended the KCC approve an amendment of the Financing

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<sup>7</sup> *Id.* at 4.

1 Requirement that would permit the phasing of the Project.<sup>8</sup> The Financing Requirement in Kansas  
2 is the same as the Financing Condition in Missouri. KCC Staff’s R&R stated:

3 [KCC] Staff agrees with GBE that granting the amendment will not reduce  
4 protections provided to land owners [sic], investors, or the public by the original  
5 agreement. Nor will the amendment reduce the Project’s benefits to Kansas. In fact,  
6 it is likely that constructing the Project in two phases will bring those benefits to  
7 Kanas sooner than the original plan of constructing the entire Project in one phase.<sup>9</sup>

8 An Order has not yet been issued by the KCC, but were the KCC to approve the requested  
9 amendment, then not permitting phasing of the Project in Missouri would impose limitations that  
10 do not otherwise exist in Kansas, Illinois, or Indiana, and would needlessly delay the benefits of  
11 the Project to Missouri ratepayers.

12 **IV. RESPONSE TO STAFF WITNESS MICHAEL STAHLMAN’S REBUTTAL**  
13 **TESTIMONY**

14 **Q. Staff Witness Michael Stahlman recommended adding clarification to the**  
15 **term “material change” in Ordering Paragraph 6 of the Report and Order on Remand.<sup>10</sup>**  
16 **What is the scope of your response?**

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<sup>8</sup> Docket No. 19-GBEE-253-ACQ, Staff’s Report & Recommendation, p. 1 (Apr. 27, 2023).

<sup>9</sup> *Id.*

<sup>10</sup> Ordering Paragraph 6 states: “If the design and engineering of the project is *materially different* from how the Project is presented in Grain Belt Express Clean Line LLC’s Application, Grain Belt Express Clean Line LLC must file an updated application with the Commission for further Commission review and determination.” Report & Order on Remand, p. 52 (emphasis added). Whereas Paragraph 124 of the Report & Order on Remand states: “Grain Belt and Invenergy agreed that if there are any *material changes* in the design and engineering of the Project from what is contained in the application, Grain Belt will file an updated application subject to further review and determination by the Commission.” Report & Order on Remand, p. 36 (emphasis added). While Ordering Paragraph 6 does not use the term “material change,” because it is used in Paragraph 124 of the Report & Order on Remand and for consistency with Staff’s usage, use of “material change” in my Surrebuttal Testimony refers to “materially different” in Ordering Paragraph 6.

1           A.     Aaron White’s Surrebuttal Testimony addresses Mr. Stahlman’s material change  
2 recommendations as they relate to changing the location of the converter station and modifying  
3 the converter station design size. Carlos Rodriguez’s Surrebuttal Testimony address Mr.  
4 Stahlman’s material change recommendation as it relates to changes in injection rights. My  
5 response is limited to Mr. Stahlman’s recommendation that “a change of a half billion dollars in  
6 estimated cost” is a material change.<sup>11</sup>

7           **Q.     How do you respond to Mr. Stahlman’s recommendation that a change of a**  
8 **half billion dollars in estimated cost is a material change?**

9           A.     Mr. Stahlman’s recommendation is an inappropriate modification to Ordering  
10 Paragraph 6 because Ordering Paragraph 6 concerns material changes “*to design and engineering.*”  
11 In other words, Mr. Stahlman’s recommendation is not germane and would fundamentally change  
12 the purpose of Ordering Paragraph 6. It is unnecessary to expand a design and engineering  
13 condition to include a financial component when the Project is already subject to (and will continue  
14 to be subject to) the Financing Condition or the Amended Financing Condition.

15           **Q.     Do you have any other concerns with imposing a condition that requires Grain**  
16 **Belt Express to file an updated application with the Commission for a change of a half billion**  
17 **dollars in estimated cost?**

18           A.     Yes. First, the Project will employ a participant-funded or “shipper pays” model  
19 under which the capital costs of the Project are imposed on shippers who use the Project. None of  
20 the project’s capital costs as discussed on page 7 of my Direct Testimony will be recovered through  
21 the transmission cost allocation process of MISO, PJM, or SPP. Further, any change in Project  
22 costs will be addressed via the standard due diligence performed by the financing party

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<sup>11</sup> Rebuttal Testimony of Michael Stahlman, p. 9 (Apr. 19, 2023).

1           Second, the purpose of the Amended Financing Condition is to ensure each phase of the  
2 Project is fully financed before the installation of transmission facilities, which protects  
3 landowners and the public from cost increases that impact the financial viability of the Project. If  
4 cost increases reach a point that potential customers are no longer interested in purchasing capacity  
5 on the line, then the Project can no longer be financed, and so the Project will not be constructed.  
6 Accordingly, the public interest is protected from material cost increases.

7           Therefore, Mr. Stahlman’s recommendation to require an updated application for changes  
8 of a half billion dollars in estimated costs is an unnecessary burden that could only serve to delay  
9 the construction and financing of the Project.

## 10   V.       RESPONSE TO PUBLIC COMMENTS

11           **Q.       Several public commenters expressed concern about Grain Belt Express  
12 having not yet achieved financing. How do you respond?**

13           A.       The public commenters concerns are misplaced because it is typical for energy  
14 projects using project financing to not obtain full financing prior to obtaining all necessary permits  
15 and other regulatory approvals.

16           Project financing is a proven model for financing the development and construction of  
17 projects such as the Grain Belt Express Project. Many successful transmission projects have  
18 followed the same model in which initial equity investors fund development and the project is later  
19 refinanced at the project level to fund construction.

20           The Grain Belt Express Project has always been developed under a project financing  
21 model, as initially explained at page 15 through page 23 of David Berry’s Direct Testimony in  
22 EA-2016-0358.





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

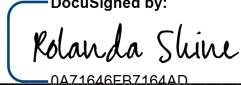
In the Matter of the Application of Grain Belt )  
Express LLC for an Amendment to its Certificate )  
of Convenience and Necessity Authorizing it to )  
Construct, Own, Operate, Control, Manage, and ) File No. EA-2023-0017  
Maintain a High Voltage, Direct Current )  
Transmission Line and Associated Converter )  
Station )

**AFFIDAVIT OF ROLANDA SHINE**

1. My name is Rolanda Shine. I am the Vice President of Finance and Capital Markets and the Director of Finance for Invenergy LLC (“Invenergy”). My business address is One South Wacker, Suite 1800, Chicago, Illinois 60606.

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

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

DocuSigned by:  
  
0A71646EB7164AD...  
\_\_\_\_\_  
Rolanda Shine  
Vice President of Finance and Capital Markets  
Director of Finance  
Invenergy LLC

Date: 5/12/2023