

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Application of Grain Belt Express)
Clean Line LLC for a Certificate of Convenience and)
Necessity Authorizing it to Construct, Own, Operate,)
Control, Manage, and Maintain a High Voltage, Direct)
Current Transmission Line and an Associated Converter)
Station Providing an interconnection on the Maywood-)
Montgomery 345 kV Transmission Line)

Case No. EA-2014-0207

RECOMMENDATION OF GRAIN BELT EXPRESS CLEAN LINE LLC

Grain Belt Express Clean Line LLC (“Grain Belt Express” or “Company”) provides the following recommendation to the Missouri Public Service Commission (“Commission”) in light of its June 2, 2015 Agenda discussion of the Company’s Application for a certificate of convenience and necessity (“CCN”):

1. It was apparent during the Agenda discussion that some Commissioners view the record as lacking with regard to certain factors required for the Commission to grant a CCN to Grain Belt Express. This view echoes the Commission’s February 11, 2015 Order that directed the filing of additional information by the Company. Although Grain Belt Express provided additional information, the responses of Staff and certain other parties expressed dissatisfaction that not all of the information requested by the Commission had been produced.

2. While Grain Belt Express has consistently stated that certain studies, customer agreements and other matters will not be available until the Project advances to a more mature stage, it understands the desire of the Commission, as well as its Staff, to have the best possible information available for its review and consideration. While opponents of the Project have called for the Application to be denied, they have alternatively asked the Commission to hold the proceeding in abeyance until Grain Belt Express can provide the requested information. See

Show Me Response at 16 (May 13, 2015) (“hold the case in abeyance until GBE provides all of the documentation and information requested in the February 11 Order”).

3. Given the extensive evidence presented by the parties to this case, the five days of testimony at the evidentiary hearing, the eight local public hearings, the benefits that the Project can provide to Missouri in the form of low-cost renewable wind energy -- not to mention the time and effort expended by the Commission and its Staff -- Grain Belt Express recommends that the Commission refrain from issuing a Report and Order at this time. It further recommends that the Commission hold the case in abeyance and allow Grain Belt Express to gather additional information requested by the Commission and to supplement the record.

4. Holding this proceeding in abeyance and allowing the Company to obtain such additional information and to work with Staff to develop additional production cost models would prejudice no one. There is no operation of law date that compels a decision by a certain time.

5. Staff has stated that it “is too speculative at this time” to judge how “future environmental regulation, such as the proposed EPA rule under section 111(d) of the Clean Air Act, will impact the need for wind energy in Missouri.” See Staff Initial Brief at 35-36 (Dec. 8, 2014). However, the EPA has stated that it will issue its final Clean Power Plan rules this summer. See Fact Sheet: Clean Power Plan & Carbon Pollution Standards Key Dates, “Cutting Carbon Pollution from Power Plants” (U.S. EPA, Jan. 7, 2014). It therefore makes sense to delay this proceeding so that Grain Belt Express, Staff and the other parties can analyze the likely effect of those regulations on Missouri and the region. As proposed, the Clean Power Plan would require Missouri to cut its carbon emissions rate by about 23% in the electric sector. See D. Berry Surrebuttal at 15:7-11.

6. Staff has asserted its view that the record is incomplete. In response to the Company's filing of additional information on April 13, Staff stated that "there is no reliable information in the record to estimate the impact of the Project on wholesale electric rates, Missouri retail electric rates, carbon emissions, or other environmental consequences. See Staff's Response to Grain Belt Express' Additional Information at 2 (May 13, 2015). Staff advised that aspects of the production cost models produced by the Company did not meet Staff's expectations and that the "[i]nformation requested by the Commission remains outstanding." See Staff's May 13, 2015 Memorandum ("Staff Memorandum") at 7.

7. If the Commission agrees to hold the case in abeyance, Grain Belt Express will assess the EPA Clean Power Plan regulations once they are announced this summer, and will provide other information in response to the Commission's February 11, 2015 Order. It will also communicate with Staff and begin the process to develop revised production cost and other economic modeling. The interconnection processes with Regional Transmission Organizations will also advance over the next several months. Grain Belt Express will provide 60-day status reports on these efforts. Once these efforts are completed, the Company would work with the other parties to develop a procedural schedule to govern the final stage of this proceeding.

8. Holding this case in abeyance until additional facts are known, agreements and studies are completed, and additional modeling is developed would serve the interests of administrative economy and efficiency. It would also serve the public interest in allowing Grain Belt Express, Staff and other parties the opportunity to refine the analyses presented to the Commission to date, and to assess important environmental regulatory developments that will significantly affect the resource adequacy of the electricity industry in Missouri and the region. Permitting the case to continue will also allow the existing record to remain before the

Commission, which would not be the case if the Application were denied “without prejudice” to be submitted in the future.

WHEREFORE, Grain Belt Express Clean Line LLC recommends that the Commission hold this proceeding in abeyance to allow additional time for the Company to provide the Commission with additional information and analysis in support of its Application.

Karl Zobrist
Karl Zobrist MBN 28325
Lisa A. Gilbreath MBN 62271
Jacqueline M. Whipple MBN 65270
Dentons US LLP
4520 Main Street, Suite 1100
Kansas City, Missouri 64111
(816) 460-2400
(816) 531-7545 (Fax)
karl.zobrist@dentons.com
lisa.gilbreath@dentons.com
jacqueline.whipple@dentons.com

Cary J. Kottler
General Counsel
Erin Szalkowski
Corporate Counsel
Clean Line Energy Partners LLC
1001 McKinney Street, Suite 700
Houston, TX 77002
(832) 319-6320
ckottler@cleanlineenergy.com
eszalkowski@cleanlineenergy.com

ATTORNEYS FOR GRAIN BELT EXPRESS
CLEAN LINE LLC

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 10th day of June 2015.

/s/ Karl Zobrist
Attorney for Grain Belt Express Clean Line LLC