# BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Application of Ameren Transmission	)
Company of Illinois for Other Relief or, in the Alternative,	)
a Certificate of Public Convenience and Necessity	)
Authorizing it to Construct, Install, Own, Operate,	) File No. EA-2015-0145
Maintain and Otherwise Control and Manage a	)
345,000-volt Electric Transmission Line in Marion	)
County, Missouri, and an Associated Switching Station	)
Near Palmyra, Missouri.	)

# **APPLICATION**

COMES NOW Ameren Transmission Company of Illinois (ATXI), by and through its counsel, pursuant to Section 393.170 RSMo (2000), 4 CSR 240-2.060 and 4 CSR 240-3.105, for its conditional application to the Missouri Public Service Commission (Commission) for a certificate of convenience and necessity (CCN) authorizing it to own, acquire, construct, operate, control, manage and maintain an electric transmission line, including a new switching station, within Marion County, Missouri; or, alternatively, for an order declining jurisdiction in this matter and dismissing this conditional application on the grounds that the Commission does not have jurisdiction over ATXI because ATXI is not a "public utility" under Missouri law. In support of its application, ATXI respectfully states as follows:

#### APPLICANT

1. ATXI is a corporation organized under the laws of Illinois with its principal office at 1901 Chouteau Avenue, St. Louis, Missouri 63103. ATXI is duly authorized to do business in Missouri. A certified copy of ATXI's Certificate of Corporate Good Standing in Illinois and a certified copy of its Authority to Conduct Business in the State of Missouri are attached hereto as Appendix A and Appendix B, respectively.

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- 2. ATXI is engaged in the construction, ownership, and operation of the interstate transmission lines that transmit electricity for the public use and a part of such transmission lines that ATXI intends to construct, own, and operate will be located in Missouri; however, ATXI neither provides retail electric service to the general public in Missouri nor serves any retail service territory in Missouri. In addition, ATXI does not manufacture, sell or distribute electricity for light, heat or power either within or outside Missouri.
- 3. 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.
- 4. All correspondence, communications, notices, orders and decisions of the Commission with respect to this matter should be sent to:

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#### and

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#### PROJECT DESCRIPTION AND NEED

- 5. ATXI proposes to construct, install, own, operate, control, manage and maintain in Missouri a 345,000-volt electric transmission line approximately 7 miles in length that includes a new switching station and that runs generally from the new switching station to be constructed near Palmyra, Missouri, through Marion County in Missouri and extending across the Mississippi River to the Missouri state line (the Project). The transmission line conductors will be supported primarily by single shaft steel pole structures 110-170 feet in height, with typical spans of 600-900 feet. These steel structures will be erected within a 150-foot right-of-way. A drawing of the steel structure which is contemplated and new switching station is attached as Appendix C.
- 6. The Project is a portion of the portfolio of multi-value projects (MVPs) approved by the Midcontinent Independent System Operator, Inc. (MISO) in 2011, and is a part of a new transmission line approximately 385 miles in length along a path running generally from Palmyra, Missouri, then continuing through northeastern Missouri, across the Mississippi river and continuing east across Illinois to western Indiana (identified by ATXI in its entirety as the Illinois Rivers Project). This Application is for the segment of the Illinois Rivers Project that is located in Missouri.
- 7. As defined by MISO, the portfolio MVPs are transmission "[p]rojects providing regional public policy, reliability and/or economic benefits" through increased market competition and delivery of lower cost generation.

<sup>&</sup>lt;sup>1</sup> MISO's study is contained in a report ("MISO Transmission Expansion Plan 2011" or "MTEP 11") that is publicly available at <a href="https://www.misoenergy.org/Planning/TransmissionExpansionPlanning/Pages/MTEP11.aspx">https://www.misoenergy.org/Planning/TransmissionExpansionPlanning/Pages/MTEP11.aspx</a>; the quote above is found at p. 4 of the report.

#### TRANSMISSION LINE ROUTE

- 8. A depiction of the route of construction of the line, including the new switching station, is found on the map attached as **Appendix D**. A file directory of the plans and specifications for the construction of the Project are attached as **Appendix E**. A CD containing the Highly Confidential electronic files of the plans and specifications is designated as **Appendix E-HC** and is being provided to Staff under separate cover.
- 9. A list of electric and telephone lines of regulated and nonregulated utilities, railroad tracks, and underground facilities as defined in section 319.015, RSMo., which the proposed construction may cross, is attached to this Application as **Appendix F**.
- 10. A copy of the assent of the County Commission of Marion County, Missouri, to the placement of transmission lines over county public roads and highways is attached as **Appendix G**. ATXI requires approval from the U.S. Corp of Engineers related to the line crossing the Mississippi River, and may require the consent of other governmental agencies. ATXI will provide all required approvals prior to the granting of the authority sought, as provided by 4 CSR 240-3.105(2). A list of agencies that ATXI has contacted with regard to this Project is contained in **Appendix H**.

### PROJECT COSTS

- 11. The estimated cost for construction of the Project is \$68.1 million. A breakdown of the estimated costs by category is contained on **Appendix I**.
- 12. ATXI intends to finance the Project using a combination of equity, short-term and long-term debt, and cash from operations.

#### PUBLIC CONVENIENCE AND NECESSITY

- 13. There is a need for the transmission service to be provided by the Project, and the Project is in the public interest in that it will provide for the integration of wind energy in Missouri to increase the amount of electricity available from renewable resources, including wind energy that would be transported to aid Missouri public utilities in complying with Missouri's Renewable Energy Standard, Section 393.1020, RSMo., et seq. The Project is also part of improvements to the regional transmission system under MISO's functional control and will improve the overall reliability of the regional transmission system and reduce transmission system congestion. The Project will provide the additional benefit of providing a remedy to several reliability issues which result in overloading a Palmyra substation transformer owned and operated by Associated Electric Cooperative, Inc.
- 14. Moreover, the proposed Project is economically feasible. A MISO study performed in 2011 indicated that Ameren Missouri customers will receive benefits that are at least 1.8 times the cost they will be allocated for the MVPs.<sup>2</sup> MISO performed an updated study in 2014 and determined that Ameren Missouri customers will receive benefits that are at least 2.3 times the cost they will be allocated for the MVPs.<sup>3</sup>
  - 15. ATXI has the financial ability to construct the proposed Project.
- 16. ATXI is qualified to provide the proposed service in that it has been and is now developing and constructing a variety of interstate electric transmission projects.

<sup>&</sup>lt;sup>2</sup> MTEP11 Report. at p. 8.

<sup>&</sup>lt;sup>3</sup> The MTEP14 MVP Triennial Review report may be accessed at <a href="https://www.misoenergy.org/Planning/TransmissionExpansionPlanning/Pages/MVPAnalysis.aspx">https://www.misoenergy.org/Planning/TransmissionExpansionPlanning/Pages/MVPAnalysis.aspx</a>. The financial analysis is found on p. 8 of the report.

17. The foregoing facts demonstrate that the issuance of a CCN authorizing ATXI to construct, own, operate, manage and maintain the facilities included in the Project is required by the public convenience and necessity.

#### OTHER MATTERS

- 18. ATXI requests that the Commission approve this application at its earliest convenience, but in no event later than April 30, 2015, so that ATXI may begin construction promptly. This timeline will allow ATXI to complete construction and place the new transmission line in service by November, 2016, which is the in-service date required by MISO.
- 19. ATXI filed a 60-day notice of this application as required by 4 CSR240-4.020(2) on December 9, 2014.
- 20. Because ATXI will not provide retail service to end-use customers and will not be rate-regulated by the Commission, ATXI requests that the Commission waive the rate schedule filing requirement of 4 CSR 240-3.145, the annual reporting requirement of 4 CSR 240-3.165, the depreciation study requirement of 4 CSR 240-3.175, and the reporting requirements of 4 CSR 240-3.190(1), (2) and 3(A)-(D) for good cause. ATXI agrees to file with the Commission the annual report it files with FERC.
- 21. By filing this Application, ATXI does not consent to the jurisdiction or authority of the Commission, and reserves its right to seek judicial review of such assertion of jurisdiction or authority should the Commission choose to assert authority or jurisdiction rather than dismissing this Application.

WHEREFORE, ATXI prays that the Commission, no later than April 30, 2015, enter an Order either dismissing this Application because the Commission does not have jurisdiction over ATXI, based upon the finding that ATXI is not a public utility under Missouri law, or,

alternatively, granting ATXI a certificate of convenience and necessity to construct, install, own, operate, control, manage, and maintain that part of the Project described herein, as described above and depicted on **Appendix D**, in Marion County, Missouri.

Respectfully submitted,

/s/ James B. Lowery

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# CERTIFICATE OF SERVICE

I do hereby certify that a true and correct copy of the public version of the foregoing Application has been e-mailed this 20<sup>th</sup> day of February, 2015, to the Missouri Public Service Commission Staff and to the Office of the Public Counsel. A CD containing the Highly Confidential electronic files designated as **Appendix E-HC** was sent via regular mail to the Missouri Public Commission Staff on this same date.

Isl James B. Lowery

An Attorney for Ameren Transmission Company of Illinois

# APPENDICES

Appendix A	ATXI Certificate of Corporate Good Standing in Illinois
Appendix B	ATXI Authority to Conduct Business in Missouri
Appendix C	Drawing/Diagram of Steel Monopoles and Switching Station
Appendix D	Map of Route for Proposed Transmission Line
Appendix E	Design and Specifications of the Project (file directory only)
Appendix F	4 CSR 240-3.105(1)(B)1 Listing
Appendix G	Assent of County Commission of Marion County, Missouri
Appendix H	List of Agencies Contacted
Appendix I	Estimated Cost of the Project

# **VERIFICATION**

I, Maureen A. Borkowski, of lawful age, being duly sworn, depose and say that I serve as the President of Ameren Transmission Company of Illinois; that I have knowledge of the facts stated in the foregoing Application; that I certify that said facts are true to the best of my knowledge, information and belief.

Maureen A. Borkowski

Subscribed and sworn to before me this 20 day of February, 2015.

Notary Public

Patricia L. Foriney • Notary Public Notary Seal, State of Missouri • St. Louis City Commission #13402451 My Commission Expires 7/19/2017

## Assent of the County Commission of Marion County, Missouri

Now on this // day of February, 2015, the Marion County Commission hereby gives its assent, pursuant to Section 229.100, RSMo., for Ameren Transmission Company of Illinois to suspend electrical transmission wires alongside and/or across the public roads and highways of Marion County, Missouri, for the Illinois Rivers Transmission Project, which is comprised of a 345,000-volt electric transmission line approximately 7 miles in length and running generally from a new substation to be constructed near Palmyra, Missouri, and extending across the Mississippi River to Quincy, Illinois (the "Project").

Ameren Transmission Company of Illinois agrees to provide Commission with a proposed route map related to the Project; and to conduct all construction, operation and maintenance activities in the proximity of public roads and highways in a manner so as not to disrupt traffic.

Ameren Transmission Company of Illinois shall be responsible for its electrical transmission wires, including any damages to the public roads and highways of Marion County, Missouri associated with their presence alongside and/or across the public roads, and shall defend, indemnify and hold the Commission and Marion County harmless for losses, claims or demands made against the Commission or the County related thereto.

Further, Ameren Transmission Company of Illinois agrees to suspend said transmission wires located alongside and/or across the public roads and highways of Marion County, Missouri, in accordance with all reasonable rules and regulations approved by the Commission.

Lyndon Bode

Presiding Commissioner Marion County Commission

Acknowledged and Agreed to: Museen a Borkowski

Maureen A. Borkowski

President

Ameren Transmission Company of Illinois