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 Public Convenience and Necessity Authorizing it)	
to Construct, Install, Own, Operate, Maintain and)	File No. EA-2017-0345
Otherwise Control and Manage a 345-kV)	
Electric Transmission Line from Palmyra, Missouri,)	
to the Iowa Border and an Associated Substation)	
Near Kirksville, Missouri.)	

APPLICATION AND MOTION FOR EXPEDITED TREATMENT

COMES NOW Ameren Transmission Company of Illinois (ATXI) and, pursuant to section 393.170.1, RSMo (2016), 4 CSR 240-2.060 and 4 CSR 240-3.105, for its application to the Missouri Public Service Commission (Commission) for a certificate of convenience and necessity (CCN) authorizing ATXI to construct, install, own, operate, maintain and otherwise control and manage a 345-kV electric transmission line approximately 96 miles in length and running generally from a switching station near Palmyra, Missouri, and generally proceeding along an existing east-west 161-kV transmission line corridor through Marion, Lewis, Knox and Adair counties to a new substation located near Kirksville, Missouri, and then generally proceeding along an existing north-south 161-kV transmission line corridor through Adair and Schuyler counties, to a connection point on the Iowa border, and for its Motion for Expedited Treatment pursuant to 4 CSR 240-2.080(16), states as follows:

APPLICATION FOR CCN

A. 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.
- 2. ATXI is engaged in the construction, ownership, and operation of interstate transmission lines that transmit electricity for the public use. The transmission lines that ATXI intends to construct, own, and operate which are the subject of this Application will be located in Missouri. ATXI was determined by the Commission to be a public utility subject to the Commission's jurisdiction with regard to the construction and operation of transmission lines in File No. EA-2015-0145.
- 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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Michael R. Tripp, Mo. Bar #41535
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and

Eric Dearmont, Mo. Bar #60892 Corporate Counsel AMEREN SERVICES COMPANY One Ameren Plaza 1901 Chouteau Avenue St. Louis, Missouri 63103 (T) (314) 554-3543 (F) (314) 554-4014 EDearmont@ameren.com

B. PROJECT DESCRIPTION AND NEED

5. ATXI proposes to construct, install, own, operate, maintain and otherwise control and manage a 345-kV electric transmission line approximately 96 miles in length and running generally from a switching station near Palmyra, Missouri, and generally running along an existing east-west 161-kV transmission line corridor through Marion, Lewis, Knox and Adair counties to a new substation located near Kirksville, Missouri, and then generally proceeding along an existing north-south 161-kV transmission line corridor through Adair and Schuyler counties, to a connection point on the Iowa border. The double-circuit 345-kV/161-kV transmission line conductors will be supported primarily by single-shaft, self-supported steel pole structures 100 to160 feet in height, with typical spans of 900 feet and will be erected within a 150-foot right-of-way. Where

required due to large angles or dead end requirements, a double pole configuration using self-supported steel poles approximately 20 to 40 feet apart will be used. Drawings of the typical tangent steel monopole structure and the dead-end double steel monopole structure are attached as **Appendix C.** The Mark Twain transmission line will be colocated for nearly the entirety of its route with existing 161-kV transmission lines owned by Northeast Missouri Electric Power Cooperative (Northeast Power) and Union Electric Company d/b/a Ameren Missouri. By co-locating the Mark Twain transmission line with the existing 161-kV lines, ATXI will be replacing existing wood H-frame structures with fewer steel monopole structures, and will eliminate the use of existing guy wires along the entire approximately 96-mile route.

- 6. In addition, the Project includes construction of a new Zachary Substation, to be located immediately adjacent to the existing Ameren Missouri substation near Adair, Missouri. The Project also includes a tie-in between the Zachary substation and the Adair substation.
- 7. The new transmission line and substation project is a compilation of two Midcontinent Independent System Operator, Inc. (MISO)-approved multi-value projects (MVPs). As defined by MISO, the MVPs are transmission "[p]rojects providing regional

¹ The east-west 161-kV transmission line with which ATXI will co-locate the Mark Twain transmission line is owned and operated by Northeast Power. The north-south 161-kV transmission line with which ATXI will co-locate the Mark Twain transmission line is owned and operated by Ameren Missouri.

public policy, reliability and/or economic benefits" through increased market competition and delivery of lower cost generation.

C. TRANSMISSION LINE ROUTE

- 8. A depiction of the proposed route of construction of the line and proposed location for the new substation is found on the map attached as **Appendix D**. The plans and specifications for construction of the proposed Mark Twain Transmission Project (the Project) are being developed and will be provided once they are complete.³
- 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 E**.
- 10. The following county commission assents to the placement of transmission lines over county public roads and highways within the counties through which the Mark Twain transmission line runs are attached:
 - a. August 14, 2017 Order granting assent by Lewis County
 Commission, attached as **Appendix F**;
 - b. August 14, 2017 Order granting assent by Marion County
 Commission, attached as **Appendix G**;
 - c. August 19, 2017 Order granting assent by Knox County Commission, attached as **Appendix H**;

² MISO's study is contained in a report ("MISO Transmission Expansion Plan 2011" or "MTEP 11") that is publicly available at https://www.misoenergy.org/Planning/TransmissionExpansionPlanning/Pages/MTEP11.aspx; the quote above is found at p. 4 of the report.

³ See 4 CSR 240-3.105(2).

- d. September 5, 2017 Order granting assent by Schuyler County

 Commission, attached as **Appendix I**; and
- e. September 5, 2017 Order granting assent by Adair County Commission, attached as **Appendix J**.
- 11. A list of agencies that ATXI has contacted with regard to this Project is contained in **Appendix K**. ATXI will provide any necessary permits or authorizations needed to construct the entirety or portions of the Project as they are received. To the extent such permits or authorizations cannot be obtained prior to the grant of the certificate sought herein, ATXI requests a waiver of 4 CSR 240-3.105(2) on the condition that ATXI provide such permits or authorizations once received and before construction commences on that part of the Project to which the permit or authorization relates.⁴

D. PROJECT COSTS

- 12. The estimated cost for construction of the Mark Twain transmission line, including the Zachary Substation is approximately \$250 million. A breakdown of the estimated costs by category is contained on **Appendix L**.
- 13. ATXI intends to finance the Project using a combination of equity, short-term and long-term debt, and cash from operations.

⁴ Examples would be a Missouri Department of Highways and Transportation permit to cross a particular state highway in a particular location, which typically are not received until shortly before construction of the crossing is to take place, or specific authorizations from the Corps of Engineers to exercise rights under ATXI's existing Section 404 General Permit for construction at a particular location, such as a jurisdictional stream crossing; such authorizations are generally received shortly before construction in that particular location.

E. PUBLIC CONVENIENCE AND NECESSITY

- 14. There is a need for the transmission capacity 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.
- 15. Moreover, the proposed Project is economically feasible and in the public interest. A MISO study performed in 2014 indicated that customers in MISO Local Resource Zone 5 (which consists almost entirely of load served by Ameren Missouri) will receive benefits that are at least 2.3 times (and as much as 3.3 times) the transmission charges that will be reflected in the rates that customers in Local Resource Zone 5 will pay.⁵ The Project also promotes the public interest by providing significant property tax revenues to the various counties, and by allowing Northeast Power and Ameren Missouri to avoid costs they otherwise would have had to incur to replace or maintain⁶ their existing 161-kV lines in the future.
 - 16. ATXI has the financial ability to construct the proposed Project.

⁵ The MTEP14 MVP Triennial Review report may be accessed at https://www.misoenergy.org/Planning/TransmissionExpansionPlanning/Pages/MVPAnalysis.aspx. The financial analysis is found on p. 8 of the report.

⁶ Including, for example, one identified Ameren Missouri project that would have had to be completed in the next 3 to 5 years at an estimated cost of over \$2 million.

- 17. ATXI is qualified to construct the Project and has developed and is now developing and constructing a variety of interstate electric transmission projects.
- 18. 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.

F. ATXI TESTIMONY

- 19. Support for this filing is provided in the direct testimony of the following witnesses:
 - a. <u>Shawn E. Schukar</u>: Mr. Schukar, President of ATXI, provides an overview of ATXI and the background for co-location of the Project with existing 161-kV transmission line corridors.
 - b. <u>Douglas J. Brown</u>: Mr. Brown, a Real Estate Manager for Ameren

 Services Company, describes the real estate acquisition anticipated for the Project.
 - c. <u>David Endorf</u>: Mr. Endorf, a Principal Engineer for Ameren Services Company, describes the design considerations for the proposed transmission line and related substation.
 - d. <u>James Jontry</u>: Mr. Jontry, a Project Manager for Ameren Services Company, addresses routing, the management and supervision of construction of the Project, the project schedule, and the anticipated cost of the Project.
 - e. <u>Dennis D. Kramer</u>: Mr. Kramer, Senior Director of Transmission Planning, Policy and Stakeholder Relations for Ameren Services Company,

describes the MVP benefits, including those that accrue to Missouri, associated with the Project.

- f. <u>Jeffrey D. Hackman</u>: Mr. Hackman, Senior Director of Transmission Project Management and Construction for Ameren Services Company, discusses the technical considerations with co-location of the Project with existing 161-kV transmission lines.
- g. <u>Todd Schatzki, Ph.D.</u>: Dr. Schatzki, Vice President of Analysis

 Group, Inc., describes his study of the economic and environmental effects of the

 Project on wholesale energy markets in Missouri and the region.

G. OTHER MATTERS

- 20. ATXI filed a 60-day notice of this application as required by 4 CSR 240-4.020(2) on June 20, 2017.
- 21. 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 will continue to file with the Commission the annual report it files with FERC.

MOTION FOR EXPEDITED TREATMENT

22. In File No. EA-2015-0146, this Commission granted a conditional CCN approving the Project (along its former route) as being necessary or convenient for the public service and in the public interest. Because of the Court of Appeals decision in the

appeal of that case, this second CCN application was necessitated because ATXI had not secured section 229.100 assents from each of the counties through which the line passed at the time of the Commission's original approval. As noted above, those assents have now been obtained.⁷

- 23. The need to file this second application has delayed the Project, which was originally scheduled to be in service by December 2018. The delays have required that the in-service date be moved a full year, to December 2019. However, ATXI's ability to meet that in-service date depends on a timely order from the Commission on this second CCN application. Further delays will deprive the MISO region as a whole, including Missouri, of the substantial economic benefits the Project will bring and will delay the reliability improvements to the regional transmission system and the transmission system in Missouri that the Project will provide. Consequently, ATXI respectfully requests that the Commission expedite this proceeding, and that it grant ATXI the CCN requested herein on or before January 18, 2018, to be effective no later than ten (10) days thereafter.
- 24. Expediting certain procedural steps in this proceeding as requested herein and in the Motion for Adoption of Procedural Schedule, filed concurrently herewith, will help avoid the harm caused by delays in obtaining the benefits the Project will provide.

 The Application was filed as soon as it reasonably could have been under the

⁷ To avoid any doubt, one county is different. Shelby County was on the original Project route, but is not on the co-located route. Lewis County was not on the original Project route, but is now affected by co-location.

circumstances given that the last of the five county assents that were required were not obtained until September 5, 2017, just 10 days ago.

- 25. As noted above, filed concurrently herewith are ATXI direct, pre-filed testimonies in support of the Application. ATXI also expects MISO and, perhaps, Wind on the Wires to file requests for intervention and concurrently therewith to file additional pre-filed testimony in support of this Application. ATXI will also be providing all its workpapers to Staff and Public Counsel in the next one to two business days to expedite their review, and has met with Staff about it revised Project approach in advance of its filing.
- 26. Also filed concurrently herewith is a Motion for Adoption of Procedural Schedule. As provided for therein, Applicant requests that the Commission immediately issue its order giving notice of this case, that a Prehearing Conference be held on September 26, 2017, or on the first available date thereafter on which the Hearing Examiner assigned to this case is available, that a shortened deadline by which interventions must be made (October 6, 2017) be adopted, and for other relief as the Commission deems equitable.

WHEREFORE, ATXI prays that the Commission expedite its processing of this Application, adopt the procedural schedule filed concurrently herewith, and issue its Report and Order by January 18, 2018, to be effective no more than 10 days thereafter, that grants ATXI a certificate of convenience and necessity, pursuant to section 393.170.1, RSMO., to construct, install, own, operate, control, manage, and maintain the

Mark Twain Transmission Project described herein, as described above and depicted on **Appendix D**, in northeast Missouri.

Respectfully submitted,

/s/ James B. Lowery

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Attorneys for Ameren Transmission Company of Illinois

CERTIFICATE OF SERVICE

The undersigned certifies that true and correct copies of the foregoing have been e-mailed or mailed, via first-class United States Mail, postage pre-paid, to the following this 15th day of September, 2017:

Staff Counsel's Office Missouri Public Service Commission P.O. Box 360 200 Madison Street, Suite 800 Jefferson City, Missouri 65102 staffcounselservice@psc.mo.gov Office of the Public Counsel P.O. Box 2230 200 Madison Street, Suite 650 Jefferson City, MO 65102-2230 opcservice@ded.mo.gov

VERIFICATION

I, Shawn E. Schukar, 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.

Shawn E. Schukar

Subscribed and sworn to before me this 15th day of September, 2017.

Votary Rublic

STACEY R. SCALES
Notary Public - Notary Seal
State of Missouri
Commissioned for St. Louis County
My Commission Expires: March 11, 2016
Commission Number: 14438218

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

Appendix D Map of Route for Proposed Transmission Line

Appendix E 4 CSR 240-3.105(1)(B)1 Listing

Appendix F Lewis County Commission Order Granting Assent

Appendix G Marion County Commission Order Granting Assent

Appendix H Knox County Commission Order Granting Assent

Appendix I Schuyler County Commission Order Granting Assent

Appendix J Adair County Commission Order Granting Assent

Appendix K List of Agencies Contacted

Appendix L Estimated Cost of the Project