Exhibit No.:

Issues: Job Creation

Witness: Michael L. Stahlman

Sponsoring Party: MO PSC Staff

Type of Exhibit: Surrebuttal Testimony

Case No.: EA-2014-0207

Date Testimony Prepared: October 14, 2014

# MISSOURI PUBLIC SERVICE COMMISSION REGULATORY REVIEW DIVISION

## **SURREBUTTAL TESTIMONY**

**OF** 

# MICHAEL L. STAHLMAN GRAIN BELT EXPRESS CLEAN LINE LLC CASE NO. EA-2014-0207

Jefferson City, Missouri October 2014

### 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	)	Case No. EA-2014-0207
High Voltage, Direct Current	)	Case No. EA-2014-0207
Transmission Line and an Associated	)	
Converter Station Providing an	)	
Interconnection on the Maywood -	)	
Montgomery 345 kV Transmission Line	)	

### AFFIDAVIT OF MICHAEL L. STAHLMAN

STATE OF MISSOURI	)
	) ss
COUNTY OF COLE	)

Michael L. Stahlman, of lawful age, on his oath states: that he has participated in the preparation of the following Surrebuttal Testimony in question and answer form, consisting of \_\_3\_\_ pages of Surrebuttal Testimony to be presented in the above case, that the answers in the following Surrebuttal Testimony were given by him; that he has knowledge of the matters set forth in such answers; and that such matters are true to the best of his knowledge and belief.

Michael L. Stahlman

Subscribed and sworn to before me this \_\_\_\_\_\_ day of October, 2014.

LAURA BLOCH
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: June 21, 2015
Commission Number: 11203914

Notary Public

### SURREBUTTAL TESTIMONY 2 3 **OF** 4 5 MICHAEL L. STAHLMAN 6 7 GRAIN BELT EXPRESS CLEAN LINE LLC 8 9 CASE NO. EA-2014-0207 10 11 Q. Please state your name and business address. 12 13 My name is Michael L. Stahlman, and my business address is Missouri Public A. 14 Service Commission, P.O. Box 360, Jefferson City, Missouri, 65102. 15 Q. Are you the same Michael L. Stahlman who filed rebuttal testimony in this case on September 15, 2014? 16 17 A. Yes. 18 What is the purpose of your testimony? Q. 19 A. I respond to a statement made in the Rebuttal Testimony of David Desmond, 20 on behalf of the International Brotherhood of Electrical Workers Local 2, AFL-CIO, 21 concerning the number of workers Grain Belt Express anticipates it will employ to operate 22 and maintain the proposed line in Missouri after it is built. 23 Q. How many workers did Mr. Desmond state Grain Belt Express would hire to 24 operate and maintain the line? 25 A. In his rebuttal testimony David Desmond states, "After completion of construction, Grain Belt will continue to employ about 70 workers to operate and maintain the 26 line."1 27

<sup>1</sup> Rebuttal Testimony of David Desmond, p. 4, ll. 17-18.

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Q. What is Mr. Desmond's source for his statement that Grain Belt Express will employ 70 workers to operate and maintain the line?

Mr. Desmond's source is Paragraph 19, on page 8, of Grain Belt Express' A. application in this case.<sup>2</sup>

- Q. Is Mr. Desmond's understanding of that source correct?
- A. No. The statement is describing the sum of the estimates of the direct, indirect, and induced employment effects, based on a study performed by Grain Belt Express' witness Dr. David G. Loomis.
  - What are direct, indirect, and induced employment effects? Q.
- Formal descriptions are found on pages 10 and 11 of 46, in Schedule DGL-2, A. of Dr. Loomis' direct testimony. In this context, direct employment effects are the jobs Grain Belt Express will create for the purpose of operations and maintenance on the line, indirect employment effects are the jobs created in the industries that provide inputs to Grain Belt Express to do operations and maintenance on the line, and induced employment effects are the jobs created due to the spending of households that receive a direct or indirect job because of the line.
- Q. How many jobs does Dr. Loomis' study estimate will be created by the Grain Belt Express project?
  - A. 43 full-time equivalent jobs for Missouri.
  - Is that number consistent with Grain Belt Express' projections? Q.
- No. As I discuss on page 15, at lines 11 through 18, of my rebuttal testimony, A. Grain Belt Express estimates 7 jobs for line maintenance and 6-20 jobs for operations and

<sup>&</sup>lt;sup>2</sup> Response to Staff Data Request No. 0183.

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maintenance at the converter station.<sup>3</sup> However, as I testify, these are only estimates, as Grain Belt Express has not yet completed the final engineering studies, and it is possible to operate the converter station unmanned.<sup>4</sup>

- Q. Please summarize your testimony.
- In summary, Mr. Desmond states the proposed line will result in Grain Belt A. Express hiring 70 workers, Dr. Loomis states the proposed line will result in Grain Belt Express hiring 43 full time equivalent workers, but Grain Belt Express estimates hiring a maximum of 27 workers once the proposed line is completed.
  - Does this conclude your surrebuttal testimony? Q.
  - A. Yes.

<sup>&</sup>lt;sup>3</sup> Response to Staff Data Request Nos. 0060 and 0061.

<sup>&</sup>lt;sup>4</sup> Response to Staff Data Request Nos. 0122, 0060, and 0061.