Exhibit No.:
Issue: Expected Project Benefits
Witness: James R. Dauphinais
Type of Exhibit: Rebuttal Testimony
Sponsoring Party: Missouri Industrial Energy Consumers
Missouri Retailers Association
Consumers Council of Missouri
Case No.: EA-2016-0358
Date Testimony Prepared: January 24, 2017

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-2016-0358**

Rebuttal Testimony of

James R. Dauphinais

On behalf of

Missouri Industrial Energy Consumers
Missouri Retailers Association
Consumers Council of Missouri

MIEC Exhibit No. 80
Date 3-21-17 Reporter KB
File No. EA-2016-0358

January 24, 2017

BRUBAKER & ASSOCIATES, INC.

Project 10374

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-2016-0358

STATE OF MISSOURI)
) SS
COUNTY OF ST. LOUIS)

Affidavit of James R. Dauphinais

James R. Dauphinais, being first duly sworn, on his oath states:

1. My name is James R. Dauphinais. I am a consultant with Brubaker & Associates, Inc., having its principal place of business at 16690 Swingley Ridge Road, Suite 140, Chesterfield, Missouri 63017. We have been retained by the Missouri Industrial Energy Consumers, Missouri Retailers Association and Consumers Council of Missouri in this proceeding on their behalf.

2. Attached hereto and made a part hereof for all purposes is my rebuttal testimony which was prepared in written form for introduction into evidence in Missouri Public Service Commission Case No. EA-2016-0358.

3. I hereby swear and affirm that the testimony is true and correct and that it shows the matters and things that it purports to show.

James R. Dauphinais

Subscribed and sworn to before me this 24th day of January, 2017.

MARIA E. DECKER
Notary Public - Notary Seal
STATE OF MISSOURI
St Louis City
My Commission Expires: May 5, 2017
Commission # 13706793

Notary Public

BEFORE THE PUBLIC SERVICE COMMISSION
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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-2016-0358

Rebuttal Testimony of James R. Dauphinais

Q PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A James R. Dauphinais. My business address is 16690 Swingley Ridge Road, Suite 140, Chesterfield, MO 63017.

Q WHAT IS YOUR OCCUPATION?

A I am a consultant in the field of public utility regulation and a Managing Principal of Brubaker & Associates, Inc., energy, economic and regulatory consultants.

Q PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND EXPERIENCE.

A This information is included in Appendix A to my testimony.

Q ON WHOSE BEHALF ARE YOU APPEARING IN THIS PROCEEDING?

A This testimony is presented on behalf of the Missouri Industrial Energy Consumers ("MIEC"), Missouri Retailers Association ("MRA") and Consumers Council of Missouri ("Consumers Council").

MIEC is a non-profit Company that represents the interests of industrial customers in Missouri utility matters.

MRA is a not-for-profit benevolent corporation, incorporated in Missouri. The MRA represents retailers and grocers and their distribution facilities statewide. MRA members rely on dependable electric service at reasonable rates to continue to provide their products and services at reasonable prices.

Consumers Council is a non-governmental, nonpartisan, nonprofit corporation that is dedicated to educating the empowering consumers statewide and to advocating for their interests. It was originally founded in 1971 as Utility Consumers Council of Missouri, and has participated in numerous cases at the Missouri Public Service Commission ("Commission").

Q WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?

A The purpose of my rebuttal testimony is to respond to Grain Belt Express witness Michael Skelly. I agree with Mr. Skelly that the Grain Belt Express Project ("Project") provides an opportunity for consumers in Missouri to take advantage of low-cost and clean wind energy resources. In addition, it is important to note that, since the Project is a merchant transmission project, only subscribers to transmission capacity from the project will be responsible for the cost of the project. Unlike with regional transmission projects pursued by the Midcontinent Independent Transmission Organization, Inc. ("MISO"), the Project will not have captive customers.

The fact that I do not address any other particular issues in my testimony or am silent with respect to any other portion of Grain Belt Express' application and direct testimony in this proceeding should not be interpreted as an approval of any position taken by Grain Belt Express in this proceeding.

Q WHAT DOES MR. SKELLY SAY ABOUT THIS PROJECT?

A Mr. Skelly testifies that the Project will provide Missouri with a new source of affordable, clean energy that has the potential to reduce costs for Missouri end-users of electricity. Mr. Skelly notes the fact that the Missouri Joint Municipal Electric Utility Commission ("MJMEUC") has committed to use hundreds of megawatts of the Project's capacity, which demonstrates the Project's value proposition. Mr. Skelly sums up his testimony as follows:

> There are substantial local benefits that will be made possible by the Project. By having a converter station interconnected to the Ameren Missouri system, customers of Missouri electric utilities will have access to low-cost wind energy from western Kansas. The interconnection to the Ameren system will enhance the reliability of the electric transmission grid in Missouri by making available another source of electric power supply. Further, the Project will promote competition in the supply of transmission service and power generation. More generally, the Project enables Missouri electric utilities and electric utilities in states farther east to access reliable, affordable, and renewable electric energy.
>
> (Skelly Direct at 5)

Q DO YOU AGREE WITH MR. SKELLY'S CONCLUSIONS?

A Yes, in general I believe that the project has the potential to benefit Missouri utility customers. Even customers of Missouri utilities that do not directly take power from the project should over the long-term benefit from the delivery of 500 MWs of low cost power into the MISO footprint in Missouri since it should put downward pressure on

wholesale market prices. In addition, if other Missouri utilities follow the lead of the MJMEUC, customers of those utilities may see benefits comparable to those that MJMEUC customers expect to receive. Finally, there may be additional opportunities for Missouri utilities to make off-system sales via the Project to the benefit of their customers.

Q MANY OF THE PARTICIPANTS IN THE MIEC ARE CUSTOMERS OF AMEREN MISSOURI. HAS AMEREN MISSOURI COMMITTED TO TAKE POWER DELIVERED TO MISSOURI BY THE PROJECT?

A I understand that Ameren Missouri has not yet done so. However, the expected cost of power delivered by the Project appears to be attractive, and so I would expect Ameren Missouri to carefully analyze the benefits of taking power from the Project and give it serious consideration. If this analysis confirms that Ameren Missouri could lower its cost of serving customers by taking power from the Project, and assuming this analysis was reasonably performed, then Ameren Missouri's customers would likely benefit from that lower cost. If Ameren Missouri's analysis were to show that taking power from the Project would not lower the cost to serve its customers, it would be under no obligation to do so. In other words, there is a significant possibility of customers receiving a cost reduction, and no risk of higher costs because the project's investors (rather than utility customers) are taking the risks. As noted earlier, unlike for other transmission projects, the Project would not have captive customers.

Q DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY?

A Yes, it does.

Qualifications of James R. Dauphinais

Q PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A James R. Dauphinais. My business address is 16690 Swingley Ridge Road, Suite 140, Chesterfield, MO 63017, USA.

Q PLEASE STATE YOUR OCCUPATION.

A I am a consultant in the field of public utility regulation and a Managing Principal with the firm of Brubaker & Associates, Inc. ("BAI"), energy, economic and regulatory consultants.

Q PLEASE SUMMARIZE YOUR EDUCATIONAL BACKGROUND AND EXPERIENCE.

A I graduated from Hartford State Technical College in 1983 with an Associate's Degree in Electrical Engineering Technology. Subsequent to graduation I was employed by the Transmission Planning Department of the Northeast Utilities Service Company[1] as an Engineering Technician.

While employed as an Engineering Technician, I completed undergraduate studies at the University of Hartford. I graduated in 1990 with a Bachelor's Degree in Electrical Engineering. Subsequent to graduation, I was promoted to the position of Associate Engineer. Between 1993 and 1994, I completed graduate level courses in the study of power system transients and power system protection through the Engineering Outreach Program of the University of Idaho. By 1996 I had been promoted to the position of Senior Engineer.

[1] In 2015, Northeast Utilities changed its name to Eversource Energy.

In the employment of the Northeast Utilities Service Company, I was responsible for conducting thermal, voltage and stability analyses of the Northeast Utilities' transmission system to support planning and operating decisions. This involved the use of load flow, power system stability and production cost computer simulations. It also involved examination of potential solutions to operational and planning problems including, but not limited to, transmission line solutions and the routes that might be utilized by such transmission line solutions. Among the most notable achievements I had in this area include the solution of a transient stability problem near Millstone Nuclear Power Station, and the solution of a small signal (or dynamic) stability problem near Seabrook Nuclear Power Station. In 1993 I was awarded the Chairman's Award, Northeast Utilities' highest employee award, for my work involving stability analysis in the vicinity of Millstone Nuclear Power Station.

From 1990 to 1996, I represented Northeast Utilities on the New England Power Pool Stability Task Force. I also represented Northeast Utilities on several other technical working groups within the New England Power Pool ("NEPOOL") and the Northeast Power Coordinating Council ("NPCC"), including the 1992-1996 New York-New England Transmission Working Group, the Southeastern Massachusetts/Rhode Island Transmission Working Group, the NPCC CPSS-2 Working Group on Extreme Disturbances and the NPCC SS-38 Working Group on Interarea Dynamic Analysis. This latter working group also included participation from a number of ECAR, PJM and VACAR utilities.

From 1990 to 1995, I also acted as an internal consultant to the Nuclear Electrical Engineering Department of Northeast Utilities. This included interactions with the electrical engineering personnel of the Connecticut Yankee, Millstone and

Seabrook nuclear generation stations and inspectors from the Nuclear Regulatory Commission ("NRC").

In addition to my technical responsibilities, from 1995 to 1997, I was also responsible for oversight of the day-to-day administration of Northeast Utilities' Open Access Transmission Tariff. This included the creation of Northeast Utilities' pre-FERC Order No. 889 transmission electronic bulletin board and the coordination of Northeast Utilities' transmission tariff filings prior to and after the issuance of Federal Energy Regulatory Commission ("FERC" or "Commission") FERC Order No. 888. I was also responsible for spearheading the implementation of Northeast Utilities' Open Access Same-Time Information System and Northeast Utilities' Standard of Conduct under FERC Order No. 889. During this time I represented Northeast Utilities on the Federal Energy Regulatory Commission's "What" Working Group on Real-Time Information Networks. Later I served as Vice Chairman of the NEPOOL OASIS Working Group and Co-Chair of the Joint Transmission Services Information Network Functional Process Committee. I also served for a brief time on the Electric Power Research Institute facilitated "How" Working Group on OASIS and the North American Electric Reliability Council facilitated Commercial Practices Working Group.

In 1997 I joined the firm of Brubaker & Associates, Inc. The firm includes consultants with backgrounds in accounting, engineering, economics, mathematics, computer science and business. Since my employment with the firm, I have filed or presented testimony before the Federal Energy Regulatory Commission in Consumers Energy Company, Docket No. OA96-77-000; Midwest Independent Transmission System Operator, Inc., Docket No. ER98-1438-000; Montana Power Company, Docket No. ER98-2382-000; Inquiry Concerning the Commission's Policy on Independent System Operators, Docket No. PL98-5-003; SkyGen Energy LLC v.

Southern Company Services, Inc., Docket No. EL00-77-000; Alliance Companies, et al., Docket No. EL02-65-000, et al.; Entergy Services, Inc., Docket No. ER01-2201-000; Remedying Undue Discrimination through Open Access Transmission Service, Standard Electricity Market Design, Docket No. RM01-12-000; Midwest Independent Transmission System Operator, Inc., Docket No. ER10-1791-000; NorthWestern Corporation, Docket No. ER10-1138-001, et al.; Illinois Industrial Energy Consumers v. Midcontinent Independent System Operator, Inc., Docket No. EL15-82-000; and Midcontinent Independent System Operator, Inc., Docket No. ER16-833-000 I have also filed or presented testimony before the Alberta Utilities Commission, Colorado Public Utilities Commission, Connecticut Department of Public Utility Control, Illinois Commerce Commission, the Indiana Utility Regulatory Commission, the Iowa Utilities Board, the Kentucky Public Service Commission, the Louisiana Public Service Commission, the Michigan Public Service Commission, the Missouri Public Service Commission, the Montana Public Service Commission, the New Mexico Public Regulation Commission, the Council of the City of New Orleans, the Oklahoma Corporation Commission, the Public Utility Commission of Texas, the Wisconsin Public Service Commission and various committees of the Missouri State Legislature. This testimony has been given regarding a wide variety of issues including, but not limited to, ancillary service rates, avoided cost calculations, certification of public convenience and necessity, cost allocation, fuel adjustment clauses, fuel costs, generation interconnection, interruptible rates, market power, market structure, off-system sales, prudency, purchased power costs, resource planning, rate design, retail open access, standby rates, transmission losses, transmission planning and transmission line routing.

I have also participated on behalf of clients in the Southwest Power Pool Congestion Management System Working Group, the Alliance Market Development Advisory Group and several committees and working groups of the Midcontinent Independent System Operator, Inc. ("MISO"), including the Congestion Management Working Group, Economic Planning Users Group, Loss of Load Expectation Working Group, Regional Expansion, Criteria and Benefits Working Group and Resource Adequacy Subcommittee (formerly the Supply Adequacy Working Group). I am currently a member of the MISO Advisory Committee in the end-use customer sector on behalf of a group of industrial end-use customers in Illinois and a group of industrial end-use customers in Texas. I am also the past Chairman of the Issues/Solutions Subgroup of the MISO Revenue Sufficiency Guarantee ("RSG") Task Force.

In 2009, I completed the University of Wisconsin-Madison High Voltage Direct Current ("HVDC") Transmission course for Planners that was sponsored by MISO. I am a member of the Power and Energy Society ("PES") of the Institute of Electrical and Electronics Engineers ("IEEE").

In addition to our main office in St. Louis, the firm also has branch offices in Phoenix, Arizona and Corpus Christi, Texas.