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Exhibit No.: <u>302</u> Issue: Need for the Project Witness: Jeffrey M. Gray Type of Exhibit: Cross-surrebuttal Testimony Sponsoring Party: MO Landowners Alliance Case No.: EA-2014-0207 Date Testimony Prepared: Oct. 14, 2014

## MISSOURI PUBLIC SERVICE COMMISSION

#### CASE NO. EA-2014-0207

Cross-surrebuttal Testimony of

## Jeffrey M. Gray, Ph.D.

On behalf of

#### **Missouri Landowners Alliance**

October 14, 2014

Exhibit No. 307	
Date 11/13/14 Reporter MG	
Date 11/13/14 ReporterMG File No EA-2014-0204	

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Q.

## Please state your name and business address.

- My name is Jeffrey M. Gray. My business address is P.O. Box 620323, 2 A, Middleton, WI 53562-0323. 3
- Q. Have you previously submitted prepared testimony in this proceeding? 4
- Α. Yes, I previously submitted prepared rebuttal testimony dated September 15, 5 2014, in which I discussed the criteria for a Certificate of Convenience and 6 Necessity in Missouri, as applied to the proposed Grain Belt Express Clean Line 7 LLC ("GBE") transmission project (the "Project"). 8
- Q. What is the subject matter of your cross-surrebuttal testimony? 9
- A, I briefly address aspects of the rebuttal testimony submitted by Michael Goggin 10 on behalf of Wind on the Wires and the Wind Coalition, regarding certain 11 regional transmission organization ("RTO") issues and activities of Midcontinent 12 Independent System Operator, Inc. ("MISO"), PJM Interconnection, L.L.C. 13 ("PJM"), and Southwest Power Pool, Inc. ("SPP"). 14
- Please comment on Mr. Goggin's testimony regarding MISO and SPP Q. 15 interregional planning and coordination. 16
- 17 A. Mr. Goggin offers a bleak assessment of MISO and SPP interregional planning and coordination, which I believe is unwarranted and ignores or discounts the 18 significant progress being made by MISO, SPP, and their stakeholders (Goggin 19 Rebuttal Testimony at p. 27, lines 707-18). For example, the MISO and SPP 20 filings of July 1, 2014 in Missouri PSC Docket No. EW-2014-0156 indicate that 21 MISO and SPP are working diligently on interregional planning and coordination 22 matters through their Federal Energy Regulatory Commission ("FERC") Order 23

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No. 1000<sup>1</sup> compliance filings, Joint Operating Agreement revisions, and the
 Market-to-Market initiative. Some of the details are contentious and subject to
 dispute, but that is a normal part of the RTO integration process, and ultimately
 will lead to better outcomes for stakeholders as a whole.

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# Q. How does the Project fit within FERC-jurisdictional interregional planning and coordination processes?

- The Project does not fit within those processes. Mr. Goggin seems to suggest that 7 A. circumventing those processes is beneficial; and, as support, he describes RTO 8 9 integration issues in static terms, as if those issues are not being actively addressed (Goggin Rebuttal Testimony at pp. 29-31, lines 761-827). To the 10 contrary, the FERC identified and discussed interregional planning and 11 coordination issues in Order No. 1000, and the RTOs and their stakeholders have 12 been actively addressing those issues through their stakeholder processes. The 13 SPP, MISO, and PJM stakeholder processes are the correct forums for setting 14 priorities and developing optimal solutions to the complex regional and 15 interregional issues affecting those RTOs and their stakeholders. 16
- Q. Is shipping wind energy from SPP to PJM an urgent priority for PJM
  stakeholders?
- A. Not to my knowledge. In my review of PJM stakeholder activities, including the
   activities of PJM's Intermittent Resources Task Force, I could find no support for

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<sup>&</sup>lt;sup>1</sup> Transmission Planning and Cost Allocation by Transmission Owning and Operating Public Utilities, Order No. 1000, FERC Stats. & Regs. ¶ 31,323 (2011), order on reh'g, Order No. 1000-A, 139 FERC ¶ 61,132 (2012), order on reh'g and clarification, Order No. 1000-B, 141 FERC ¶ 61,044 (2012).

Mr. Goggin's suggestion that PJM stakeholders are eager to gain access to SPP 1 2 wind (see Goggin Rebuttal Testimony, p. 28, lines 737-44). For example, in the March 31, 2014 PJM Renewable Integration Study,<sup>2</sup> the renewable energy 3 resources examined for meeting or exceeding renewable energy requirements<sup>3</sup> in 4 5 the PJM footprint for study year 2026 were (1) onshore wind in the PJM region, 6 (2) offshore wind along the Atlantic seaboard, (3) centralized solar, and 7 (4) distributed solar. Although the study is not intended as a forecast, the lack of 8 any reference to SPP wind suggests a focus on local and regional solutions for meeting or exceeding renewable energy requirements in the PJM footprint. 9

10 Q. Does this conclude your cross-surrebuttal testimony?

11 A. Yes, it does.

<sup>2</sup> An executive summary is available at <u>http://pjm.com/~/media/committees-groups/task-forces/irtf/postings/pris-executive-summary.ashx</u> (last visited October 13, 2014). A slide presentation is available at <u>http://www.pjm.com/~/media/committees-groups/task-forces/irtf/postings/pjm-pris-final-project-review.ashx</u> (last visited October 13, 2014).

<sup>3</sup> Each state in the PJM footprint, except Kentucky and Tennessee, has a renewable portfolio standard, alternative energy portfolio standard, or non-binding renewable portfolio goal.

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MLA Ex.

## 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

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#### **AFFIDAVIT OF JEFFREY M. GRAY**

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STATE OF WISCONSIN

COUNTY OF DANE

Jeffrey M. Gray, being first duly sworn on his oath states:

1. My name is Jeffrey M. Gray, Ph.D.

2. Attached hereto and made a part hereof for all purposes is my Cross-surrebuttal Testimony on behalf of Missouri Landowners Alliance consisting of 4 pages, having been prepared in written form for introduction into evidence in the above-captioned docket.

3. I have knowledge of the matters set forth therein. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded, including any attachments thereto, are true and accurate to the best of my knowledge, information and belief.

Seffrey M. Gray

Subscribed and sworn before me this 14th day of October, 2014.



Ateshanie A. Warren Notary Public My Commission expires 2/6/2018