**IN THE UNITED STATES COURT OF APPEALS**
**FOR THE DISTRICT OF COLUMBIA CIRCUIT**

| | | |
|---|---|---|
| NAFSICA ZOTOS, THE ILLINOIS AGRICULTURAL ASSOCTIAION D/B/A THE ILLINOIS FARM BUREAU, CONCERNED CITIZENS AND PROPERTY OWNERS, THE CONCERNED PEOPLES ALLIANCE and YORK TOWNSHIP IRRIGATORS, *Petitioners,* | ) | |
| v. | ) | Case No. 24-1213 |
| FEDERAL ENERGY REGULATORY COMMISSION, *Respondent.* | ) | |

**PETITIONERS' RESPONSE TO GRAIN BELT EXPRESS LLC'S MOTION TO DISMISS PETITION FOR JUDICIAL REVIEW**

Pursuant to Fed. R. App. P. 27(a)(3)(A), Petitioners named above hereby respond to Intervenor Grain Belt Express LLC's ("GBX") Motion to Dismiss Petition for Judicial Review ("the GBX Motion"). Petitioners further state as follows:

GBX seeks to dismiss the Petition for Review on grounds that Petitioners lack standing. To support its motion GBX relies heavily on *FDA v. Alliance for Hippocratic Medicine*, 602 U.S. 367 (2024), as a source of selected generalizations on the issue of standing. As Justice Douglas

observed decades ago, "[g]eneralizations about standing to sue are largely worthless as such." *Association of Data Processing Service Organizations, Inc. v. Camp*, 397 U.S. 150, 151 (1970).

A plaintiff will have standing if he shows that he has "(1) suffered an injury in fact, (2) that is fairly traceable to the challenged conduct of the defendant, and (3) that is likely to be redressed by a favorable judicial decision." *Spokeo, Inc. v. Robins*, 578 U.S. 330, 338 (2016). Standing analysis requires more than GBX's cherry-picked generalizations; it demands a review of the facts of the case. In this case the facts show that Petitioners do indeed have standing to pursue this appeal, and that the GBX Motion should be denied.

**A. What's It To You?**

While GBX cites *FDA v. Alliance* with approval in its motion, it omits a key quote from that decision: "[a]s Justice Scalia memorably said, 'Article III requires a plaintiff to first answer a basic question: 'What's it to you?'" 602 U.S. at 379, quoting Scalia, A., *The Doctrine of Standing as an Essential Element of the Separation of Powers*, 17 Suffolk U. L. Rev. 881, 882 (1983).

The short answer to Justice Scalia's question is that the FERC orders under review in this appeal are matters of the greatest possible importance to Petitioners because their legality *vel non* will determine whether GBX can or cannot involuntarily take Petitioners' property under power of eminent domain.

**1. GBX's Need for Eminent Domain Power.**

A portion of GBX's proposed transmission line would run about 200 miles across central Illinois. Petitioners are farmers and landowners in central Illinois. Their properties lie on the route of GBX's proposed transmission line. Unless GBX obtains easements across Petitioners' properties, GBX's transmission line will remain on the drawing board.

Petitioners have been vigorously and steadfastly opposing GBX's transmission line since 2015, *Concerned Citizens and Property Owners v. Ill. Commerce Comm'n.*, 2018 IL App (5th) 150551. They have no interest in granting GBX easements across their farms and properties. They do not want GBX's transmission lines and towers on their lands. GBX can obtain easements across Petitioners' farms and properties only by exercising, or threatening to exercise, against Petitioners the power of eminent domain. GBX had to apply to the Illinois Commerce Commission (the "ICC") for a

certificate of public convenience and necessity ("CPCN"), which is prerequisite to obtaining eminent domain power under the Illinois Public Utilities Act, 220 ILCS 5/8-509.

**2. GBX's Special Legislation Creating the "Qualifying Direct Current Applicant."**

GBX itself points to the connection between its quest for eminent domain power in Illinois and the FERC orders now under review: "The Illinois legislature…amended [the Illinois] Public Utilities Act to authorize a 'qualifying direct current applicant' to obtain a CPCN without … owning or operating equipment or property in Illinois." (GBX Motion at 7).

GBX lobbied the Illinois General Assembly for the enactment of new Section 8-406(b-5) of the Illinois Public Utilities Act, which created a new type of entity: the "qualifying direct current applicant." 220 ILCS 5/8-406(b-5). (Petitioners' Initial Brief at 21). This legislation was so custom tailored that no entity other than GBX could be a "qualifying direct current applicant." (Petitioners' Initial Brief, at 22). GBX's special legislation expired by its terms on December 31, 2023. 220 ILCS 5/8-406(b-5). (Petitioners' Initial Brief at 22).

To be a "qualifying direct current applicant," the applicant must seek to provide direct current bulk transmission service for the purpose of transporting electric energy in interstate commerce. 220 ILCS 5/8-406(b-5).

### 3. The 2020 Upstream Ownership Transfer of GBX's Negotiated Rate Authority to Invenergy.

In January 2020, GBX's then owner, Grain Belt Express Holding LLC ("GBX Holding"), and Invenergy Transmission LLC ("Invenergy") completed an upstream ownership transfer of GBX's FERC-issued authority to sell bulk electricity transmission service in interstate commerce. (Petitioners' Initial Brief at 20-21).

Neither GBX , GBX Holding, nor Invenergy ever sought or obtained FERC's prior approval of the upstream ownership transfer of GBX's interstate transmission service authority under Federal Power Act Section 203(a)(1)(A), 16 U.S.C. §824b(a)(1)(A) ("FPA Section 203"). (Petitioners' Initial Brief at 21, 23). FPA Section 203 expressly requires FERC's prior approval of any transfer of FERC-jurisdictional facilities subject to that section.

**4. GBX Applied for an Illinois CPCN as a "Qualifying Direct Current Applicant."**

In July 2022, about two years after the upstream ownership transfer, and subsequent to the enactment of GBX's special legislation, GBX filed with the ICC its application for a CPCN to site its proposed transmission line in Illinois. GBX filed that application as a "qualifying direct current applicant" under 220 ILCS 5/8-406(b-5), and it represented to the ICC that it lawfully held FERC-issued authority to sell bulk electricity transmission services in interstate commerce. (Petitioners' Initial Brief, at 23, 27). Attached as Exhibit A hereto is a copy of GBX's Application to the ICC[1].

**5. GBX Was Not a "Qualifying Direct Current Applicant" When It Applied for an Illinois CPCN, and It Misrepresented Its Interstate Transmission Authority to the ICC.**

The validity of GBX's Illinois CPCN depends on whether and when GBX had lawful authority from FERC to sell electricity transmission service in interstate commerce. (Petitioners' Initial Brief at 39).

Because FERC never approved pursuant to FPA Section 203 the January 2020 upstream ownership transfer of GBX's authority to sell

[1] Ill. C.C. Docket No. 22-0499, Verified Application of Grain Belt Express LLC, as a Qualifying Direct Current Applicant for a Certificate of Public Convenience and Necessity Pursuant to Sections 8-406(b-5) and 8-406.1 of the Illinois Public Utilities Act, Etc. filed July 26, 2022 (the "GBX ICC Application") and available at:
https://www.icc.illinois.gov/docket/P2022-0499/documents/326508/files/568271.pdf
(Link last checked on 1/9/2025.)

interstate bulk electricity transmission service, in July 2022, when GBX filed with the ICC its application for an Illinois CPCN, it did not lawfully hold such authority. Without such authority, GBX's ability to provide interstate electricity transmission service was no greater than that of the local dry cleaner. GBX was therefore not a "qualifying direct current applicant" under Section 8-406(b-5) of the Illinois Public Utilities Act when it filed its CPCN application with the ICC in July 2022. 220 ILCS 5/8-406(b-5). Furthermore, GBX's July 2022 representations to the ICC that it lawfully held such authority were false. GBX's Illinois CPCN was not validly issued, and without a CPCN from the ICC, GBX may not exercise the power of eminent domain against Petitioners.

**B. February 29, 2024: FERC Rides to GBX's Rescue.**

The gravity of GBX's predicament was not lost on FERC. Unless GBX's transmission line crosses Illinois to reach a substation in the footprint of the PJM Interconnection, the power transmitted on GBX's line will not be able to directly access PJM power markets. All FERC had to do to save the Illinois portion of GBX's project was ignore GBX's failure to obtain FERC's prior approval of the January 2020 upstream ownership transfer. To achieve this goal, FERC provides a preposterous *post hoc* justification for

disregarding GBX's failure to obtain FPA Section 203 approval prior to its January 2020 upstream ownership transfer: FERC just ignores Petitioners' argument that GBX didn't lawfully hold negotiated rate authority before February 29, 2024 on grounds that FERC is "review[inga] GBX's application de novo—based solely on GBX's current ownership structure and project design…" (GBX Motion at 9; FERC Order at ¶71, A0118_Public).

FERC's logic would merit a place of honor in the Non Sequitur Hall of Fame if such an institution existed. Nothing about GBX's "current ownership structure" justifies FERC's disregard of FPA Section 203's requirement for prior FERC approval of transfers of FERC-jurisdictional facilities. FERC's purportedly "de novo" determination of GBX's interstate transmission service authority and its emphasis on GBX's "current ownership structure" are smoke and mirrors designed to disguise its unlawful four-year backdating of a required FPA Section 203 approval.

In contrast, Petitioners' argument could not be more straightforward: because FERC didn't approve the upstream ownership transfer of GBX's transmission service authority until February 29, 2024, GBX did not lawfully hold such authority until February 29, 2024.

If FERC's unlawful backdated order is allowed to stand, GBX can keep its Illinois CPCN and use the power of eminent domain to involuntarily deprive Petitioners of their real property.

To accept GBX's argument that a FERC-granted negotiated rate authority is not a "paper" facility subject to FERC jurisdiction, one must accept GBX's implicit premise that FERC does not have jurisdiction over an authorization to sell bulk interstate electricity transmission service that FERC itself granted. GBX's FERC-granted negotiated rate authority is by definition subject to FERC jurisdiction.

### C. GBX's Transmission Project Is a Concrete, Particularized Injury to Petitioners.

In its Notice to Landowners pursuant to 83 Ill. Adm. Code Section 300.APPENDIX A, which comprises Attachment 12 to its ICC Application[2] and is attached as Exhibit B to this Response, GBX makes clear that if it can't obtain a voluntary property purchase from a landowner whose property lies athwart the route of its proposed transmission line, GBX will use the power of eminent domain to obtain the property rights it needs involuntarily.

[2] Available at: https://www.icc.illinois.gov/docket/P2022-0499/documents/326511/files/568290.pdf (Link last checked on January 9, 2025.)

This Court should note that the term “eminent domain” does not appear - not even once - in the GBX Motion. Nor does GBX mention that it will be putting up multi-story pylons on Petitioners’ farms and properties to construct its transmission line. GBX refers to these imposing structures only obliquely, as mere "associated facilities." (GBX Motion at 4). GBX describing its transmission line project without mentioning eminent domain and its transmission towers is like telling the story of the Garden of Eden and leaving out the bit about Eve and the talking snake.

**D. GBX Disdains Petitioners’ Property Rights.**

GBX's Motion states that building an interstate transmission line across their properties does not constitute any “invasion of a legally protected interest.” (GBX Motion at 15). As GBX sees things, Petitioners’ objections to GBX’s likely condemnation actions, its subjection of Petitioners to forced sales of their lands, and its construction of its transmission line across their farms and properties are "purely academic concerns." (GBX Motion at 19). GBX wants this Court to ignore the Illinois landowners' objections to GBX's entry on their lands because Petitioners’ objections are nothing more than "...general...moral, ideological or policy objection[s] to a particular [FERC] action" (GBX Motion at 15).

GBX's contempt for the property rights of Petitioners would be bad enough if it stopped there. But having hit rock bottom, GBX begins to dig. After omitting any mention of its need for eminent domain power and belittling Petitioners' interest in avoiding forced sales of their properties, GBX tells this Court that Petitioners are a group of "…citizens who … roam the country in search of governmental wrongdoing." (GBX Motion at 3).

But it was GBX, not Petitioners, who lobbied the Illinois General Assembly for custom-tailored legislative changes to provide a glide path for its transmission line project. (Petitioners' Initial Brief, at 21).

It was GBX, not Petitioners, who inserted in its custom-tailored legislation a route through the nine Illinois counties in which Petitioners' farms and properties are located. (Petitioners' Initial Brief at 22).

And it was GBX, not Petitioners, who sent minatory letters to Petitioners stating that, if they didn't sell their property to GBX voluntarily, GBX would file an eminent domain lawsuit against them to take their property anyway. See Exhibit B to this Response.

So GBX is partly correct: there is one party to this appeal who has been roaming across the country looking to pick legal fights with strangers. But it's not Petitioners.

FERC's unlawful order makes possible GBX's exercise of the power of eminent domain against Petitioners. GBX's plan to take Petitioners' lands involuntarily and to build its high voltage transmission line across their properties presents precisely the kind of particularized injury that affects Petitioners in a concrete and personal way required for standing. *TransUnion LLC v. Ramirez*, 594 U.S. 413, 424 (2021).

**E. The Harm to Petitioners Is Likely**

GBX argues that this appeal should be dismissed because its "…project … has not yet been built." (GBX Motion at 2). GBX's argument is meritless. Short of present injury, a future injury that is "certainly impending" or a "substantial risk" is sufficient for standing.

In *Department of Commerce v. New York*, 588 U.S. 752, 766-67 (2019), the Supreme Court held that several states with disproportionate shares of noncitizens had standing to challenge a federal government plan to include a citizenship question in the 2020 census. The Court upheld the district court's finding that including the question would result in noncitizen

households answering the census at a lower rate than other households, and a predicted undercount that would cause those states to lose federal funds was an injury sufficiently imminent to provide standing.

GBX has stressed the urgency of its project and has twice told this Court that any delay of its project imposes continuing harm on it (GBX Answer to Respondent's Motion for Sixty-Day Briefing Period, filed 7/23/2024, Document #2066071, at 2; GBX Answer to Petitioners' Motion to Strike, filed July 23, 2024, Document #2066069, at 4). Since GBX has told this Court that it hasn't a moment to lose on its project, it should not be heard to argue that Petitioners lack standing because GBX's project isn't built yet. GBX's own notices to Petitioners show that it will act in a predictable way, and under *FDA v. Alliance*, that's more than sufficient to "…thread the causation needle" for purposes of Petitioners' standing this case. *FDA v. Alliance*, 602 U.S. at 383.

With FERC's unlawfully backdated negotiated rate authority in hand, GBX represents a continuing threat to Petitioners that their land will be involuntarily taken from them through eminent domain for the sake of GBX's transmission project.

### F. FERC'S Unlawfully Backdated Order Is A Sufficient Cause of Petitioners' Injury

In *Maine Lobstermen's Association v. National Marine Fisheries Service*, 70 F.4th 582, 592-593 (D.C. Cir. 2023), the Marine Fisheries Service relied on a biological opinion in adopting a rule that imposed seasonal fishing limits and new requirements on fish harvesting gear. This Court held that an association of lobstermen had standing to challenge the biological opinion because they were the targets of the rule on which it was based, and it would cost them millions of dollars annually in additional costs. In *Maine Lobstermen*, this Court stated that "Article III standing does not follow the causation principles of tort law; an injury may be 'fairly traceable' to an agency action that is not 'the very last step in the chain of causation.'" 70 F.4th at 593. In this case, the causal link between FERC's unlawful backdated order is far clearer and more immediate than that presented in *Maine Lobstermen*. FERC's unlawful backdating of its order may not be the last step in the involuntary taking of Petitioners' properties, but it is no less harmful to Petitioners than the challenged biological opinion was to the fishermen in *Maine Lobstermen*.

Article III "does not require that the defendant be the most immediate cause, or even a proximate cause, of the plaintiffs' injuries; it requires only

that those injuries be 'fairly traceable' to the defendant." *Attias v. Carefirst, Inc.*, 865 F.3d 620, 629 (D.C. Cir. 2017).

Similarly, in *Carpenters Industrial Council v. Zinke*, 854 F.3d 1, 6 (D.C. Cir. 2017), this Court held that a claimed injury of a reduction in the availability of timber was sufficient to give to a timber cutters' trade association standing to challenge the designation of 9.5 million acres of forest lands as critical habitat for an endangered species. This Court, making a predictive judgment based on the complaint and related declarations, stated that "[c]ommon sense and basic economics" showed a sufficient prospect that the habitat designation would result in more than zero additional cost. 854 F.3d at 6. In this case, it is common sense to predict that, with FERC's unlawful backdated order in hand, GBX will obtain the power to seize Petitioners' lands and construct its towers and transmission lines across their properties.

**G. Petitioners' Injuries Are Redressable in This Appeal**

The redressability inquiry focuses on the connection between the injury and the action requested of the court. *Community Nutrition Institute v. Block*, 698 F.2d 1239, 1244–1245 (D.C. Cir. 1983), *judgment rev'd. on other grounds*, 467 U.S. 340 (1984).

Here, the action that Petitioners request of this Court couldn't be more straightforward. The date of FERC's supposedly de novo determination that GBX lawfully holds negotiated rate authority is February 29, 2024. However, FERC refuses to state that GBX's de novo negotiated rate authority, which was the subject of an upstream ownership transfer subject to FPA Section 203, dates from February 29, 2024. To the contrary, FERC's order unlawfully backdates its FPA Section 203 approval to save GBX from having to reapply for a CPCN in Illinois.

This appeal thus has an obvious remedial benefit for Petitioners. If this Court rules that FERC's February 29, 2024 de novo determination that GBX lawfully holds negotiated rate authority is effective only on and after February 29, 2024, that ruling would invalidate GBX's ICC Application and end GBX's eminent domain threat against Petitioners. Nothing in such a ruling would prevent GBX from going back to the ICC and re-applying for a CPCN, even though its custom-tailored glide path legislation expired on December 31, 2023 (Petitioners' Initial Brief at 22).

This Court has recognized the standing of plaintiffs whose prospective remedial benefits were far more remote than those Petitioners seek in this appeal. In *Severino v. Biden*, 71 F.4th 1038, 1042-1043 (D.C. Cir. 2023), this

Court held that the plaintiff had standing to seek an injunction restoring him to his position on a federal government council even though it was unclear whether such reinstatement would be a mere ministerial act by the President that this Court could require. 71 F. 4th at 1042. The relief requested in *Severino* was complicated not only because it could require unusual action by a subordinate executive branch official, but also because there might be no vacancy on the council in question. By comparison, this Court's holding that FERC's February 29, 2024 de novo determination that GBX lawfully holds negotiated rate authority is effective only on and after February, 29, 2024 is rather an easier remedy than the one this Court approved in *Severino*.

In *Teton Historic Aviation Foundation v. U.S. Dept. of Defense*, 785 F.3d 719, 724-727 (D.C. Cir. 2015), the plaintiff challenged changes to Department of Defense policies on the sale of surplus aircraft parts that impaired its ability to buy those parts. Even if the plaintiff won its case it would have no legal right to compel the Defense Department to sell surplus parts to it. Despite that, this Court held that the plaintiff's injury was redressable because the Defense Department had an interest in generating revenue from sales, which established a substantial likelihood that judgment

for the plaintiff would redress the plaintiff's injury by leading the Department to release more parts for sale. 785 F.3d at 725-26. This Court stated that for redressability, "[o]ur cases require more than speculation but less than certainty." 785 F.3d at 727.

**H. Conclusion**

Judicial review in this case is an appropriate and necessary response to FERC's administrative lawlessness. Petitioners have shown that they are the right parties to bring this appeal because they have shown concrete, particularized injury, injury that is clearly traceable to FERC's unlawful orders, clear self-interest in protecting their property, causation and redressability. This Court should find that Petitioners have standing to seek review of FERC's order in this case and deny the GBX Motion.

Dated: January 10, 2025

Respectfully submitted on behalf of Petitioners,

**NAFSICA ZOTOS**
**By: /s/ *Paul G. Neilan***

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## CERTIFICATE OF SERVICE

The undersigned hereby certifies that on January 10, 2025 he filed the foregoing with the Clerk of the Court for the United States Court of Appeals for the District of Columbia Circuit by using the appellate CM/ECF system, and that the parties to the case will be served by email through the Court's CM/ECF system.

Dated: January 10, 2025

By: /s/ ***Paul G. Neilan***

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**Certificate of Compliance**

The undersigned, Paul G. Neilan, hereby certifies that this Motion complies with the length limitation of D.C. Circuit Rule 27(d)(2)(A) because, excluding the case caption, signature block, and the attached certifications, it contains 3,370 words.

The undersigned further certifies that this brief complies with the typeface requirements of Fed. R. App. P. 32(a)(5) and the type style requirements of Fed. R. App. P. 32(a)(6) because it has been prepared in Century725 BT, a proportionally spaced typeface, in 14-point font, using Microsoft Word.

Dated: January 10, 2025

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## Certificate as to Parties

Pursuant to D.C. Circuit Rule 27(a)(4), Petitioners hereby certify as follows:

This case is before the Court on a petition for review from orders in Federal Energy Regulatory Commission ("FERC") Docket No. ER24-59-000, a proceeding in which Petitioners were intervenors.

### 6. Parties to this Appeal

The following are parties to the proceeding in this Court:

| | |
|---|---|
| Petitioners/Landowners: | Nafsica Zotos, Illinois Agricultural Association d/b/a Illinois Farm Bureau, Concerned Peoples Alliance and York Township Irrigators |
| Respondent: | Federal Energy Regulatory Commission |
| Intervenor for Respondent: | Grain Belt Express LLC |

### 7. Parties to FERC Docket ER24-59-000

| | |
|---|---|
| Administrative Agency: | Federal Energy Regulatory Commission |
| Applicant: | Grain Belt Express LLC |
| Intervenors: | Nafsica Zotos, Illinois Agricultural Association d/b/a Illinois Farm Bureau, Concerned Peoples Alliance and York Township Irrigators |
| Protesting: | Missouri Landowner Alliance |

| | |
|---|---|
| Intervenor: | Missouri Joint Municipal Electric Utility Commission d/b/a the Missouri Electric Commission |
| Intervenor: | Ameren Services Company |
| Intervenor: | Clean Line Investment LLC |
| Intervenor: | Sierra Club |

Dated: January 10, 2025

By: /s/ ***Paul G. Neilan***

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## Rule 26.1 Disclosure Statement

In accordance with Rule 26.1 of the Federal Rules of Appellate Procedure and D.C. Circuit Rule 26.1, Petitioners make the following disclosures:

Petitioner **Nafsica Zotos** ("Zotos") is an individual, a resident of the State of Illinois, and the owner of certain real property of approximately 160 acres located near the Village of Harvel in Montgomery County, Illinois. Zotos's property is designated by the United States Department of Agriculture as prime farmland and is used for agricultural purposes. The route of Grain Belt Express, LLC's ("GBX") proposed interstate transmission line will either traverse or run adjacent to the Zotos property.

Petitioner **The Illinois Agricultural Association, d/b/a the Illinois Farm Bureau** (the "Farm Bureau") is an Illinois not for profit corporation headquartered in Bloomington, Illinois. The mission of the Farm Bureau is to improve the economic well-being of agriculture and enrich the quality of farm family life. The Farm Bureau represents over 74,000 farmer members, including farmers located in the Illinois counties through which GBX's project will be routed. The Farm Bureau has no subsidiary or parent entities.

Petitioner **Concerned Citizens and Property Owners** ("CCPO") is a voluntary unincorporated association consisting of landowners and residents of the geographical area to be traversed by the GBX transmission project, and who own land and/or reside on or near the proposed route of that project. CCPO has no subsidiary or parent entities.

Petitioner **Concerned Peoples Alliance** (the "CPA") is a voluntary unincorporated association comprised of landowners and residents in the geographical area through which GBX's project is to be routed. The CPA has no subsidiary or parent entities.

Petitioner **York Township Irrigators** ("YTI") is a voluntary unincorporated association of real estate owners in York Township, Clark County, Illinois whose properties are directly on, or immediately adjacent to the proposed route of GBX's project. YTI has no subsidiary or parent entities.

Dated: January 10, 2025

By: /s/ ***Paul G. Neilan***

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**EXHIBIT A**

**to**

**Petitioners' Response to Grain Belt Express LLC's**

**Motion to Dismiss Petition for Judicial Review**

**Verified Application of Grain Belt Express LLC, as a Qualifying Direct Current Applicant, for a Certificate of Public Convenience and Necessity, Etc.**

**STATE OF ILLINOIS**
**ILLINOIS COMMERCE COMMISSION**

| | | |
|---|---|---|
| **Grain Belt Express LLC** | ) | |
| | ) | |
| **Application for an Order Granting Grain Belt Express LLC, as a Qualifying Direct Current Applicant, a Certificate of Public Convenience and Necessity pursuant to Sections 8-406(b-5) and 8-406.1 of the Public Utilities Act to Construct, Operate and Maintain a High Voltage Direct Current Electric Service Transmission Line as a Qualifying Direct Current Project and to Conduct a Transmission Public Utility Business in Connection Therewith and Authorizing Grain Belt Express LLC Pursuant to Sections 8-503 and 8-406.1(i) of the Public Utilities Act to Construct the High Voltage Direct Current Electric Transmission Line.** | ) | **Docket No. 22-____** |

**VERIFIED APPLICATION OF GRAIN BELT EXPRESS LLC, AS A QUALIFYING DIRECT CURRENT APPLICANT, FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY PURSUANT TO SECTIONS 8-406(b-5) AND 8-406.1 OF THE PUBLIC UTILITIES ACT TO CONSTRUCT, OPERATE AND MAINTAIN A HIGH VOLTAGE DIRECT CURRENT ELECTRIC SERVICE TRANSMISSION LINE AS A QUALIFYING DIRECT CURRENT PROJECT AND TO CONDUCT A TRANSMISSION PUBLIC UTILITY BUSINESS AND AUTHORIZING GRAIN BELT EXPRESS LLC TO CONSTRUCT THE ELECTRIC TRANSMISSION LINE**

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July 26, 2022

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## LIST OF ATTACHMENTS

**Attachment 15:** Schedule Showing Where Information Required by § 8-406.1(a)(1) is Provided in Grain Belt Express's Application and Direct Testimony

**Attachment 16:** Chart of Accounts Adopted by Grain Belt Express LLC in accordance with 18 C.F.R. Part 101

**Attachment 17:** Select List of Routing Definitions

# VERIFIED APPLICATION

To the Illinois Commerce Commission:

Grain Belt Express LLC ("Grain Belt Express" or "Applicant") files this Application to the Commission for an order (1) granting Grain Belt Express a Certificate of Public Convenience and Necessity ("CPCN") pursuant to § 8-406.1 of the Public Utilities Act ("PUA"), 220 ILCS 5/8-406.1, to, directly or through one or more affiliates or third-party contractors, construct, operate and maintain a high voltage direct current electric service transmission line and related facilities to be known as the Grain Belt Express transmission line (the "Project"), as more fully described herein, and to conduct a transmission public utility business in connection therewith; (2) authorizing Grain Belt Express, pursuant to § 8-503 and § 8-406.1(i) of the PUA, 220 ILCS 5/8-503 and 220 ILCS 5/8-406.1(i), to construct the high voltage direct current electric service transmission line and related facilities; and (3) granting Grain Belt Express certain other relief in connection with its operations, as more fully set forth in this Application. In support of its Application, Grain Belt Express states as follows:

## I. IDENTIFICATION OF APPLICANT

1. Grain Belt Express is a limited liability company ("LLC") organized under the laws of the State of Indiana. Grain Belt Express was formed in 2010 as a Delaware LLC and converted to an Indiana LLC in February 2013. Grain Belt Express's principal offices are located at One South Wacker Drive, Suite 1800, Chicago, IL 60606. Grain Belt Express's Articles of Conversion, the State of Indiana's Certificate of Conversion, and the State of Indiana's Certificate of Amendment (amending the company from Grain Belt Express Clean Line LLC to Grain Belt Express LLC) are attached as **Attachment 1** to this Application.

2. Grain Belt Express is a wholly owned subsidiary of Invenergy Transmission LLC ("Invenergy Transmission"), a Delaware limited liability company, which is a wholly owned

subsidiary of Invenergy Renewables LLC, also a Delaware limited liability company. Invenergy Transmission is an affiliate company of Invenergy LLC ("Invenergy"), which is an Illinois limited liability company.

3. Grain Belt Express is duly qualified to do business in the State of Illinois. **Attachment 2** to this Application is a certified copy of Grain Belt Express's Certificate of Authority to do business in the State of Illinois.

4. The following representatives of Grain Belt Express should be placed on the official service list maintained by the Chief Clerk of the Commission for this proceeding:

| | |
|---|---|
| Andrew Meyer<br>Deputy General Counsel<br>Nicole Luckey<br>Senior Vice President<br>Grain Belt Express LLC<br>One South Wacker Drive<br>Suite 1800<br>Chicago, IL 60606<br>(312) 224-1400<br>ameyer@invenergy.com<br>nluckey@invenergy.com | David Streicker<br>Benjamin Jacobi<br>Sean Pluta<br>Polsinelli PC<br>150 North Riverside Plaza<br>Suite 3000<br>Chicago, IL 60606<br>(312) 873-2941 (DS)<br>(312) 463-6344 (BJ)<br>dstreicker@Polsinelli.com<br>bjacobi@Polsinelli.com<br>spluta@Polsinelli.com |

Grain Belt Express will accept service by electronic means pursuant to 83 Ill. Admin. Code §200.1050.

5. Invenergy Transmission's mission is to construct and operate high voltage transmission lines and associated facilities for the purpose of connecting the best renewable resources in the United States and delivering their output to load and population centers, such as Illinois, that have an increasing demand for electricity produced from renewable resources. In furtherance of its mission, Invenergy Transmission, through its wholly owned direct and indirect subsidiaries, has to date under contract, under construction or in operation over 4,000 miles of

transmission and collection lines, 88 substations, 96 generator step-up transformers, and 5,323 pad mount transformers. In addition, it is developing two other significant high voltage transmission line projects in the United States. Invenergy Transmission is also associated with the development of a third significant domestic high-voltage transmission line through its parent company, Invenergy Renewables LLC. Invenergy Transmission is further associated with the development of the Cardal Transmission project in Uruguay, which is approximately 46 miles of electric line, including 34 miles of high voltage 500 kV transmission lines and a new 500 kV substation. The direct testimony of Shashank Sane, attached as Exhibit 1.0, provides additional background on Invenergy Transmission's experience and projects.

6. One of the projects under development by Invenergy Transmission is the Project. The Project is anticipated to be up to a nominal ±600 kilovolt ("kV"), high voltage, direct current ("HVDC") transmission line and associated facilities that will be capable of delivering energy from renewable energy projects located in Southwestern Kansas or the SPP electric grid as follows: (i) up to 2,500 MW of power to points of interconnection with the Midcontinent Independent System Operator, Inc. ("MISO") and with Associated Electrical Cooperative, Inc. ("AECI") in Missouri and (ii) up to 2,500 MW of power to a point of interconnection with PJM Interconnection, L.L.C. ("PJM") at the Sullivan Substation of American Electric Power Company ("AEP") in Sullivan County, Indiana, just across the border from Illinois.[1] The nominal voltage of the Project will be at least 345 kV.

7. Grain Belt Express LLC is a "qualifying direct current applicant," as defined by 220 ILCS 5/8-406(b-5), as it seeks to provide direct current bulk transmission service for the

[1] The Sullivan substation is owned by AEP's local operating company, Indiana-Michigan Power Company, but are referred to in this Application and in Grain Belt Express testimony and exhibits as the AEP Sullivan Substation.

purpose of transporting electric energy in interstate commerce. In addition, as further analyzed in this Application, the Project meets the definition of a qualifying direct current project, as established in 220 ILCS 5/8-406(b-5).

8. The Project will originate in Ford County, Kansas; traverse southwestern and northern Kansas and northern Missouri to an interconnection point with the 345 kV system in Missouri, where a direct current ("DC") to-alternating current ("AC") converter station will be located; cross the Mississippi River at a location approximately 2.5 miles south of Saverton, Missouri, between Mississippi River miles 299 and 300; enter Illinois approximately 6.5 miles west of New Canton, Illinois, in Pike County; and traverse Illinois for approximately 207 miles through Scott, Greene, Macoupin, Montgomery, Christian, Shelby, Cumberland and Clark Counties, Illinois. The 207-mile Proposed Route in Illinois consists primarily of an HVDC transmission line and includes approximately three to eight miles of an AC transmission line. The AC line will run from a converter station proposed in Clark County, Illinois—where current will be converted between DC and AC—to the Indiana border. The Project will continue approximately two miles in Indiana to the AEP Sullivan Substation in Sullivan County, Indiana, where it will interconnect with the AEP 345 kV transmission system. The HVDC portion of the transmission line will terminate at the converter station to be located in Clark County, Illinois and a double circuit 345 kV AC line will be constructed from the converter station approximately two miles to the point of interconnection at the AEP Sullivan Substation. The total length of the transmission line from Ford County, Kansas, to Sullivan County, Indiana, including the Proposed Route of the Project in Illinois, is approximately 800 miles. The Project will deliver renewable energy to buyers

in Missouri, Illinois and Indiana, and, through existing transmission facilities and/or additional transmission arrangements, to other states located within or adjacent to the MISO and PJM grids.[2]

9. As of the date of filing this Application, Grain Belt Express has received the necessary regulatory approvals from the state commissions in Missouri, Kansas and Indiana, three of the four states in which the Project will be located.[3] Grain Belt Express intends to construct the Project in two phases. "Phase I" is anticipated to comprise that portion of the transmission line starting in Ford County, Kansas and ending at the points of interconnection in Missouri. "Phase 2" is anticipated to comprise that portion of the transmission line starting at the converter station in Missouri and ending at the AEP Sullivan Substation in Sullivan County, Illinois.

10. With respect to their interests in the Project, Invenergy Transmission and Grain Belt Express and their affiliates are engaged in the development, ownership and operation of transmission facilities and the provision of transmission service. The exclusive focus of Invenergy Transmission and its subsidiaries is on the development and operation of transmission lines which enables them to propose and execute projects that best serve the need for increased and affordable access to renewable energy.

11. Grain Belt Express seeks a CPCN, pursuant to § 8-406.1 of the PUA, to construct, operate and maintain the Project in Illinois and to operate a transmission public utility business in connection therewith. Grain Belt Express will own, control, operate and manage, within the State of Illinois, for public use, facilities for the transmission of electricity and therefore will be a "public

[2] The "primary right-of-way" required by 220 ILCS 5/8-406.1(a)(1)(B)(viii) is referred to herein as the "Proposed Route" or the "2022 Proposed Route." The "alternate right-of-way" required by 220 ILCS 5/8-406.1(a)(1)(B)(viii) is referred to herein as the "Alternate Route" or the "2022 Alternate Route."

[3] Grain Belt Express will be seeking amendments to existing regulatory approvals in KS, MO and IN in 2022 and 2023 in order to incorporate any material changes in the design and engineering of the Project that have occurred in recent years as development has advanced in those states, including phasing of the Project.

utility." (§3-105 of the PUA, 220 ILCS 5/3-105). However, Grain Belt Express will not be an "electric utility," as defined in §16-102 of the PUA, 220 ILCS 5/16-102, because Grain Belt Express will not have a defined service territory in which it furnishes or sells electricity at retail or in which it provides retail distribution service. The Project is not expected to directly serve retail customers and such direct service to retail customer is not a requirement for a "public utility" under 220 ILCS 5/3-105. Further, as a "qualifying direct current applicant" under § 8-406.1(b-5), Grain Belt Express is authorized to file an application for, and the Commission has the authority to grant Grain Belt Express, a CPCN to construct, operate and maintain a qualifying direct current project without Grain Belt Express owning, controlling, operating or managing any plant, equipment or property in this State at the time of the application filing or the Commission order.

12. Section 8-406.1(b-5) authorizes Grain Belt Express to contemporaneously request authority under § 8-503, and Grain Belt Express is also requesting an order pursuant to § 8-503 and § 8-406.1(i) of the PUA finding that the Project is necessary and should be erected to promote the convenience of the public, promote the development of an effectively competitive electricity market, and secure adequate service or facilities and authorizing Grain Belt Express to construct the Project.

13. At this time, Grain Belt Express is not seeking authority pursuant to § 8-509 of the PUA (220 ILCS 5/8-509) to acquire land and land rights through eminent domain. Grain Belt Express intends to begin engaging landowners along the Proposed Route in Illinois for the purpose of voluntary easement acquisition concurrently with this proceeding. A description of Grain Belt Express's offers of compensation and code of conduct are included in the direct testimony of Brad Pnazek attached as Exhibit 2.0. In addition, Grain Belt Express must abide by the terms of the Agricultural Impact Mitigation Agreement ("AIMA") it entered into with the Illinois Department

of Agriculture ("IDOA"), which is **Attachment 10** to this Application. In all cases, Grain Belt Express considers eminent domain a last resort. Grain Belt Express will revisit the question of whether this authority is needed (1) after concluding the land campaign, which will consist of sustained good faith efforts to reach voluntarily negotiated settlements with each individual landowner and (2) only when it is clear that further negotiations with any unsigned individual landowners cannot be materially advanced. In anticipation of Grain Belt Express initiating contact with landowners, Grain Belt Express is attaching the Information Packet required by 83 Ill. Adm. Code 300.20 as **Attachment 11** to this Application.

## II. THE HISTORY OF THE GRAIN BELT EXPRESS APPLICATION AND THE 2015 COMMISSION'S ORDER GRANTING A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

14. On April 10, 2015, Grain Belt Express Clean Line LLC filed with the Commission in Docket 15-0277 a Verified Application pursuant to § 8-406.1 for a CPCN to construct, operate and maintain an HVDC transmission line and to operate a transmission public utility business, and to construct the transmission line pursuant to § 8-503 (the "Grain Belt Express Clean Line 2015 Application"). As described below, the transmission line proposed in the Grain Belt Express Clean Line 2015 Application is substantially similar in scope, size and route to the transmission line for which Grain Belt Express seeks a CPCN in this Application.

15. On November 12, 2015, after a thorough review of the applicant's, Staff's and intervenor's evidence and positions, and after a hearing, the Commission in Docket 15-0277 granted a CPCN to Grain Belt Express Clean Line LLC to construct, operate and maintain the proposed transmission line. The Commission authorized construction of the transmission line pursuant to § 8-503 and 8-406.1(i). (Hereinafter, "the Commission's 2015 Order").

16. The intervenors in Docket 15-0277 sought review of the Commission's 2015 Order in the Illinois Appellate Court. On April 17, 2018, in *Concerned Citizens and Property Owners v.*

*Illinois Commerce Comm'n*, 2018 IL App (5th) 150551, the Illinois Appellate Court reversed the award of the CPCN on the basis that Grain Belt Express Clean Line LLC was not a "public utility," which the court deemed a prerequisite to obtaining a CPCN under the PUA. *Id.* ¶ 26. Specifically, the court relied on *Illinois Landowners Alliance, NFP v. Illinois Commerce Comm'n*, 2017 IL 121302, to hold that because Grain Belt Express Clean Line LLC did not own, control, operate, or manage, within this State, directly or indirectly, for "public use," any plant, equipment, or property to be used for or in connection with the transmission of electricity at the time of its Application, it could not meet the definition of "public utility" under 220 ILCS 5/3-105(a).

17. In response to *Concerned Citizens* and *Illinois Landowners Alliance*, the Illinois legislature enacted Public Act 102-0662, which added subsection (b-5) to 220 ILCS 5/8-406 to, among other things, authorize a "qualifying direct current applicant" to file for and obtain a CPCN to construct, operate and maintain a "qualifying direct current project" *without* owning, controlling, operating or managing any plant, equipment or property in this State at the time of the application filing or the Commission order. Further, § 8-406(b-5) streamlines the process and evidentiary considerations of the Commission for applications brought by "qualifying direct current applicants" for "qualifying direct current projects."

18. Grain Belt Express brings this Application as a "qualifying direct current applicant" under § 8-406(b-5) and the Project is a "qualifying direct current project" under § 8-406(b-5). Section 8-406(b-5) authorizes a qualifying direct current applicant to file an application on or before December 31, 2023 with the Commission pursuant to § 8-406 *or* § 8-406.1.

## III. THE RELEVANT LEGAL STANDARDS UNDER THE PUBLIC UTILITIES ACT

### A. New legal standards under sections 8-406(b-5) and 8-406.1 of the Public Utilities Act

19. PUA § 8-406 states that no public utility shall transact any business in this State "until it shall have obtained a certificate from the Commission that public convenience and necessity require the transaction of such business" and that "no public utility shall begin the construction of any new plant, equipment, property or facility which is not in substitution of any existing plant, equipment, property or facility or any extension or alteration thereof or in addition thereto, unless and until it shall have obtained from the Commission a certificate that public convenience and necessity require such construction."

20. PUA § 8-406.1(a) provides that a public utility may apply for a certificate of public convenience and necessity for the construction of any new high voltage electric service line and related facilities on an expedited basis if the public utility satisfies certain requirements. Section 8-406.1(f) establishes the following:

> (f) The Commission shall, after notice and hearing, grant a certificate of public convenience and necessity filed in accordance with the requirements of this Section if, based upon the application filed with the Commission and the evidentiary record, it finds that the Project will promote the public convenience and necessity and that all of the following criteria are satisfied:
>
> (1) That the Project is necessary to provide adequate, reliable, and efficient service to the public utility's customers and is the least-cost means of satisfying the service needs of the public utility's customers or that the Project will promote the development of an effectively competitive electricity market that operates efficiently, is equitable to all customers, and is the least cost means of satisfying those objectives.
>
> (2) That the public utility is capable of efficiently managing and supervising the construction process and has taken sufficient action to ensure adequate and efficient construction and supervision of the construction.
>
> (3) That the public utility is capable of financing the proposed construction without significant adverse financial consequences for the utility or its customers.

21. Public Act 102-0662, which became effective on September 15, 2021, added subsection 8-406(b-5) to the PUA, which is directly applicable to this Application. Specifically, newly added § 8-406(b-5) creates a new category of transmission project called a "qualifying direct current project" (hereinafter "Qualifying Project"). A Qualifying Project is defined as the following:

> [A] high voltage direct current electric service line that crosses at least one Illinois border, the Illinois portion of which is physically located within the region of the Midcontinent Independent System Operator, Inc., or its successor organization, and runs through the counties of Pike, Scott, Greene, Macoupin, Montgomery, Christian, Shelby, Cumberland, and Clark, is capable of transmitting electricity at voltages of 345kv or above, and may also include associated interconnected alternating current interconnection facilities in this State that are part of the proposed project and reasonably necessary to connect the project with other portions of the grid.

220 ILCS 5/8-406(b-5). Section 8-406(b-5) also creates a new category of applicant for a CPCN called a "qualifying direct current applicant," which the statute defines as "an entity that seeks to provide direct current bulk transmission service for the purpose of transporting electric energy in interstate commerce" (hereinafter "Qualifying Applicant"). *Id*. Under § 8-406(b-5), a Qualifying Applicant "that does not own, control, operate, or manage, within [Illinois], any plant, equipment, or property used or to be used for the transmission of electricity at the time of its [CPCN] application or the Commission's order may file an application on or before December 31, 2023 with the Commission pursuant to [§§ 8-406 or 8-406.1] for, and the Commission may grant, a [CPCN] to construct, operate, and maintain a qualifying direct current project." *Id.*

22. The new § 8-406(b-5) streamlines the Commission's review of a Qualifying Project's CPCN application by stating the following:

> If the qualifying direct current applicant demonstrates in its application that the proposed qualifying direct current project is designed to deliver electricity to a point or points on the electric transmission grid in either or both the PJM Interconnection, LLC or the Midcontinent Independent System Operator, Inc., or their respective successor organizations, the proposed qualifying direct current project shall be deemed to be, and the Commission shall find it to be, for the public use.

220 ILCS 5/8-406(b-5). Further, if the Qualifying Applicant demonstrates in its application that the proposed transmission project has a capacity of 1000 megawatts or larger and voltage level of 345 kilovolts or greater, "the proposed transmission project shall be deemed to satisfy, and the Commission shall find that it satisfies, the criteria stated in . . . paragraph (1) of subsection (f) of Section 8-406.1, as applicable to the application, without the taking of additional evidence on this criteria." *Id.* In this case, as established in the direct testimony of witness Carlos Rodriguez, attached as Exhibit 5.0, the Project will have a capacity of at least 1000 megawatts and a voltage level of at least 345 kV and is a Qualifying Project. Thus, § 8-406(b-5) calls for a streamlined evidentiary process, as the Commission must deem satisfied the § 8-406.1(f)(1) criteria without requiring additional evidence on that subsection.

**B. Legal standards for the authority to construct a Qualifying Project under § 8-503**

23. The Qualifying Project applicant may also include in its application requests for authority under § 8-503. 220 ILCS 5/8-406(b-5). Section 8-406.1(i) of the PUA states that, "Notwithstanding any other provisions of this Act, a decision granting a certificate under this Section shall include an order pursuant to Section 8-503 of this Act authorizing or directing the construction of the high voltage electric service line and related facilities as approved by the Commission, in the manner and within the time specified in said order." PUA § 8-503 empowers the Commission to authorize the erection of a new structure where it is "necessary and should be erected, to promote the security or convenience of . . . the public or promote the development of an effectively competitive electricity market, or in any other way to secure adequate service or

facilities." As this Commission noted in 2015, "[R]elief under Section 8-406.1, necessarily includes an order granting Section 8-503 authority."[4]

24. Section 8-406(b-5) reinforces the mandatory nature of § 8-503 relief, stating, "The Commission *shall* grant the [CPCN application] and requests for authority under Section 8-503 if it finds that the qualifying direct current applicant and the qualifying direct current project satisfy the requirements of [subsection 8-406(b-5)] and otherwise satisfy the criteria of . . . Section 8-406.1 and the criteria of Section 8-503, as applicable to the application and to the extent such criteria are not superseded by the provisions of [Section 8-406(b-5)]." 20 ILCS 5/8-406(b-5)(emphasis added). The Commission's order approving the CPCN application also *shall* include its findings and determinations on the request(s) for authority pursuant to Section 8-503. *Id.*

25. Consistent with the statutory mandate that the Commission authorize construction under § 8-503 if the Commission grants a CPCN, the criteria required to satisfy § 8-406.1(f)(1) overlaps with the criteria required to satisfy § 8-503. Since this Commission must deem as satisfied the criteria for § 8-406.1(f)(1), the Commission must also deem as satisfied the criteria for § 8-503. Thus, if the Commission grants a CPCN under § 8-406.1 to a Qualifying Project, then an order authorizing construction under § 8-503 must accompany the CPCN.

26. Since Grain Belt Express is a Qualifying Applicant and the Project is a Qualifying Project, Grain Belt Express is applying for authority in this Application to construct the Project pursuant to § 8-503. If the Commission grants a CPCN under § 8-406.1 to the Project, then it must also authorize construction of the Project under § 8-503.

[4] *Grain Belt Express Clean Line LLC*, Docket 15-0277, Order issued November 12, 2015, at 215.

### C. The legal standard for "public convenience and necessity" under § 8-406(b-5) and § 8-406.1

27. It has long been established by the Illinois courts that "necessity" as used in the PUA does not mean "indispensably requisite," but rather that the service proposed to be provided is "needful and useful to the public."[5] The Supreme Court stated in *Wabash, Chester & Western R.R. Co. v. ICC*, 309 Ill. 412, 418-19, 141 N.E. 212, 214-15 (1923):

> When the statute requires a certificate of public convenience and necessity as a prerequisite to the construction or extension of any public utility, the word "necessity" is not used in its lexicographical sense of "indispensably required." If it were, no certificate of public convenience and necessity could ever be granted . . . [A]ny improvement which is highly important to the public convenience and desirable for the public welfare may be regarded as necessary. If it is of sufficient importance to warrant the expense of making it, it is a public necessity . . . . A strong or urgent reason why a thing should be done creates a necessity for doing it. * * * The word connotes different degrees of necessity. It sometimes means indispensable; at others, needful, requisite or conducive. It is relative rather than absolute. No definition can be given that would fit all statutes. . . . The Commerce Commission has a right to, and should, look to the future as well as to the present situation. Public utilities are expected to provide for the public necessities not only today but to anticipate for all future developments reasonably to be foreseen. The necessity to be provided for is not only the existing urgent need but the need to be expected in the future, so far as it may be anticipated from the development of the community, the growth of industry, the increase in wealth and population and all the elements to be expected in the progress of a community.

Illinois courts have also long held that what constitutes public convenience and necessity is within the Commission's discretion to determine in each case, thereby permitting consideration of a broad range of factors as applicable to the particular case.[6]

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[5] *Eagle Bus Lines, Inc. v. ICC*, 3 Ill. 2d 66, 78, 119 N.E.2d 915, 922 (1954) ("If it is needful and useful to the public it is necessary."); *Gernand v. ICC*, 286 Ill. App. 3d 934, 945, 676 N.E.2d 1384, 1391 (4th Dist. 1977) (same); *King v. ICC*, 39 Ill. App. 3d 648, 653, 351 N.E.2d 589, 593-94 (4th Dist. 1976) (same).

[6] *Egyptian Transp. Sys. v. Louisville & N. R. Co.*, 321 Ill. 580, 584, 152 N.E. 510, 51 (1926); *Commonwealth Edison Co. v. ICC*, 295 Ill. App. 3d 311, 317, 692 N.E.2d 1350, 1354 (2d Dist. 1998); *New Landing Util., Inc. v. ICC*, 58 Ill. App. 3d 868, 871, 374 N.E.2d 6, 9 (2d Dist. 1977). In a related context, the Supreme Court has held that the Commission has broad discretion to determine the factors it considers in deciding if a proposed transaction should be approved under the "public shall be convenienced" standard in §7-102 of the PUA. *Illinois Power Co. v. ICC*, 111

28. The Commission has recently reiterated and relied upon these principles in an electric transmission line certificate case.[7] In *Grain Belt Express Clean Line LLC*, Docket 15-0277, the Commission found that a demonstration of "necessity" requires consideration "as to whether the benefits of the Project are 'needful and useful to the public;' whether the benefits outweigh the costs; and whether the Project would prevent the attainment of a greater net benefit through an alternative project or some combination of alternative projects."[8]

## IV. THE PROJECT WILL PROMOTE A SIGNIFICANT NUMBER OF BENEFITS CONSISTENT WITH THE PUBLIC CONVENIENCE AND NECESSITY

29. In this case, in addition to the Project being a Qualifying Project and satisfying the new criteria set out in § 8-406(b-5) as set forth in Section V, the facts listed below and described in this Application and the accompanying direct testimony and exhibits further establish that the public convenience and necessity require granting Grain Belt Express a CPCN to construct, operate and maintain the Project and conduct a transmission public utility business in connection therewith and that the Commission should authorize Grain Belt Express, pursuant to § 8-503 and § 8-406.1(i), to construct the Project. These facts include the following:

- The main objective of the Project is to transport clean, low-cost electricity from renewable generation plants to be built in southwestern Kansas, which has high-capacity factor wind and solar resources, to the electricity markets in Missouri and Illinois and other states located within or adjacent to the MISO and PJM grids. The Project will be capable of delivering up to 2,500 MW of power into the MISO and/or the Associated Electric Cooperative, Inc. ("AECI") grids at a delivery point

Ill. 2d 505, 511, 490 N.E. 2d 1255, 1257-58 (1986). The Court also stated that "[a] common understanding of convenience is 'a favorable or advantageous condition, state or circumstance.'" *Id*. at 512.

[7] *Grain Belt Express Clean Line LLC*, Docket 15-0277, Order issued November 12, 2015, at 124; *Commonwealth Edison Co*., Docket 13-0657 (Order issued October 22, 2014), at 20-21 (Grand Prairie Gateway certificate order).

[8] *Grain Belt Express Clean Line LLC*, Docket 15-0277, Order issued November 12, 2015, at 124.

in Missouri and up to 2,500 MW of power into the PJM grid at a delivery point in western Indiana.

- Due to the close proximity of the Missouri and Indiana delivery points to Illinois and the regional nature of the MISO and PJM grids and electricity markets, electricity delivered at the Missouri and Indiana delivery points will flow and be delivered into and be used to serve customers in Illinois. Grain Belt Express is expected to deliver up to 14 million megawatt-hours ("MWh") of clean energy per year into the MISO market, and up to 15 million MWh of clean energy into the PJM market. The total annual deliveries of up to 30 million MWh will be enough to serve the annual electricity needs of approximately 2.8 million homes.

- There is a large demand for electricity supplied by renewable resources, and in particular by wind and solar generation, in Illinois and other states within the PJM and MISO regions, and that demand will continue to grow over the next 20-30 years. The demand is and will be driven by state laws and policies requiring or encouraging the use of renewable resources; federal laws and policies limiting, or increasing the costs of the production of electricity from fossil-fueled generating plants, resulting in retirements or reduced use of such plants; voluntary public demand for clean energy from renewable sources; and the potential for wind and solar energy as a low-cost, competitive source of electricity.[9]

- Large corporate energy customers represent an increasing amount of renewable energy procurement, accounting for 37% of all carbon free energy added to the grid since 2014. Of the energy deals completed by corporates to date, 22% are within PJM markets and 13% are within MISO markets. The trend of high demand for carbon free energy continued in 2021 with corporate buyers procuring 11 GW of power. The demand in 2022 and beyond is projected to exceed the record amount from 2021.[10] Meeting this demand will require increased access to geographically diverse renewable resources supported by the Grain Belt Express project.

- Due to improvements in technology, electricity from wind and solar are in many regions the lowest-cost sources of new generation. The cost of new wind and solar generation is lower than the cost of new coal or nuclear generation and any other

[9] *Climate Goals of Top 30 US Electric and Gas Utilities*, S&P Global Market Intelligence (data compiled Nov. 2, 2021) (attached as Exhibit 1.5). The data compiled in this report is capable of accurate and ready determination by resort to sources whose accuracy cannot reasonably be questioned. See also *Path to net zero: 70% of biggest US utilities have deep decarbonization targets*, S&P Global Mark Intelligence (Dec. 9, 2020), available at https://www.spglobal.com/marketintelligence/en/news-insights/latest-news-headlines/path-to-net-zero-70-of-biggest-us-utilities-have-deep-decarbonization-targets-61622651.

[10] https://www.utilitydive.com/news/corporate-clean-energy-procurement-ceba-report/623926/

clean energy source. It is also competitive with new natural gas-fueled generation.[11]

- Southwestern Kansas, where the western terminus of the Project will be located, has some of the country's best wind and solar resources. Renewable generators in this region can produce electricity at lower costs than in regions, like Illinois, with lower wind speeds and lower solar irradiance.

- The wind and solar production of generation in southwestern Kansas is not strongly correlated with the production of wind and solar generators in Illinois. As a result, integrating wind and solar generation resources in southwestern Kansas with Illinois wind and solar generation facilities–which the Project will make possible–will reduce the overall variability of renewable generation serving Illinois, increase the reliability of renewable generation as a supply source to Illinois markets, reduce the costs of renewable generation integration into the Illinois supply portfolio and, coupled with energy storage or green hydrogen, will pave the way for renewable energy to become available on a 24/7 basis.

- Grain Belt Express is a multi-generational energy project. As such, it will be capable of delivering even further benefits from future technological advancement such as higher efficiency wind and solar technology, long duration energy storage and green hydrogen production. Despite the superior renewable generation resources available in southwestern Kansas, prospects for the addition of new renewable generation facilities in the area are limited because of the lack of adequate long-distance, inter-regional transmission infrastructure to bring electricity to load and population centers, such as Illinois. For new, low-cost renewable generation to be constructed in southwestern Kansas to meet the demand for renewable resources in Illinois and other states, additional long-distance transmission capacity between these areas must be built. The Project will provide this needed long-distance transmission capacity.

- Government and industry sources, such as the North American Electric Reliability Corporation ("NERC") and the Department of Energy ("DOE") have recognized that there is a strong need to expand and strengthen the overall transmission grid, particularly to support the movement of electricity generated by renewable resources to areas of market demand and to make the U.S. power grid more resilient to the impacts of climate change and in the face of national security threats. Recently, the DOE commented that "insufficient transmission capacity—especially transmission that facilitates transfer of power across regions—presents another critical challenge facing the grid."[12] The DOE stated, "Upgrading and

[11] https://www.lazard.com/media/451905/lazards-levelized-cost-of-energy-version-150-vf.pdf

[12] See U.S. Dept. of Energy, *Building a Better Grid Initiative to Upgrade and Expand the Nation's Electric Transmission Grid to Support Resilience, Reliability, and Decarbonization*, at 2 (prepub. version Jan. 11, 2022), available at https://www.energy.gov/sites/default/files/2022-01/Transmission%20NOI%20final%20for%20web_1.pdf.

expanding the current transmission system will enhance grid reliability and resilience and enable the cost-effective integration of clean energy."[13] The DOE noted, "Investment in transmission infrastructure can help protect the grid against supply disruptions due to physical and cyber-attacks or climate-induced extreme weather, minimize the impact of supply disruptions when they happen, and restore electricity more quickly when outages do occur."[14] Specifically, the DOE stated, "Expanding transmission capacity also improves reliability by creating stronger and more numerous energy delivery pathways, helping to ensure that customers have a dependable source of electricity to power their homes, schools, and businesses" and will "spur[] economic growth."[15]

- Interregional transmission like Grain Belt Express supports a more reliable and resilient bulk power system not only by providing access to renewable generation with variable production profiles but also more generally by "providing customers access to generation resources with diverse geography, technology and fuel sources" creating a buffer "against extreme weather events that affect a specific geographic location or some external phenomenon (unavailability of fuel and physical or cyber-attacks) that affected only a portion of the generating units."[16]

- In furtherance of each of those interests, the Project will add significant transmission capacity and strengthen the transmission grid between southwestern Kansas and Illinois. Grain Belt Express is the only project that will connect SPP, MISO and PJM, the three largest energy markets in the country. It will also connect those markets with the most advanced HVDC technology allowing for precise power flow and valuable grid services.

- The Department of Defense ("DOD"), with more than 500 installations and 300,000 buildings nationwide, has a substantial dependence on private electricity infrastructure for maintaining and executing critical missions. Following Executive Order 14057, "Catalyzing Clean Energy Industries and Jobs Through Federal Sustainability," the DoD will use its status as the largest energy consumer in the U.S. to spur the development of at least 10 GW of clean electricity production by 2030.[17] This includes a target of procuring carbon-free power on a 24/7 basis to support national defense missions, which will require long-range,

[13] *Id.*

[14] *Id.*

[15] *Id.*

[16] See Chupka and Donohoo-Vallett, Recognizing the Role of Transmission in Electric System Resilience, at 3 (May 9, 2018), available at https://wiresgroup.com/wp-content/uploads/2020/06/2018-05-09-Brattle-Group-Recognizing-the-Role-of-Transmission-in-Electric-System-Resilience-.pdf.

[17] https://www.defense.gov/News/Releases/Release/Article/2921646/dod-gsa-announce-rfi-to-gather-information-for-supplying-247-carbon-pollution-f/

cross-regional transmission with enhanced controllability to meet the DOD's real-time demand.

- Severe weather events are becoming more common and more extreme, with severe events challenging nearly every part of the U.S. power grid in the last decade alone. For example, during Winter Storm Uri in February 2021, more than 4.5 million people in Texas lost power (some for as long as four days) while being exposed to below-freezing temperatures for over six days. At least 210 people died.[18] Each additional 1 GW of transmission ties could have saved in excess of $100 million for customers served in the great plains by SPP and in the southern part of the geographic area served by MISO and could have kept the heat on for hundreds of thousands of Texans.[19] The south central U.S. served by MISO and SPP also faced emergency circumstances but were able to mitigate disaster by importing power from PJM and MISO respectively.[20] Such capacity transfer, while far from entirely sufficient, demonstrated the importance of capacity transmission and interconnection between ISOs/RTOs. In a recent Notice Inviting Post-Technical Conference Comments (Dkt AD21-11-000, January 7, 2022), FERC noted the importance of being able to import and export energy between regions to address climate change and extreme weather events. More specifically here, the report and testimony by Anthony Petti attached as Exhibit 9.0 demonstrate that the Project will enhance reliability and resiliency for the regions served, including Illinois. As set forth in Petti's report and testimony, the Project will reduce customer interruptions, mitigate high energy prices during extreme weather events, reduce procurement obligations and enhance system restoration capabilities.

- Russia's recent invasion of Ukraine has prompted new concerns about national security and serves as a reminder that accelerating the pace of electrification of the U.S. vehicle fleet and renewable energy deployment can reduce the nation's dependence on global fossil fuel markets, which can be subject to unpredictable price spikes and the influence of unsavory autocratic leaders.[21] Major new transmission lines such as the Project are necessary to build new renewable energy in a quantity sufficient to reduce the state and national exposure to global energy

[18] FERC, NERC and Regional Entity Staff Report, *The February 2021 Cold Weather Outages in Texas and the South Central United States*, at 7 (Nov. 16, 2021) (hereinafter, "FERC, *The Feb. 2021 Cold Weather Outages*"), available at https://www.ferc.gov/media/february-2021-cold-weather-outages-texas-and-south-central-united-states-ferc-nerc-and.

[19] American Council on Renewable Energy, *Transmission Makes the Power System Resilient to Extreme Weather*, at 2 (July 2021), available at https://acore.org/wp-content/uploads/2021/07/GS_Resilient-Transmission_proof.pdf.

[20] FERC, *The Feb. 2021 Cold Weather Outages* at 14.

[21] Rocky Mountain Institute, *From Deep Crisis, Profound Change*, available at https://rmi.org/insight/from-deep-crisis-profound-change/.

supplies and prices. The Project will enable the construction of over 5 gigawatts of new domestic energy sources.

- Developers cannot construct new renewable generation facilities in southwestern Kansas without reasonable assurances and expectations that transmission infrastructure will be in place on a timely basis to bring the output of the renewable generation facilities to markets like MISO and PJM. The lead time for development and construction of renewable generation plants is shorter than the lead time for certification, siting, development and construction of a long-distance transmission facility like the Project. Thus, the development of the Project is essential to, and must precede, the construction of new renewable generation plants in southwestern Kansas.

- As set forth in the direct testimony and report of witness Mark Repsher, attached as Exhibit 8.0, by delivering low-cost electricity generated by wind and solar facilities to MISO and PJM, the Project will increase competition in the wholesale power markets that serve Illinois and will decrease wholesale prices. Lower wholesale prices will result in lower retail prices for retail customers.

- Construction of the Project and the generation resources that will connect to it will provide Illinois access to resources to reduce loss of load expectation, increase effective load carrying capability and thereby increase the reliability of electric service in Illinois. In addition, as the Project spans multiple Midwest Regional Transmission Organization ("RTO") services territories and seams, it will become a reliability backbone for the transmission system.

- As set forth in the report and testimony of Anthony Petti, attached as Exhibit 9.0, the Project's Value of Loss of Load benefits range from $226 million to $1.49 billion for every three years and amount to present value of $974 million to $6.4 billion at a discount rate of 6.057% and assuming a lifespan of 30 years. Petti expands on this calculation in his testimony and report.

- The Project will be built and will be operated using VSC HVDC technology. HVDC technology is a more efficient and lower-cost option than AC facilities for transporting large amounts of electricity over long distances, such as from southwestern Kansas to Illinois. Substantially more power can be transmitted with lower losses, narrower right-of-way and fewer conductors than with an equivalent HVAC line. HVDC is more stable than HVAC when carrying large amounts of power over long distance. As explained more in the direct testimony of Carlos Rodriguez, attached as Exhibit 5.0, total loss at full load of an HVDC electric line with a power rating of 5,000 MW over 800 miles is 9.96%, whereas the total loss at full load of a single circuit 765 kV AC electric line with a power rating for 5,000 MW over 800 miles is 15.98%.

- Specifically, the use of HVDC technology is a particularly appropriate solution for the Project, for moving large amounts of power from variable generation sources (such as wind and solar farms) over long distances. In this application, DC lines

result in a lower cost of transmission than AC lines. The use of HVDC technology has a number of distinct benefits, including the following:

(1) HVDC lines can transfer significantly more power with lower line losses over longer distances than comparable AC lines.

(2) VSC HVDC systems can effectively work in very weak systems and integrate large amounts of power with minimal impact to the short-circuit current levels at the point of interconnection ("POI").

(3) HVDC lines can provide power oscillation damping in an AC grid through fast modulation of the AC-to-DC converter stations and thus improve system stability.

(4) The HVDC technology being used for the Project will have the ability to provide reactive power/voltage control at the POI by providing about 33% MVAr based on the real power rating (i.e. for a 5,000 MW system, can provide ~+/-1,650 MVar).

(5) HVDC technology has the ability to tightly control the energy flows either via operator action or automatically, which makes HVDC particularly well-suited to managing the injection of variable wind and solar generation.

(6) HVDC lines, unlike AC lines, will not become overloaded by unrelated outages because the amount of power delivered is strictly limited by the DC converters at each end of the HVDC line, thereby reducing the likelihood that outages will propagate from one region to another.

(7) HVDC lines utilize narrower rights-of-way and fewer conductors than comparable AC lines, thereby making more efficient use of transmission corridors and minimizing visual and land use impacts.

- In addition, the HVDC technology is superior to HVAC technology because it will have black-start capability and under emergency conditions will be able to reverse course and transmit power from east to west—a capability unique to HVDC projects, which will enable the impacted grids to restabilize and recover faster than those only serviced by AC transmission.

- The footprint of an HVDC electric transmission line right-of-way is at least double the footprint right-of-way of a 345 kV AC electric transmission line.

- As set forth in more detail in the report and testimony of Mark Repsher attached as Exhibit 8.0, the clean, wind- and solar-generated electricity that the Project will bring to Illinois will displace substantial amounts of fossil fuel generation and therefore result in environmental benefits for Illinois and the broader region. These environmental benefits will include significant reductions in emissions of carbon dioxide, nitrogen oxide, sulfur dioxide and mercury, and a substantial reduction in the quantities of water that would have been used by the displaced generation.

- The Proposed Route for the Project through Illinois is the optimal routing option of numerous route alternatives that were evaluated. The determination of the Proposed Route took into account important route selection criteria such as avoidance of homes, schools, businesses and other structures; minimization of impacts to agricultural, mining, airports and other commercial activities; avoidance of protected activities and sites such as agricultural areas, wetlands, areas with threatened and endangered species, and historically or archeologically significant sites; length of the line; and cost of construction. After completing two comprehensive route study processes including over 50 public meetings, the Project is arguably the most studied energy infrastructure project in Illinois history.

- Construction, operation and maintenance of the Project and the renewable generation facilities that will be connected to it will produce significant ancillary economic benefits to Illinois, including hundreds of union construction jobs; orders and revenue for manufacturers and service companies providing materials, components and services for the construction and operation of the transmission line and of the renewable generators that will connect to it; payments to landowners and tax revenues for the State and for local governments.

- As set forth in the market impact analysis and testimony of Mike MaRous attached as Exhibit 11.0, the construction of the Project should not negatively impact property values in the project area. Accordingly, the Project will benefit the regional economy without harming local property values.

- The Project is one of the most significant infrastructure projects in the country that will drive significant economic development, improve reliability and help to meet the demand for electricity from renewable resources, in a least-cost manner, by using the most efficient transmission technology to provide Illinois and other electricity markets with access to some of the best and most cost-effective renewable resources in the U.S.

- The Project will connect high net capacity factor wind and solar resources to provide consistent energy throughout the day to meet daytime peaks as well as match load growth overnight caused by electric vehicle charging and carbon-conscious consumers.

## V. GRAIN BELT EXPRESS IS AUTHORIZED TO APPLY FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY AS A QUALIFYING APPLICANT AND THE GRAIN BELT EXPRESS PROJECT IS FOR A "PUBLIC USE" BECAUSE IT IS A QUALIFYING PROJECT

30. In relevant part, the Public Utilities Act, 220 ILCS 5/3-105(a), defines "public utility" as the following:

> "Public utility" means and includes, except were otherwise expressly provided in this Section, every . . . limited liability company . . . whatsoever that owns, controls, operates or manages, within this State, directly or indirectly, for public use, any . . . equipment or property used or to be used for or in connection with . . . (1) the . . . transmission . . . of . . . electricity[.]

31. The Illinois legislature enacted 220 ILCS 5/8-406(b-5) to, among other things, authorize a "qualifying direct current applicant" to file for and obtain a certificate of public convenience and necessity to construct, operate, and maintain a qualifying direct current project *without* owning, controlling, operating or managing any plant, equipment, or property in this State at the time of the application filing or the Commission order.

32. Further, § 406(b-5) states, "If the qualifying direct current applicant demonstrates in its application that the proposed qualifying direct current project is designed to deliver electricity to a point or points on the electric transmission grid in either or both the PJM Interconnection, LLC or the Midcontinent Independent System Operator, Inc., or their respective successor organizations, the proposed qualifying direct current project shall be deemed to be, and the Commission shall find it to be, for public use."

33. Since Grain Belt Express is a Qualifying Applicant under 220 ILCS 5/8-406(b-5), and the Project is a Qualifying Project under 220 ILCS 5/8-406(b-5), Grain Belt Express is authorized to file for and obtain a CPCN to construct, operate and maintain the Project without owning, controlling, operating or managing any plant, equipment or property in this State at the time of the application filing or the Commission order.

34. The testimony and exhibits attached to this Application demonstrate that the Grain Belt Express Project is designed to deliver electricity to points on the electric transmission grid to both PJM and MISO. Accordingly, upon making this determination, this the Commission must find that the Project is for the "public use."

35. For the reasons stated herein, Grain Belt Express satisfies the definition of "public utility".

## VI. THE SERVICES TO BE PROVIDED BY THE PROJECT

36. Upon obtaining the necessary certifications and authorizations from this Commission and the other applicable government authorities, Grain Belt Express will construct the Project to transmit electricity produced by renewable generation facilities in wind and solar rich areas of southwestern Kansas to delivery points on the MISO and PJM grids. Subject to additional oversight and approval by the Federal Energy Regulatory Commission ("FERC"), Grain Belt Express may sell and/or lease an undivided interest in the project to potential buyers and/or lessees, and Grain Belt Express and those buyers/lessees may seek to provide transmission service over the line to eligible customers as defined by FERC on a non-discriminatory basis under a FERC-approved open access transmission tariff ("OATT"). Any co-owner or lessee of Grain Belt Express that seeks to provide transmission service will be required to operate pursuant to an OATT on file with FERC that will meet the requirements of the Federal Power Act and FERC's regulations.[22]

37. Grain Belt Express expects that its co-owners, lessees and transmission customers will consist principally of (i) entities with wind and solar energy ownership interests located in southwestern Kansas and (ii) buyers of electricity—particularly buyers seeking to purchase electricity generated from renewable resources—located in MISO and PJM who take delivery at the respective delivery points. These buyers of electricity are expected to be principally participants in the wholesale markets (utilities, alternative retail electric suppliers ("ARES"), other

[22] Grain Belt Express may also sell a cotenancy interest or lease a long-term leasehold interest in the transmission line, in which case it is not providing transmission service to such buyer/lessee because the buyer/lessee has control over that undivided interest.

competitive retail suppliers and brokers and marketers) but could include retail purchasers.[23] The ultimate beneficiaries of the Project will be retail consumers of electricity in Illinois and other parts of PJM, MISO and adjacent markets who purchase and consume electricity from renewable resources that the Project delivers to the MISO and PJM delivery points.

38. Grain Belt Express has been granted negotiated rate authority from FERC, which may be updated.[24] Under this authority, Grain Belt Express is required to broadly solicit interest in taking service on the Project from potential customers and accordingly, will offer the opportunity to contract for firm and non-firm transmission service to eligible customers, and to provide transmission service over its available transmission capacity to all eligible customers on a not unduly discriminatory basis. Grain Belt Express will provide eligible customers with the opportunity to contract for transmission service where available transmission capacity exists on the line and cannot and will not unduly discriminate against any transmission customer in favor of another transmission customer. All eligible customers will have equal opportunity to obtain firm and non-firm transmission service through these means.

39. If Grain Belt Express sells or leases one or more undivided interests to potential co-owners/lessees, Grain Belt Express may be required to seek FERC approval of such a sale or lease if Grain Belt Express is a public utility subject to FERC jurisdiction at that time pursuant to Section 203 of the Federal Power Act. Furthermore, if any co-owner/lessee seeks to provide transmission service to eligible customers, such co-owner/lessee will be required to comply with FERC's statutory and regulatory open access requirements and similarly be obligated to provide available transmission service on its portion of the line on a not unduly discriminatory basis.

[23] Under FERC's OATT requirements, eligible transmission customers include retail customers taking unbundled transmission service.

[24] *Grain Belt Express Clean Line LLC*, 147 FERC ¶ 61,098 (2014).

40. As set forth in the direct testimony and report of witness Mark Repsher, attached as Exhibit 8.0, although the Project's points of interconnection with the MISO and PJM grids will be located in Missouri and Indiana, respectively, electricity delivered by the Project into the MISO and PJM grids will be delivered or flow into Illinois to serve the public in Illinois and will reduce wholesale and retail electricity prices paid by the public in Illinois. There are numerous electrical connections between Missouri and Illinois and between Indiana and Illinois that will enable the electricity injected by the Project into the MISO and PJM grids in Missouri and Illinois, respectively, to be delivered or flow into Illinois. Further, the MISO and PJM electricity markets operate on a region-wide basis, not on a state-by-state basis. Additionally, electricity injected by the Project into the MISO and PJM grids will reduce locational marginal prices in Illinois.

41. At this time, all of the costs associated with the development, construction and operation of the Project are expected to be recovered through a combination of sales/leases, as well as FERC jurisdictional services including transmission service agreements with customers and other rates and charges pursuant to FERC approved tariffs and rate schedules.[25] Grain Belt Express does not intend to seek to recover all of the costs of the Project by regional cost allocation to retail customer load using the transmission cost allocation processes of PJM or MISO.

42. The western terminus of the Project will be interconnected with the Southwest Power Pool ("SPP") RTO grid; the delivery point in Missouri will be interconnected with the MISO and/or AECI grids, and the delivery point in Sullivan County, Indiana will be interconnected with the PJM grid. Grain Belt Express executed an interconnection agreement with SPP, but

[25] Development costs do not include network upgrades associated with interconnection of the project in SPP, MISO and PJM. Revision of current participant funding rules is under consideration via FERC's Advance Notice of Proposed Rulemaking ("ANOPR"): Building for the Future Through Electric Regional Transmission Planning and Cost Allocation and Generator Interconnection. Docket No. RM21-17-000.

initiated updated studies with SPP due to the Project's expected upgraded technology. All studies for the initial 4,000 MW capacity are expected to be completed with SPP by the end of 2022 or early 2023. Grain Belt Express's next step is to initiate review with the TWG in accordance with SPP's Planning Criteria Section 5.5 and 14 for an additional 1,000 MW capacity (bringing the total capacity for Project up to 5,000 MW), which Grain Belt Express anticipates completing mid to late 2023. Grain Belt Express executed an interconnection agreement with AECI in December 2021. Grain Belt Express has interconnection requests and related studies in progress with MISO and PJM at various stages of review and expects to have executed interconnection agreements in early 2023 with MISO and 2025-2026 with PJM. The status of the interconnection requests is described in the direct testimony of witness Carlos Rodriguez, attached as Exhibit 5.0.

43. Grain Belt Express proposes that the Commission adopt for the Project the same requirement relating to completion of interconnection arrangements that it adopted in its 2015 Order granting a CPCN to Grain Belt Express Clean Line LLC:

> Prior to energizing the Project, Grain Belt Express will fully comply with the applicable interconnection requirements of, and sign all necessary interconnection agreements with SPP, AECI, MISO and PJM.

44. As set forth in more detail in Section VIII.B. of this Application, Grain Belt Express also proposes that the Commission adopt for the Project a similar financial condition that the Commission adopted in its 2015 Order granting a CPCN to Grain Belt Express Clean Line LLC: Grain Belt Express offers to commit that it will not begin construction of transmission facilities on easement properties in Illinois until Grain Belt Express obtains financing commitments sufficient

to cover the entire cost of the Project in Illinois.[26] Grain Belt Express will also commit to return easements to landowners in the event that Phase II of the Project is not constructed.

## VII. THE PROJECT WILL PROMOTE THE PUBLIC CONVENIENCE AND NECESSITY

45. In the Commission's 2015 Order, the Commission found that the Project promoted the public convenience and necessity.[27] While the newly enacted § 8-406(b-5) mandates a finding that the Project satisfies § 8-406.1(f)(1), even without such a legislative directive, the evidence presented by Grain Belt Express strongly supports a determination that the Project will promote the public convenience and necessity. Additionally, the evidence demonstrates many other reasons why the Project will promote the public convenience and necessity.

### A. Section 8-406(b-5) Requires that the Commission Presume, Without Requiring Additional Evidence, that the Project is Necessary to Provide Adequate, Reliable and Efficient Service to Customers and Will Promote the Development of an Effectively Competitive Electricity Market that Operates Efficiently, Is Equitable to All Customers and Is the Least-Cost Means of Satisfying Those Objectives Pursuant to § 8-406.1(f)(1), and this Finding Supports a Determination that the Project Will Promote Public Convenience and Necessity

46. Grain Belt Express is a "qualifying direct current applicant" under 220 ILCS 5/8-406(b-5). The Project is a "qualifying direct current project" under 220 ILCS 5/8-406(b-5).

47. Section 8-406(b-5) states, "If the qualifying direct current applicant further demonstrates in its application that the proposed transmission project has a capacity of 1,000 megawatts or larger and a voltage of 345 kV or greater, then the proposed transmission project shall be deemed to satisfy, and the Commission shall find that it satisfies, the criteria stated in . . .

[26] *Grain Belt Express Clean Line LLC*, Docket 15-0277, Order issued November 12, 2015, at 148–49, 157.

[27] *Grain Belt Express Clean Line LLC*, Docket 15-0277, Order issued November 12, 2015, at 125.

paragraph (1) of subsection (f) of Section 8-406.1, as applicable to the application, without the taking of additional evidence on these criteria."

48. As stated above, § 8-406.1(f)(1) requires a showing "that the project is necessary to provide adequate, reliable, and efficient service to the public utility's customers, and is the least-cost means of satisfying the service needs of the public utility's customers, or that the project will promote the development of an effectively competitive electricity market that operates efficiently, is equitable to all customers, and is the least-cost means of satisfying those objectives[.]"

49. As set forth in the direct testimony of witness Carlos Rodriguez attached as Exhibit 5.0, the testimony and exhibits attached to this application demonstrate that the Project will have a capacity of 1,000 MW or larger and a voltage of 345 kV or greater.

50. Accordingly, the Commission must find, without requiring any additional evidence, that the Project is necessary to provide adequate, reliable, and efficient service to the public utility's customers, is the least-cost means of satisfying the service needs of the public utility's customers, and that the project will promote the development of an effectively competitive electricity market that operates efficiently, is equitable to all customers, and is the least-cost means of satisfying those objectives.

51. This finding essentially mandates a determination that the Project will promote the public convenience and necessity. As explained below, even without the specific statutory direction, such a finding would have overwhelming support based on the evidentiary record.[28]

[28] In 2015, Docket 15-0277, the Commission found that Grain Belt Express Clean Line, LLC presented sufficient evidence to satisfy the 8-406.1(f)(1) criteria. Grain Belt Express is presenting comparable evidence (though updated) with this Application and so, even independent of the statutory directive, still satisfies the 8-406.1(f)(1) criteria.

**B. Even Absent § 8-406(b-5)'s Statutory Direction, Additional Evidence Clearly Supports a Determination that the Project Will Promote the "Public Convenience and Necessity"**

52. As set forth in detail in Section IV (Paragraph 29) of this Application, significant facts exist demonstrating that the benefits of the Project are "needful and useful to the public," the benefits of the Project outweigh the costs and that the Project will not prevent the attainment of a greater net benefit through an alternative project or some combination of alternative projects. *See Grain Belt Express Clean Line LLC,* Docket 15-0277, Order dated November 12, 2015, at 124. These benefits support a finding that the Project will promote the public convenience and necessity by (i) helping to meet growing demand, (ii) serving a customer base that is already interested and in need of transmission service, (iii) increasing reliability and diversity in generators and reducing variability in services in Illinois, (iv) using state-of-the-art HVDC technology for improved operations and lower long-term costs, (v) exerting downward pressure on electricity prices and increasing competition in the marketplace, (vi) reducing emissions and positively impacting the environment and climate change and (vii) bringing substantial direct and indirect economic benefits to Illinois and surrounding areas, all while directly supporting statutorily established state and federal goals and priorities.

**i. The Project will help meet growing demand by supporting development of renewable generation facilities in southwestern Kansas—one of the best wind and solar resource regions in the United States—and then transporting that electricity to the MISO and PJM grids serving Illinois and other states.**

53. The demand for new renewable generation resources, and for transmission facilities to bring the electricity from these resources to load centers, continues to grow. This demand is driven by a number of factors, including those listed below.

(a) Many states, including Illinois, have established RPSs, which require that electric utilities and in some cases competitive power suppliers obtain a certain percentage

of their electricity to be supplied to retail customers from renewable generation resources. RPSs typically specify that the percentage of electricity supply that must be obtained from renewable resources increases over time. For example, the Illinois RPS requirement began at 13% of total supply by 2017, and it increases incrementally to 40% of total supply by 2030.[29] Illinois targets to procure 50% by delivery year 2040 and 100% by 2050. Numerous other states within the PJM and MISO footprints have also enacted RPS goals or targets. Grain Belt Express estimates that the cumulative total annual demand for renewable energy to meet the requirements of currently-enacted RPS laws of states in the PJM and MISO footprints will be approximately 135.4 million MWh in 2020, 201.7 million MWh in 2025, 228.2 million MWh in 2030 and 249.5 million MWh in 2035.[30]

(b) The first draft of the Illinois Renewable Energy Access Plan prepared for the Illinois Commerce Commission dated July 2022 ("REAP Draft") describes increasing demand in Illinois as follows:

> "Renewable electricity supply needs in Illinois are large and subject to high uncertainty, ranging from 64 [terawatt-hours ("TWh")] to 450 TWh by 2050, compared to approximately 21 TWh of in-state renewable generation in 2021. The minimum of this range is dictated by the 50% RPS mandate applicable to approximately 85% of Illinois electricity demand. This low end implicitly assumes that the remainder of the state's clean electricity needs will be served by nuclear power and that growth in electricity consumption will be modest. The high end of this range assumes all Illinois nuclear resources retire and that electricity consumption could increase by 50–200% to partly or fully support the decarbonization of other energy-intensive economic sectors including transportation and space heating. The pace of renewable deployment needs is less uncertain over the coming five years, before nuclear support payments expire and before large-scale electrification could be implemented. However, a more accurate long-term

[29] Specifically, the Illinois RPS increases by at least 1.5% per year from June 1, 2017, to at least 25% by June 1, 2025 and thereafter by at least 3% per year to at least 40% by June 1, 2030. Thereafter, the Agency shall procure at least 40%, and will attempt to procure 50% by delivery year 2040. *See* 20 ILCS 3855/1-75(c) and 220 ILCS 5/16-115D.

[30] https://emp.lbl.gov/projects/renewables-portfolio

outlook is needed to most effectively support transmission planning and policy implementation.

"To achieve the goal of 100% carbon-free electricity for all Illinois consumers, considering both consumers subject to RPS mandates and other consumers, a total of approximately 152 TWh of clean energy will be needed by 2050. This amounts to approximately 90 TWh of clean energy on top of the 62 TWh required by the RPS. This share of the clean electricity target is not necessarily subject to current RPS qualifications standards and so could be met by nuclear resources and out of state renewables. If all nuclear supply is retained until 2050, the nuclear plus 50% RPS supply together would be approximately sufficient to meet the 100% clean electricity demand."[31]

(c) The REAP Draft also notes that MISO is experiencing capacity shortages:

The MISO-served portion of the state has less capacity available. Total capacity supplies have been declining in Illinois (Zone 4 region in MISO) and across the entire MISO footprint in recent years, as low energy and capacity prices have signalled that many resources (particularly aging coal plants) have become uneconomic to continue operating. In the 2022/23 planning auction, all resources that offered into the auction cleared. Still, the MISO North and Central regions fell short of the regional capacity requirement by 1,230 MW (of which the pro-rata Zone 4 Illinois region share is 121 MW). This capacity shortfall in MISO is the subject of ongoing ICC investigation, and was caused by a combination of factors including resource retirements, modest increases in demand, and underlying challenges in the MISO resource adequacy construct that have not attracted sufficient investment in incremental resources. As discussed further in Section VI below, the underlying challenges that have resulted in insufficient capacity supply in the MISO region are not caused by CEJA or other clean energy policies, but will be exacerbated by the fossil phase out unless they are corrected. MISO's capacity market design will need to be modified to ensure that it can attract investment in sufficient quantities of clean capacity to replace retiring fossil resources.[32]

(d) In addition, many municipal electric utilities and cooperative utilities, which may not be subject to state RPS requirements, are electing to include electricity from renewable resources as a component of the electricity supply portfolio to serve their

[31] REAP Draft at (v) and 13, available at https://www.icc.illinois.gov/informal-processes/Renewable-Energy-Access-Plan.

[32] REAP Draft at 10.

customers/residents/members. Exhibit 1.2 is a list of municipal electric utilities and cooperative utilities that have adopted RPS targets in Illinois.[33]

(e) In Illinois, numerous municipalities, as allowed by Illinois law, have approved referenda that have authorized the municipality to establish a municipal aggregation program whereby the municipality arranges for an alternative supplier to supply the electricity requirements of residential and small business retail electricity customers located in the municipality, other than those customers who opt out of the program or who are already served by an ARES.[34] A number of these municipalities have made arrangements with alternative suppliers requiring the alternative supplier to obtain a portion of its electricity supply to serve customers in the municipality from renewable resources or to offer the retail customers an option or options to specify that a stated percentage of the electricity supplied must come from renewable resources.[35] In some cases, municipal aggregation programs specify that a higher percentage of the alternative supplier's electricity supply shall be obtained from renewable resources than would otherwise be required of an electric utility or ARES under the Illinois RPS.

(f) Another driver of the need for increases in renewable electricity resources is the announced and likely additional retirements of older, coal-fueled generating plants due to

[33] The data compiled in this report is capable of accurate and ready determination by resort to sources whose accuracy cannot reasonably be questioned.

[34] Illinois Power Agency Act §1-92, 20 ILCS 3855/1-92. See https://www.pluginillinois.org/MunicipalAggregationList.aspx for a non-exhaustive list of communities that have or are pursuing municipal aggregation programs. See also Chicago's resolution committing to 100% renewable electricity, including buildings and the CTA's bus fleet, by 2040, available at https://chicago.councilmatic.org/legislation/r2019-157/.

[35] See, e.g., the City of Aurora's aggregation program, https://www.aurora-il.org/2130/Municipal-Electrical-Aggregation-Program, and the Village of Riverside's aggregation program, https://www.riverside.il.us/367/Electric-Aggregation.

age, the cost of compliance with increasing environmental compliance requirements, out-of-merit economics or a combination of these factors. From 2016 to 2021, U.S. coal generation has decreased by 27 percent. [36]

(g) Increasing restrictions on emissions and discharges of sulfur dioxide, nitrogen oxide, carbon dioxide, mercury and particulates will impose additional capital and operating costs on coal-fueled generating plants in order to be able to continue to operate in compliance with these restrictions. According to the U.S. Energy Information Administration ("EIA"), utilities report that of the operating U.S. coal-fired power plants, 28% or 59 GW, plan to retire by 2035.[37]

(h) In 2021, the Illinois General Assembly passed and Governor Pritzker signed into law the Climate and Equitable Jobs Act which, among other things, requires the following:

(1) all private coal-fired and oil-fired EGUs to shut down or reduce CO2e and copollutant emissions to zero by January 1, 2030;

(2) public coal-fired EGUs to reduce CO2e emissions 45% by June 30, 2038 and shut down or reduce emissions to zero by December 31, 2045;

(3) private gas-fired EGUs within 3 miles of an environmental justice community designated as of January 1, 2021 or an equity investment eligible community and a NOx rate of greater than 0.12 lbs/MWh or a SO2 emission rate greater than 0.006 lb/MWh to shut down or reduce emissions to zero by January 1, 2030;

[36] https://www.eia.gov/electricity/monthly/xls/table_1_01.xlsx.

[37] EIA,_https://www.eia.gov/todayinenergy/detail.php?id=50658.

(4) private gas-fired EGUs not within 3 miles of an environmental justice community designated as of January 1, 2021 or an equity investment eligible community with a NOx rate of greater than 0.12 lbs/MWh or a SO2 emission rate greater than 0.006 lb/MWh to shut down or reduce emissions 50% by 2035, limited to an average of 6 hours of run time per day of the course of a calendar year, and reduce emissions to zero by January 1, 2040;

(5) private gas-fired EGUs within 3 miles of an environmental justice community designated as of January 1, 2021 or an equity investment eligible community that began operation prior to the effective date of the Act and have a NOx rate of less than or equal to 0.12 lbs/MWh or a SO2 emission rate less than or equal to 0.006 lb/MWh to shut down or reduce emissions 50% by 2030 and to shut down or reduce emissions to zero by 2035;

(6) all remaining EGUs and large greenhouse gas-emitting units that have a heat rate greater than or equal to 7000 BTU/kWh to reduce emissions by 50% by January 1, 2035 and to shut down or reduce emissions to zero by January 1, 2040; and

(7) all remaining EGUs and large GHG emitting units to shut down or reduce emissions to zero by January 1, 2045.

This legislation is expected to drive 9.9 GW of fossil fuel fired units in PJM to retire by 2030 and an additional 5.8 GW after 2035, as well as approximately 2 GW by 2030 and an additional 6 GW by 2045 in MISO, which will make projects like the Project even more critical to maintaining resource adequacy and the reliability of Illinois's electric grid.

(i) Demand is also fueled by commitments of corporate and industrial power purchasers to rely on more clean energy. American Clean Power reports that commercial and industrial customer have committed to purchasing over 47,800 MW of clean power.[38] BloombergNEF reports that corporations bought a record 31.1 GW of clean energy through power purchase agreements in 2021, up nearly 24% from the previous year's record of 25.1 GW, with two-thirds of this purchasing occurring in the United States.[39] Utility Dive, relying on the Clean Energy Buyers Association State of the Market Report, notes that more than 50 independent energy customers in the United States secured 11 GW of clean energy in 2021, and that more than half of the companies that purchased clean energy in 2021 were first-time energy buyers.[40]

54. The 2021 Annual Report by American Clean Power (the "ACP Annual Report") demonstrates the continued growth of and demand for renewable energy in the United States. The ACP Annual Report shows that the United States installed over 28.5 GW of clean power capacity in 2021, but that "transmission development remains a key bottleneck to the deployment and

[38] American Clean Power, *Clean Power Annual Market Report 2021 Executive Summary*, at 27, available at https://cleanpower.org/wp-content/uploads/2022/05/2021-ACP-Annual-Report-Final_Public.pdf.

[39] BloombergNEF, *Corporate Clean Energy Buying Tops 30GW Mark in Record Year* (January 31, 2022), available at https://about.bnef.com/blog/corporate-clean-energy-buying-tops-30gw-mark-in-record-year/#:~:text=Corporate%20Clean%20Energy%20Buying%20Tops%2030GW%20Mark%20in%20Record%20Year,-January%2031%2C%202022&text=New%20York%20and%20London%2C%20January,research%20firm%20BloombergNEF%20(BNEF)

[40] Utility Dive, *Corporate Clean Energy Procurement on Track for Another Record Year After Adding 11 GW in 2021* (May 18, 2022), available at https://www.utilitydive.com/news/corporate-clean-energy-procurement-ceba-report/623926/.

interconnection of low-cost, renewable generation resources." Fewer than 300 miles of high-voltage transmission lines were brought online across the United States in 2021.[41]

55. Given the increasing demand for electricity generated from renewable resources, driven by RPS requirements, environmental compliance requirements and related costs, and a public interest in obtaining more energy from environmentally friendly resources, increasing amounts of renewable generation resources will continue to be demanded for the foreseeable future.

56. In contrast to the much higher future demand for electricity from renewable resources due to RPS requirements and other drivers, total renewable energy generation in the MISO and PJM states during 2020 was approximately 126.8 million MWh.[42] Although the amount of renewable generation resources in Illinois and other PJM and MISO states can be expected to grow, the current level of supply compared to the large demand created by current and future RPS requirements and other drivers of the demand for electricity from renewable resources in PJM and MISO shows that there is a need for growth in the amount of renewable generating resources and for a major expansion of the transmission system, in order to bring electricity generated from renewable resources in other areas into the PJM and MISO markets.

57. Southwestern Kansas has some of the best wind resources in the continental United States; this region experiences high average annual wind speeds at the heights above ground at

[41] American Clean Power, *Clean Power Annual Market Report 2021 Executive Summary*, at 21, available at https://cleanpower.org/wp-content/uploads/2022/05/2021-ACP-Annual-Report-Final_Public.pdf

[42] This includes Total Electric power industry generation for Wind, Solar Thermal and PV, Wood and Wood Derived Fuels, other Biomass. MISO and PJM States included are: (AR, IA, IL, IN, KY, LA, MD, MI, MN, ND, NJ, OH, PA, SD, VA, WI, WV) Source: Net Generation by State by Type of Producer by Energy Source (EIA-906, EIA-920, and EIA-923) https://www.eia.gov/electricity/data/state/

which a wind generation turbine would be placed (anywhere from 80 to 117+ meters, depending on local ordinances). Higher average annual wind speeds in this region result in greater potential for development of wind generation facilities with higher capacity factors than in states to the east such as Illinois. Wind generation facilities in southwestern Kansas can achieve annual capacity factors of 50 percent or more. The higher capacity factors of wind generation facilities in this region mean that they can produce electricity at a lower per-MWh, all-in cost at the bus bar than can wind generation facilities located in areas with lower average annual wind speeds.

58. According to the ACP Annual Report, Kansas had 8,275 MW of installed wind generation capacity as of 2021.[43] This installed capacity is a small fraction of the state's potential, which the National Renewable Energy Laboratory ("NREL") estimates at greater than 760,000 MW in areas with sufficient wind to support operation at gross capacity factors of 40% and above, with a total annual generation potential of 3,024,280 gigawatt-hours.[44] Grain Belt Express calculates that within 40 miles of the Project's converter station location in southwestern Kansas, the potential installed nameplate capacity of high-capacity factor wind farms (*i.e.*, in areas with average wind speeds over 8.0 meters per second) is approximately 52,900 MW. The lack of development of wind energy facilities in southwestern Kansas, as compared to the potential development of wind generation facilities in this area, is due in significant respect to the lack of adequate long-distance transmission capacity to deliver the output of wind farms in this region to load and population centers such as Illinois.

[43] ACP Annual Report at 15.

[44] NREL, Estimates of Windy Land Area and Wind Energy Potential by State for Areas with a Gross Capacity Factor of 40% and Greater at 80 Meters (2010); available at: http://www.windpoweringamerica.gov/docs/wind_potential.xls (last visited March 28, 2015).

59. The development of new wind and solar generation facilities in the windiest areas and those areas with the highest solar irradiance in the U.S., which are often not located near load centers, is stifled if there is not sufficient transmission capacity in existence or under development to connect the generation capacity that could be developed in these areas to load centers. In particular, southwestern Kansas experiences high average wind speeds and therefore is a prime area for the additional development of wind generation resources. Similarly, the areas with the highest solar irradiance—those areas with the highest average daily total solar resource—are the regions covering the south and southwestern portion of the United States, and also western Oklahoma and western Kansas.[45] However, there is insufficient transmission infrastructure connecting southwestern Kansas to population and load centers near and east of the Mississippi River to support the construction of significant additional amounts of wind and solar generation facilities in southwestern Kansas. That is, there is insufficient transmission infrastructure to transmit the output of new, high capacity, cost-effective renewable generation facilities that could be constructed in southwestern Kansas to load and population centers where the demand for cost-effective renewable resources resides. Construction of the Project will address this deficiency, support significant development of additional renewable generation facilities in southwestern Kansas, and enable the energy that can be produced at very low cost in southwestern Kansas to be delivered to electricity markets in PJM and MISO, including Illinois.

60. Numerous industry sources have articulated the need to increase U.S. transmission capacity in order to help ensure reliable electric supply in general and provide greater access to renewable generation resources in particular. For example:

- NREL North American Renewable Integration Study: A U.S. Perspective (June 2021): "Transmission helps enable economics and reliability (via resource adequacy) in the

[45] https://www.nrel.gov/gis/assets/images/solar-annual-ghi-2018-usa-scale-01.jpg

NARIS scenarios. Transmission expansion and cooperation between countries can save the system tens of billions of dollars, while transmission and cooperation between regions can save hundreds of billions of dollars."
https://www.nrel.gov/docs/fy21osti/79224.pdf

- Brown, P. and Botterud, A, *The Value of Inter-Regional Coordination and Transmission in Decarbonizing the US Electricity System*, Joule (Jan. 20, 2021): "[W]hile decarbonization of the electricity system is feasible at the level of individual states and regions, it can be accomplished at a significantly lower cost when implemented at the national level."
https://www.sciencedirect.com/science/article/pii/S2542435120305572?dgcid=author%20_blank

- Princeton University, Net-Zero America (Oct. 29, 2021): To achieve net-zero emissions by 2050, we will need two to five times today's transmission.
https://netzeroamerica.princeton.edu/img/Princeton%20NZA%20FINAL%20REPORT%20SUMMARY%20(29Oct2021).pdf

- NERC 2021 Long Term Reliability Assessment: "More transmission is necessary to get renewable power to load centers, but it takes time to build high-voltage transmission, and extraordinary siting challenges can be encountered."
https://www.nerc.com/pa/RAPA/ra/Reliability%20Assessments%20DL/NERC_LTRA_2021.pdf

- NERC 2019 Long Term Reliability Assessment: "To accommodate large amounts of variable generation and to meet policy objectives associated with renewables in a reliable and economic manner, more transmission may be needed. For example, to meet the renewable energy requirements, transmission may be required to ensure that transfer of large amounts of energy can be supported when it becomes available. The ERO should assess and evaluate if the decreasing amount of transmission projects presents any future reliability risks or concerns."
https://www.nerc.com/pa/RAPA/ra/Reliability%20Assessments%20DL/NERC_LTRA_2019.pdf

- NERC 2017 Long Term Reliability Assessment: See slide 32-34, The North American BPS was designed largely around central-station generation as the primary source of electricity; new transmission will be needed to integrate renewable resources. Accommodating new resources, particularly those located in areas different from the existing fleet, will require new transmission facilities and devices, such as static VAR compensators or synchronous condensers. Many states and provinces have policies that promote renewable resources, adding to the need for additional transmission.
https://www.nerc.com/pa/RAPA/ra/Reliability%20Assessments%20DL/NERC_LTRA_2019.pdf

- DOE Building a Better Grid Initiative to Upgrade and Expand the Nation's Electric Transmission Grid to Support Resilience, Reliability, and Decarbonization (Jan. 2022):

Discussing that upgrading and expanding transmission is necessary to enhance grid reliability and resilience and to protect against weather events and cyber-security threats, among other important benefits.
https://www.energy.gov/sites/default/files/2022-01/Transmission%20NOI%20final%20for%20web_1.pdf

- Grid of the Future: PJM's Regional Planning Perspective (May 10, 2022), at page 41: "Future planning must also address the need for greater interregional transmission expansion to address extreme events under a high penetration of renewables, the loss of which could impose the need for greater transfer capability to import power to serve load." https://pjm.com/-/media/library/reports-notices/special-reports/2022/20220510-grid-of-the-future-pjms-regional-planning-perspective.ashx

- MISO Response to Reliability Imperative (Jan. 2022), at page 3, "[E]ven though the MISO Region had an adequate supply of generation during Winter Storm Uri, MISO's ability to move even more energy to specific areas was hindered by increased unplanned generation outages and derates, transmission constraints and overloaded lines, and the contractual transfer limit between the MISO South subregion and the rest of the footprint. Uri also illustrated the importance of transfer capability in moving power; robust regional and interregional transmission capacity resulted in limited impacts in MISO's North and Central Regions." https://cdn.misoenergy.org/MISO%20Response%20to%20the%20Reliability%20Imperative504018.pdf

- Grid Strategies/ACORE Report: Transmission Makes the Power System Resilient to Extreme Weather (July 2021), at page 1: "Many severe weather events migrate from region to region, allowing one region to import during its time of need and then export to other regions once the storm moves on. Grid operators have confirmed that connecting large geographic areas via transmission saves billions of dollars per year by reducing the need for power plant capacity by reducing variability in electricity supply and demand. A strongly integrated grid network also provides valuable resilience, so if some power lines or power plants are taken offline by any type of disaster, there are alternative sources of power available."
https://acore.org/wp-content/uploads/2021/07/GS_Resilient-Transmission_proof.pdf

- Eastern Interconnection Planning Collaborative (EIPC) Planning the Grid for a Renewable Future, at page 7: "As policymakers consider future initiatives to develop renewables or advance other policies, they must recognize the need for additional transmission investment to ensure that new generation can actually deliver electricity to customers. Transmission doesn't simply develop overnight, however, and it can take more than a decade for large projects to move from initial identification of need to actual operation." https://static1.squarespace.com/static/5b1032e545776e01e7058845/t/615c4f5a4db2646842186286/1633439579689/EIPC-Hi+Renewables+WHITE+PAPER+-+FINAL+FOR+POSTING+-+10-5-21%60.pdf

- Building a New Grid Without Legislation (Dec. 2020), at page 9: "There is now broad agreement (if not a consensus) that new long-distance high-voltage transmission lines will be indispensable if the United States is to integrate enough renewable generation to decarbonize the electric system in a timely manner and to do so cost effectively." https://policyintegrity.org/files/publications/New_Grid_Without_Legislation_report.pdf

- NREL - The Value of Increased HVDC Capacity Between Eastern and Western U.S. Grids: The Interconnections Seam Study (Oct. 2020), at page 7: "The study shows with increased intercontinental transmission that the system was able to balance generation and load with less total system installed capacity across each of the generation scenarios, due to load and generation diversity, and increased operating flexibility. The results show benefit-to-cost ratios ranging from 1.2 to 2.9, indicating significant value to increasing the transmission capacity between the interconnections and sharing generation resources for of all the cost futures studied. Production cost modeling identified that new lines would likely have high utilization during challenging operational periods throughout the year." https://www.nrel.gov/docs/fy21osti/76850.pdf

61. In order for construction of new, high-capacity factor, cost-effective renewable generation facilities to occur in the wind- and solar-rich region of southwestern Kansas to serve electricity markets in Illinois and other PJM and MISO states, it is necessary that additional transmission infrastructure connecting southwestern Kansas to electricity markets in PJM and MISO be developed first. Developers of and investors in renewable generation facilities will not commit capital and resources to construct new generation facilities in the renewable resource-rich areas such as southwestern Kansas unless and until they have reasonable assurances that there will be sufficient transmission infrastructure in place to deliver the output of their generation facilities to load and population centers. It is necessary that the transmission facilities be in place, or at least substantially into development (including governmental approval processes), so that it is apparent to developers of and investors in renewable generation facilities that the necessary transmission capacity is likely to become a reality.[46] Construction of the Project is necessary to provide

[46] The time required to develop, site, obtain government approvals for, and construct a wind or solar generation facility is much shorter than the time required to develop, site, obtain government approvals for and construct a long distance, multi-state, inter-regional transmission line, meaning that construction of the new wind generation facilities can be commenced and completed within the time required to construct a long-distance transmission line.

adequate, reliable, and efficient service to developers who seek to construct new renewable generation facilities in southwestern Kansas and have the output of those facilities delivered to electricity markets in Illinois and other PJM and MISO states, and to buyers who seek to purchase the low-cost, clean electricity from new renewable generation facilities that would be constructed in southwestern Kansas, for delivery to and consumption in Illinois and other PJM and MISO states.

62. The Project, as proposed, will be capable of delivering (i) up to 2,500 MW of carbon-free electricity into the MISO grid at its points of interconnection in Missouri and (ii) and up to 2,500 MW of carbon-free electricity into the PJM grid. The Project is expected to deliver up to 14 million megawatt-hours ("MWh") of clean energy per year into the MISO market, and up to 15 million MWh of clean energy into the PJM market. The total annual deliveries of up to 30 million MWh will be enough to serve the annual electricity needs of approximately 2.8 million homes. Due to the close proximity of the Missouri and Indiana delivery points to Illinois and the regional nature of the MISO and PJM grids and electricity markets, electricity delivered at the Missouri and Indiana delivery points will flow and be delivered into and be used to serve customers in Illinois. The Project will make additional wind generation, located in an area with higher wind speeds and densities, and with lower costs per MWh at the bus bar, accessible to the Illinois market to meet the demand for clean energy and for electricity generally.

**ii. The Project will serve a consumer base already interested and in need of transmission service.**

63. Grain Belt Express and its affiliates have identified significant interest among potential customers who are actively developing new renewable generation facilities in the Resource Area in obtaining an undivided interest or transmission service on the Project.

a. In January 2014, Grain Belt Express Clean Line LLC conducted a Request for Information ("RFI") process directed to developers of wind generation facilities that could deliver electricity to the Project's western converter station in Ford County, Kansas. The responses to the RFI aggregated fourteen respondents developing 26 wind farms, with total capacity of more than 13,500 MW.

b. In January through March 2015, Grain Belt Express Clean Line LLC initiated an open solicitation process, in accordance with the FERC's requirements, for customers to subscribe for capacity on the Project. A total of fourteen shippers submitted transmission service requests for over 20,600 MW of transmission service. Ten shippers made 3,324 MW of requests for capacity to the Project's MISO delivery point, more than six times the available capacity. Fourteen shippers requested a total of 17,301 MW of capacity to the Project's PJM delivery point, approximately five times the available capacity. The results of the open solicitation demonstrate a strong need for the new service that will be provided by the Project. Grain Belt Express and its affiliates are currently negotiating commercial terms with potential customers, including utilities and commercial and industrial customers..

**iii. The Project will increase reliability, increase diversity and reduce variability of electricity services in Illinois.**

64. Additionally, construction and operation of the Project and the renewable generation facilities that will connect to it and thereby access the Illinois electricity markets will reduce loss of load expectation in Illinois, increase effective load carrying capability and thereby increase the reliability of electric service in Illinois. Further, as it crosses RTO boundaries and seams, it will become a reliability backbone for the Midwest's transmission system.

65. Wind and solar power production in Kansas is statistically independent from (i.e., weakly correlated with) wind and solar power production in Illinois. Therefore, installation of new transmission capacity to bring electricity to Illinois from renewable generation facilities located in southwestern Kansas will also provide greater diversity of renewable resource supply to the Illinois market, allowing Illinois an opportunity to better meet its energy needs in more hours of the day with 100% carbon free energy. As highlighted in the direct testimony of witness Mark Repsher attached as Exhibit 8.0, diverse wind and solar resources tend to ramp up and down in power output at different times, thereby reducing the variability in wind and solar generation. Wind and solar generators in particular tend to maximize energy production at different times of the day, and their dual use increases the consistency and reliability of renewable energy generation. Integrating diverse renewable energy resources from different geographical areas, inside and outside of Illinois, will allow Illinois and other eastern electricity markets to accommodate more renewable energy in a more reliable fashion and provide a more stable supply of power during more hours of the day. Such an approach is also more cost effective as it will require fewer backup resources to be available for periods during which the renewable generation in Illinois is lower.

66. As set forth in the direct testimony of Anthony Petti attached as Exhibit 9.0, the Project will reduce customer interruptions in Illinois, mitigate high energy prices during extreme weather events, reduce loss of load and reduce procurement obligations. Additionally, the VSC HVDC technology increases restoration capabilities and provides black-start capabilities.

**iv. The Project will use state-of-the-art HVDC technology for improved operations and lower long-term costs.**

67. Grain Belt Express will construct the Project using HVDC technology. HVDC is proven technology that has been utilized for several decades in the U.S. and other countries, with 33 HVDC installations in North America dating back to 1968. For transmission over long

distances, DC lines result in a lower cost of transmission than traditional AC lines. For transmission over very long distances, in which renewable generation sites are hundreds of miles from demand centers, dedicated HVDC lines are a more suitable technology than high voltage AC transmission. Among other advantages, HVDC technology used in this application can transfer significantly more power with lower line losses over long distances than comparable AC lines; dampen power oscillations in an AC grid and improve system stability; offers the ability to reverse the flow of power in times of emergency and transmit from east to west; have black-start capability; give the operator direct control of energy flows, thereby making HVDC particularly well-suited to managing the injection of variable wind and solar generation; and require fewer conductors and a smaller footprint than comparable AC transmission infrastructure. Unlike AC lines, HVDC lines will not become overloaded by unrelated outages since the amount of power delivered is strictly limited by the DC converters at each end of the HVDC line, thereby reducing the likelihood that outages will propagate from one region to another. The Project, by using HVDC technology, will efficiently deliver larger amounts of electricity from southwestern Kansas, with fewer losses, than comparable high voltage AC transmission lines, while supporting stability of the bulk power system.

68. Since 2015 when the Commission first approved a CPCN for Grain Belt Express Clean Line LLC, HVDC technology has improved. In 2015, Grain Belt Express Clean Line LLC expected to use line-commuted converters ("LCC") with the HVDC transmission line. Grain Belt Express is now utilizing voltage sourced converter ("VSC") technology, which does not require "commutation" to take place as with the previous LCC technology, which means that the converter allows for current to flow in any direction by controlling the voltage of the converter. This is advantageous because, using this technology, one can actually create a 60Hz voltage to

synchronize generation, as in the case of off-shore wind. As such, the HVDC technology being proposed is able to operate in very weak and even islanded systems. Accordingly, in contrast to the previous LCC technology, the Project does not require a connection to the existing grid in SPP but by connecting to the system, it will allow for a more robust operation and for the ability to provide emergency energy and ancillary services in the future, such as voltage control and black-start capabilities if required. Furthermore, the exchange to the network will be tightly controlled by the HVDC system to ensure minimal impact to the grid.

69. The Project, using VSC HVDC technology, is the least-cost means of meeting the objectives of (i) providing adequate, reliable and efficient service to operators of renewable generation facilities in southwestern Kansas who seek to deliver their output to electricity markets in Illinois, and to customers in Illinois and other PJM and MISO states who seek to obtain clean, low-cost electricity from the Resource Area, and (ii) promoting the development of an effectively competitive electricity market by enabling the output of up to 5,000 MW of clean, high-capacity factor, low-cost renewable generation in southwestern Kansas to be delivered to electricity markets in Illinois and other PJM and MISO states. Further, the Project will have a lower cost, when considering both capital costs and the costs of electrical losses, than potential AC transmission alternatives. Additionally, as set forth in the direct testimony of Anthony Petti attached as Exhibit 9.0, the energy supplied by the Project hedges against future capacity procurement needs in Illinois, especially as coal plants are retired.

**v. The Project will exert downward pressure on the prices of electricity in Illinois and will increase competition in the marketplace.**

70. As explained in more detail in the direct testimony of witness Mark Repsher attached as Exhibit 8.0, the Project is projected to lower wholesale energy pricing for Illinois customers in two ways. First, low cost, high-capacity factor renewable generation is projected to

put downward pressure on power pricing within the MISO and PJM wholesale power markets, particularly during the evening peak when the capacity factor of dedicated renewable resources transmitted via the Project is significantly stronger than a typical Midwestern (including Illinois) solar or wind profile. Second, incremental reliability-weighted capacity via the Project will tend to increase available supply in the MISO and PJM power markets, putting downward pressure on capacity prices in the majority of years, all else equal. Together, these impacts reduce costs to ratepayers across the State of Illinois.

**vi. The Project will reduce emissions and positively impact the environment and climate change, without harming regional property values**

71. As explained in more detail in the direct testimony of Mark Repsher attached as Exhibit 8.0, the Project delivers substantial additional benefits to Illinois residents in the form of emissions reductions and environmental justice. The Project is expected to reduce emissions of $CO_2$, $SO_2$ and $NO_x$ in Illinois by 7.5%, 9.3% and 8.9%, respectively over the 2027–2066 period. For comparison, in-State $CO_2$ emissions savings facilitated by the Project form 2027–2041 are approximately equivalent to removing nearly 5.5 million gasoline cars from Illinois roads for one year. The Project will facilitate over 28 million tons of emissions reductions within (or attributable to) the State of Illinois from 2027–2066. However, due to the regional nature of power grids (and the global nature of the $CO_2$ issue), these Illinois-only benefits do not tell the entire story. Over the 2027–2066 period, $CO_2$ emissions reductions in the broader PJM, MISO and SPP region (excluding Illinois) due to the Project are over 408 million tons. When added to the emissions reductions of $SO_2$ (2,876 tons) and $NO_x$ (10,575 tons), the Project offers the State of Illinois over $3.5 billion in social benefits from 2027–2066 (in addition to the savings in the energy and capacity markets described above).

**vii. The Project will bring substantial direct and indirect economic benefits to Illinois and surrounding areas, without negatively impacting local property values**

72. The Project will bring substantial economic benefits to Illinois and throughout the Project region. The total estimated construction cost of the Project across all states is approximately $5.7 billion, including the converter stations, and the total estimated investment over the life of the Project, including operational costs, is approximately $7 billion. Construction and development costs in Illinois alone are estimated to be approximately $1.25 billion (not including network upgrades). Construction of the Project will employ a significant number of Illinois union workers in the construction trades. As a result of the Project, Illinois businesses, particularly those involved in producing services, materials and equipment to be used in constructing the Project and those involved in providing services, products and materials to construct the wind generation facilities, as well as service and hospitality businesses, will see increased demand for their products and services. Grain Belt Express will reasonably work to develop arrangements with qualified local manufacturers, suppliers, and service providers, located in Illinois, for materials, equipment, components, and services used in the construction of the Project.

73. An economic impact study conducted by Dr. David Loomis, whose direct testimony is attached as Exhibit 10.0, conservatively estimates the following impacts of the Project in Christian, Clark, Cumberland, Green, Macoupin, Montgomery, Pike, Scott and Shelby Counties: (i) a total 4,999 direct, indirect and induced construction jobs and 34 annual operations jobs, (ii) $565,487,029 in income generated during construction and $4,595,707 in annual earnings generated from operations and (iii) $942,326,769 in overall economic output during construction and $7,339,083 in overall annual economic output during operations.

74. Assuming a 37.6% employer payroll overhead rate, the State of Illinois will receive $17.5 million total during construction from income taxes using the 4.95% income tax rate currently in effect. During operations, the State of Illinois will receive $142 thousand annually in income taxes from earnings associated with the Project.

75. Pursuant to § 8-406.1(h), Grain Belt Express must pay to each county $20,000 per mile of high voltage electric service line constructed in that county (or a proportionate fraction of that fee). The Proposed Route in Illinois is approximately 207 miles long, which will result in a one-time payment of $4,140,000, proportionally shared by the counties through which the Project traverses.

76. In addition to the benefits noted above, as the Project transmission line and related equipment, structures and property rights are likely not classified as real property in the host counties, and thus not subject to property tax, Grain Belt Express will commit to pay to each host county an annual amount equal to $7,000 per mile traversed by the Project. Grain Belt Express will commit to commencing such payments on the date that the Project achieves commercial operation and will continue such payments annually for a period of 20 years thereafter.

77. The operation and maintenance jobs created by the Project in Illinois include positions with companies with which Grain Belt Express contracts to perform construction, engineering, operating, maintenance and other functions, and from which Grain Belt Express purchases materials, parts and equipment, as well as positions with Grain Belt Express. Correspondingly, the Project will result in increased tax revenues for the State of Illinois.

78. While the Project will generate significant regional economic benefits, pursuant to the market impact analysis prepared by Mike MaRous and his associated direct testimony, which

are attached here as Exhibit 11.0, the Project is not expected to have a negative impact on the value of agricultural land or rural residential property values in the area surrounding the Project.

### C. The Additional Benefits Support a Finding that the Project Will Promote Public Convenience and Necessity

79. In 2015, the Commission found as follows:

> The Commission finds that in determining whether there has been a demonstration of "necessity" in this context, as Staff suggests, consideration should be given as to whether the benefits of the Project are 'needful and useful to the public;' whether the benefits outweigh the costs; and whether the Project would prevent the attainment of a greater net benefit through an alternative project or some combination of alternative projects. The evidentiary record reflects that the Project will allow the transmission of large amounts of wind generated energy from western Kansas to access the Illinois electricity markets and to compete to serve customer load. The wind farms are not yet developed but the Commission notes that the testimony supports a finding that the Project will facilitate development of the wind farms in where the resources are such that electricity can be generated at a significantly lower cost than wind power can be generated in Illinois. There is substantial testimony that the wind farms will not be developed in the absence of sufficient transmission capacity. There is convincing evidence that the Project will enable low-cost wind energy to access the Illinois electricity markets, reduce wholesale and retail electricity prices. The evidence indicates the low-cost wind energy will also increase the supply of RECs in the regional markets, putting downward pressure on the prices of RECs, and helping Illinois and other PJM and MISO states to meet their RPS objectives. The Commission notes that no alternative or combination of alternatives have been suggested, that would produce these benefits. The Commission finds that the Project will promote the convenience and necessity.[47]

80. Just as in 2015, the Project will (a) allow the transmission of large amounts of renewable generated energy from southwestern Kansas to access the PJM and MISO markets, which are the grids that serve Illinois, and to compete to serve customer load, (b) support development of wind and solar farms where the resources are such that electricity can be generated at significantly lower cost than renewable power can be generated in Illinois, (c) enable low-cost renewable energy to access the Illinois electricity markets and reduce wholesale and retail electric

[47] *Grain Belt Express Clean Line LLC*, Docket 15-0277, Order issued November 12, 2015, at 124–25.

prices, (d) increase the supply of RECs in regional markets, putting downward pressure on the price of RECs and (e) help Illinois and other PJM and MISO states meet their RPS objectives. Additionally, since 2015, the cost of solar has continued to decline and the solar resources in southwestern Kansas have been shown to be more abundant and reliable than in Illinois. Just as in 2015, there are no alternatives that can produce the same benefits as the Project. For the same reasons observed by the Commission in 2015 and for the reasons set forth in Sections IV and Section VII above, this Commission should find that the Project will promote public convenience and necessity.

## VIII. GRAIN BELT EXPRESS HAS THE NECESSARY MANAGERIAL, TECHNICAL AND FINANCIAL CAPABILITIES AND RESOURCES TO DEVELOP, FINANCE, CONSTRUCT AND OPERATE THE PROJECT AND TO OPERATE AS A PUBLIC UTILITY IN ILLINOIS PURSUANT TO § 8-406.1(f)(2) and (f)(3)

81. Grain Belt Express has the necessary managerial, technical and financial capabilities and resources to develop, finance, construct and operate the Project and to operate as a transmission-only public utility in Illinois. Invenergy Transmission and its affiliate Invenergy, together with their affiliates, are global leaders in renewable energy and transmission development. Invenergy or its affiliates are providing project management support for Grain Belt Express, including overseeing the financing, design, engineering and construction of the Project pursuant to agreements with Grain Belt Express. Grain Belt Express's management team includes executive, professional, and technical personnel who have managed, built, and financed projects in the transmission, renewable and traditional energy sectors. The management team has financed billions of dollars of energy projects and managed the development of projects that produce or transmit thousands of megawatts of power. Members of the management team have had management, engineering and other supervisory roles in the construction of transmission lines.

**Attachment 3** provides summaries of the experience and qualifications of the Invenergy's management team.

82. Invenergy's employees, on behalf of Grain Belt Express, will provide management and administrative functions for Grain Belt Express, including the executive management, accounting, treasury, finance, tax, payroll, employee benefits, human resources, procurement, accounts payable and receivable, engineering, real estate and property management, internal audit, regulatory and legal functions. Direct and overhead services performed by employees of Invenergy or its affiliates on behalf of or for the benefit of Grain Belt Express and other subsidiaries are recorded as costs of the subsidiary through time charging and overhead allocation procedures.

### A. Grain Belt Express is Capable of Efficiently Managing and Supervising the Construction Process for the Project Pursuant to § 8-406.1(f)(2)

83. As set forth in more detail in the direct testimony of witness Aaron White, attached as Exhibit 3.0, Grain Belt Express is capable of efficiently managing and supervising the construction process for the Project and has taken sufficient action to ensure adequate and efficient construction and supervision of construction, as specified by § 8-406.1(f)(2) of the PUA. Grain Belt Express and its parent company, Invenergy Transmission, have experience in developing construction management organizations and overseeing the construction and completion of large projects in the electric utility industry, including wind generation facilities and transmission lines. Invenergy or its affiliates are providing engineering, procurement and construction support and management for Grain Belt Express pursuant to agreements with Grain Belt Express.

84. Grain Belt Express will assemble an effective construction management team for the Project. Key positions in Grain Belt Express's management team will include, but are not limited to, Project Managers, Superintendents, Project Controls, Safety Managers, Material

Managers, Quality Managers, Field Engineering Managers, Environmental Compliance Managers, Right-Of-Way ("ROW") Managers, Land Liaison Managers and Community Relations.

85. The construction management team's responsibility is to deliver a successful project on time, within budget, at the highest quality, while upholding safety and minimizing environmental and other impacts to land. Grain Belt Express also recognizes that a successful project cannot be achieved without the input of the local communities and landowners. Grain Belt Express will engage local communities prior to the start of any construction by, for example, holding project awareness meetings at local facilities to allow the public and the engineering, procurement and construction ("EPC") contractor(s) to meet. These meetings will serve several purposes, including the following: (i) communicating to the public the details of the construction activities, project schedule and sequencing and (ii) affording Grain Belt Express the opportunity to learn about local suppliers and service providers in the area that may be utilized on the Project. Grain Belt Express has committed to seek to maximize the use of local contractors and suppliers where practical and has already entered into an agreement with the Labor International Union of North America. Grain Belt Express expects to utilize union labor for the construction of the Project in Illinois.

86. Grain Belt Express's management team will assign a land liaison to the Project to communicate with landowners prior to entry on their properties, during construction operations and after construction activities are completed, to address any concerns and maintain consistent communications. These positions will be filled by employees who have experience in both the construction industry and, in this case, working knowledge of agriculture practices. This dual knowledge base will aid in conducting successful construction operations across agriculture lands.

87. The management team for Grain Belt Express will manage the conceptual design of the transmission line. Grain Belt Express will also manage the engagement of one or more EPC contractors to oversee the three major components of the Project development: the converter stations, the transmission line and the interconnection (both at the generators and at the point of interconnection with SPP, AECI, MISO and PJM). The EPC contractor(s) will manage subcontractors to meet project-specific goals on a schedule that Grain Belt Express manages and oversees.

88. Grain Belt Express has also engaged a number of engineering and construction contractors and consultants, including the following: (1) POWER Engineers, Inc. is providing transmission line engineering support, (2) Hanson Professional Services, Inc. is providing geotechnical investigation and foundation design services, (3) Transdesign International LLC is performing detailed structural designs and engineering services, (4) Hatch Associates Consultants, Inc. is developing HVDC models for the interconnection process, (5) Siemens PTI is assisting with the Planning Criteria Section 5.5 and Section 14 studies being conducted by SPP, (6) Quanta Electric Power Services, LLC entered into a development agreement under which it may perform development support, construction advice and engineering services, (7) WSP USA Inc. ("WSP") is consulting on route development and (8) Contact Land Staff, LLC and WSP are assisting with easement and rights-of-way acquisition.

89. Grain Belt Express has also entered into a Memorandum of Understanding with Hubbell Power Systems to supply conductor hardware and insulators. Grain Belt Express has designated Prysmian as a preferred supplier of conductors.

90. While Grain Belt Express is still in process of finalizing selection of all venders and suppliers, the selection of the aforementioned contractors and other contractors selected for the Phase I portion of the Project will guide selection of contractors for the Illinois portion.

91. NERC reliability standards are mandatory and enforceable (through the imposition of monetary penalties or other sanctions), pursuant to Section 215 of the Federal Power Act and regulations and orders of the FERC. Compliance with these standards is important to ensure the reliability of the bulk power system. Grain Belt Express expects to be registered on the NERC Compliance Registry for the reliability functions of a "Transmission Owner," a "Transmission Operator" and a "Transmission Service Provider" (depending on the nature of its arrangements with a third party or parties to operate the Project, which could result in some or all of the Transmission Operator or Transmission Service Provider functions being assigned to the third party). Therefore, Grain Belt Express will be subject to applicable requirements of one or more NERC reliability standards in some or all of the following categories: Resource and Demand Balancing; Communications; Critical Infrastructure Protection; Emergency Preparedness and Operations Procedures; Facilities Design, Connections and Maintenance; Interchange Scheduling and Coordination; Interconnection Reliability Operations and Coordination; Modeling, Data and Analysis; Personnel Performance, Training and Qualifications; Protection and Control; Transmission Operations; Transmission Planning and Voltage and Reactive Control. Grain Belt Express will be prepared to comply with the requirements of the reliability standards that are applicable to its activities.

92. Further, in connection with its current grant of authority by FERC to negotiate rates for transmission service, Grain Belt Express has committed to turn over operational control of the Project, including scheduling responsibilities, to an RTO (which will be SPP, MISO or PJM),

which will operate the transmission line pursuant to a FERC-approved non-discriminatory rate schedule filed under the RTO's Open Access Transmission Tariff ("OATT").[48]

93. In designing, constructing and operating the Project, Grain Belt Express will comply with: (1) the National Electrical Safety Code and the Commission's regulations at 83 Illinois Administrative Code Part 305, Construction of Electric Power and Communications Lines; (2) other applicable codes and standards; and (3) applicable NERC reliability standards. As discussed in paragraph 138 below, Grain Belt Express will also take appropriate steps to avoid or mitigate adverse impacts to landowner properties and, upon completion of construction activities, repair and restore any land that was disturbed during the construction process, including remediation of soil compaction and repair or replacement of drainage tiles.

### B. Grain Belt Express Is Capable of Financing the Construction of the Project Without Significant Adverse Financial Consequences to Its Customers or Investors Pursuant to § 8-406.1(f)(3)

94. As explained in more detail in the direct testimony of witness Rolanda Shine attached as Exhibit 4.0, Grain Belt Express is capable of financing the construction of the Project without significant adverse financial consequences to Grain Belt Express or its customers, as specified by § 8-406.1(f)(3) of the PUA. Grain Belt Express has access to the necessary financial resources to carry out the necessary development work for the Project prior to engaging in project-specific financings for the construction of the Project. Invenergy Renewable has sufficient capital resources to provide the funding necessary to enable Invenergy Transmission and its subsidiaries, to undertake the initial development and permitting work for the Project. Once the Project reaches an advanced state of development and licensing, Grain Belt Express can enter into project-specific

[48] *Grain Belt Express [_____] LLC*, 147 FERC ¶ 61,098, at PP 3, 13, 28, 31 and 32 (2014).

financing arrangements with investors and lenders to secure the capital needed to complete development and construction of the Project and place it into operation.

95. Invenergy Transmission and its affiliates have developed over 4,000 miles of transmission and collection lines, 88 substations, 96 generator step-up transformers and over 5,000 pad mount transformers over the past 20 years. This is in addition to developing over 191 large-scale clean power projects in the United States and globally, totaling 30 GW and representing $47 billion in completed transactions. Through these relationships, Invenergy Transmission will have access to significant amounts of expertise and capital. Invenergy Transmission's financing relationships include such institutions as Wells Fargo, MUFG, GE Capital, JP Morgan, Santander, Morgan Stanley, Natixix, Bank of America and Rabobank.

96. The projected cost to construct the total Project and place it into operation is approximately $4.95 billion (not including network upgrades). Grain Belt Express has a viable plan for raising the capital necessary to finance the cost of constructing the Project on a project financing basis. Specifically, after advancing development and permitting activities to a status at which developers of wind and solar generation facilities and other potential customers of the transmission line are willing to enter into commercial agreements for an undivided interest (purchase or lease) or long-term contracts for transmission capacity on the Project, Grain Belt Express will enter into such contracts with interested subscribers that satisfy necessary creditworthiness requirements. Grain Belt Express will then raise debt capital using the aforementioned contracts as security for the debt. Grain Belt Express may also raise additional equity capital.

97. Recent experience shows that significant amounts of liquidity exist in the capital markets for transmission projects that have reached an advanced stage of development. The capital

markets have a substantial history of supporting transmission projects, including merchant projects, and other infrastructure projects, through both debt financings (on a project finance basis) and equity investments. Numerous institutional lenders and investors have provided capital to transmission projects and other infrastructure projects and demonstrate continued interest in this sector. Invenergy Transmission has developed relationships with many of the major lenders and investors that have been involved in financing transmission projects, which will directly benefit Grain Belt Express.

98. Grain Belt Express proposes that the Commission adopt the following requirement:[49]

> Grain Belt Express will not install transmission facilities for Phase II of the Project on easement property until such time as Grain Belt Express has obtained commitments for funds in a total amount sufficient to finance the anticipated Phase II project cost. For the purposes of this condition:
>
> "install transmission facilities" shall mean to affix permanently to the ground transmission towers or other transmission equipment, including but not limited to bases, poles, towers and structures, such wires and cables as Grain Belt shall from time to time suspend therefrom, foundations, footings, attachments, anchors, ground connections, communications devices and other equipment, accessories, access roads and appurtenances, as Grain Belt may deem necessary or desirable in connection therewith, but shall not include (A) preparatory work such as surveys, soil borings, engineering and design, obtaining permits and other approvals from governmental bodies, acquisition of options and easements for right-of-way, installation of access roads and ordering of equipment and materials, and (B) site preparation work and procurement and installation of equipment and facilities on property owned in fee by Grain Belt Express including the converter station sites;
>
> "easement property" shall mean property on which Grain Belt Express has acquired an easement to install transmission facilities;
>
> "has obtained commitments for funds" shall mean (A) for loans and other debt commitments that Grain Belt Express has entered into a loan agreement(s) with a lender(s) and has received the loan funds or has the right to draw down the loan funds on a schedule that is consistent with the need for funds to complete Phase II of the Project, and (B) for equity, that Grain Belt Express or its parent company has received the funds from the equity investors or that the equity investors have

[49] These conditions are in addition to the conditions identified in Paragraph 139.

entered into a commitment to provide funds on a schedule that is consistent with the need for funds to complete Phase II of the Project; and

"total project cost" shall mean the total estimated remaining cost for Phase II of the Project, at the time that Grain Belt Express is prepared to begin to install transmission facilities, for the following Project activities: engineering, manufacturing and installation of converter stations; transmission line engineering; transmission towers; conductor; construction labor necessary to complete the Project; right of way acquisition costs; and other costs necessary to complete the Project. For reference, the total estimated project cost as of July 18, 2022 is $1.43 billion not including estimated costs for network upgrades.

To allow the Commission to verify its compliance with this condition, Grain Belt Express shall submit the following documents to the Director of the Financial Analysis Division and the Director of the Public Safety & Reliability Division at such time as Grain Belt Express is prepared to begin to install transmission facilities:

a) On a confidential basis, documents sufficient to demonstrate equity and loan or other debt financing agreements and commitments entered into or obtained by Grain Belt Express or its parent company for the purpose of funding the Project that, in the aggregate, provide commitments for funds for the total Phase II Project cost;

b) An attestation certified by an officer of Grain Belt Express that Grain Belt Express has not, prior to the date of the attestation, installed transmission facilities on easement property; or a notification that such installation is scheduled to begin on a specified date;

c) A statement of the total project cost, broken out by the components listed in the definition of "total project cost," above, and reviewed by an officer of Grain Belt Express, along with a reconciliation of the total project cost in the statement to the total project cost as of July 18, 2022 of $1.43 billion (not including estimated costs for network upgrades); and

d) A reconciliation statement, certified by an officer of Grain Belt Express, showing that the agreements and commitments for funds provided in (a) are equal to or greater than the total project cost provided in (c).

In addition, regarding the submission of documents the following is proposed.

Grain Belt Express is directed to submit certain documents "to allow the Commission to verify its compliance with [the financing] condition." In order to avoid any unnecessary delay and also to ensure proper Commission oversight of Grain Belt Express's fulfillment of this requirement of its CPCN prior to construction of the line, Grain Belt Express is directed to submit a compliance filing in this docket, to be served on all the parties and reviewed by the Illinois Commerce

Commission's Director of the Financial Analysis Division and the Director of Public Safety & Reliability Division.

99. Implementation of the financing requirement set forth in Paragraph 98 above will ensure that Grain Belt Express will be precluded from beginning to install transmission facilities on easement properties in Illinois unless and until Grain Belt Express has secured sufficient debt and equity financing and financing commitments to fund the entire construction cost of Phase II of the Project. The financing requirement will protect Grain Belt Express's investors and customers, as well as Illinois ratepayers and the landowners whose properties will be crossed by the transmission line, from "significant adverse financial consequences." 220 ILCS 5/8-406.1(f)(3).

100. The above financing requirement and condition was approved by the Commission in the Commission's 2015 Order granting a certificate of public convenience and necessity to Grain Belt Express Clean Line LLC.[50]

## IX. THE ROUTE AND DESIGN CHARACTERISTICS OF THE PROJECT

### A. The routing design process and Proposed Route

101. The Project will have a nominal operating voltage up to ±600 kV but no less than 345 kV. The Proposed Route of the Project will traverse approximately 207 miles in Illinois. The Project will originate in Ford County, Kansas, where its western AC-to-DC converter station will be located. From the converter station, the transmission line will cross northern Kansas and northern Missouri, to a DC-to-AC converter station and a delivery point into the MISO and/or AECI grids in Missouri. The transmission line will then proceed to cross the Mississippi River approximately 2.5 miles south of Saverton, Missouri, and enter Illinois approximately 6.5 miles

[50] *Grain Belt Express Clean Line LLC*, Docket 15-0277, Order issued November 12, 2015, at 148–49, 157.

west of New Canton, Illinois, in Pike County. The transmission line will proceed easterly approximately 207 miles through Illinois, crossing Pike, Scott, Greene, Macoupin, Montgomery, Christian, Shelby, Cumberland and Clark Counties. The 207-mile Proposed Route in Illinois consists primarily of an HVDC transmission line and includes approximately three to eight miles of an AC transmission line. The AC line will run from a converter station proposed in Clark County, Illinois—where current will be converted between DC and AC—to the Indiana border. The Project will continue approximately two miles in Indiana to the AEP Sullivan Substation in Sullivan County, Indiana, where it will interconnect with the PJM grid and the AEP 345 kV transmission system. The HVDC portion of the transmission line will terminate at the converter station to be located in Clark County, Illinois and a double circuit 345 kV AC line will be constructed from the converter station approximately two miles to the point of interconnection at the AEP Sullivan Substation.

102. As required by § 8-406.1(a)(1)(B)(viii) of the PUA, Grain Belt has identified and provided in this filing a primary right-of-way (route) and an alternate right-of-way (route) for the Project, referred to herein as, respectively, the Proposed Route and the Alternate Route. The Proposed Route and the Alternate Route are also referred to as the "2022 Proposed Route" and the "2022 Alternate Route," respectively. **Attachment 4** contains the legal description of the Proposed Route of the Project in Illinois from the Mississippi River to the converter station in Clark County, Illinois ("DC Section") and from the converter station to the Illinois-Indiana border ("AC Section"). **Attachment 4** also contains the legal description of the Alternate Route of the Project in Illinois from the Mississippi River to the converter station in Clark County, Illinois and from the converter station to the Illinois-Indiana border.

103. **Attachment 5** is a summary-level set of maps showing the Proposed Route and the Alternate Route for the Project for both the DC Section and the AC Section.

104. The following attachments to this Application provide additional information concerning the Proposed Route and the Alternate Route of the Project in Illinois:

a. **Attachment 6** contains, as required by the Commission's regulations at 83 Ill. Admin. Code §305.50, a map (plat) of the Proposed Route of the Project showing the following information:

(i) the location of the transmission line along the entire length of the Proposed Route in Illinois;

(ii) the locations of railroad tracks, electric supply lines, and communications lines that will be crossed by the Proposed Route;

(iii) the locations of all other railroads, electric supply lines, and communications lines located within one-half mile of the Proposed Route; and

(iv) the names of the entities owning or operating the railroads, electric supply lines, and communications lines (items (ii) and (iii) above) shown on the map.

**Attachment 6** also shows this information for the Alternate Route in Illinois.

b. **Attachment 7** is a list of the names and addresses of the electric service providers, telecommunications companies, pipelines and railroads whose lines will be crossed by, or will be paralleled within one-half mile by, either the Proposed Route or the Alternate Route of the Project, and to whom Grain Belt Express is providing notice of the filing of this Application for a Certificate of Public Convenience and Necessity, as specified by 83 Ill. Admin. Code §305.60.[51]

c. **Attachment 8** is a list of the names and addresses of all counties, townships and municipalities that will be crossed by the Proposed Route or the Alternate Route of the Project, and of the operators of airports and registered landing areas located near the Proposed Route or the Alternate Route, and on which Grain Belt Express is serving notice of the filing of this Application.

[51] Grain Belt Express will provide notice of the filing of this Application to the entities listed on **Attachments 7, 8** and **9** promptly after the Petition is filed and a docket number is obtained and will file an affidavit stating that notice has been served on these entities.

d. **Attachment 9** is a list of the names and addresses of federal and other State of Illinois departments and agencies on which Grain Belt Express will serve notice of the filing of this Application.

105. Beginning in 2012, Grain Belt Express, via its previous owner, conducted an extensive, methodical, multi-level public outreach and information collection process to determine the 2015 Proposed Route and the 2015 Alternate Route for the Project in Illinois. The route determination process involved an extensive governmental and public outreach process to engage as many stakeholders as possible, provide them with information on the Project and obtain their input relating to the route development process and related matters (including permitting requirements and other concerns of federal and state departments and agencies and of local governments). It also involved identification and investigation of a large number of possible routes and route segments to arrive at the 2015 Proposed Route and the 2015 Alternate Route.

106. Within the State of Illinois, the 2015 route determination process began in 2012 with the identification of a Study Area from the Mississippi River crossing point to the planned converter station location in Clark County and continuing from there to the Illinois-Indiana border, within which the Project would be located. Numerous Conceptual Routes within the Study Area were identified and were evaluated and refined to arrive at a set of Potential Routes. This analysis led to the identification of a set of route segments, referred to as Alternative Routes, for the direct current portion of the transmission line in Illinois and continuing for the alternating current portion of the transmission line from the anticipated Clark County converter station site to the Illinois-Indiana border. These Alternative Routes were evaluated in detail using an extensive set of routing criteria. The result of this process was the identification of the 2015 Proposed Route and the 2015 Alternate Route of the Project in Illinois, which Grain Belt Express Clean Line LLC presented in its application to the Commission in 2015.

107. The Commission approved the 2015 Proposed Route with one significant modification referred to as the "Rex Encore Modification" in Pike County (discussed more below in Paragraph 111(a)), which was proposed at the time by two landowners who intervened in the 2015 proceedings. The route that the Commission approved in 2015, including the Rex Encore Modification, is referred to herein as the "2015 Approved Route." [52]

108. In 2022, the Routing Team began its analysis by reviewing the 2015 Proposed Route, the 2015 Alternate Route and the 2015 Approved Route and evaluating for potential updates and required modifications. The Routing Team engaged in an iterative process to re-evaluate those routes to determine if any modifications were necessary. The direct testimony and exhibits of Grain Belt Express witnesses Brad Pnazek and Jay Puckett filed contemporaneously with this Application provide detailed information on the government and public outreach process and the route determination process that Grain Belt Express followed in 2022 and the basis for the updated 2022 Proposed Route and the 2022 Alternate Route for the Project in this proceeding.

109. The governmental and public outreach process in 2022 included numerous meetings with representatives of federal and State of Illinois government departments and agencies and with officials of local government entities. The public outreach effort also included three rounds of public meetings in each Illinois county that could be crossed by potential routes under evaluation, as required by § 8-406.1(a)(3) of the PUA. The three rounds of public meetings were all held within the six-month period prior to the filing of this Application. At the public meetings, members of the public could obtain information about, and provide input on, the proposed Project and the routes under consideration.[53]

[52] *Grain Belt Express Clean Line LLC*, Docket 15-0277, Order issued November 12, 2015, at 209.

[53] Additional information about the public meetings is provided in Section X, below.

110. Grain Belt Express Exhibit 7.3, sponsored by James Puckett, is the Grain Belt Express 2022 Illinois Route Selection Study Addendum ("2022 Routing Study Addendum"), which explains in detail the processes used to develop the 2022 Proposed Route and 2022 Alternate Route in Illinois, the factors considered in determining these routes and the basis for selection of the 2022 Proposed Route and the 2022 Alternate Route in Illinois. The 2022 Routing Study Addendum incorporates the 2015 Illinois Route Selection Study submitted with the Grain Belt Express Clean Line 2015 Application and incorporates the iterative process used to determine the 2015 Proposed Route and 2015 Alternate Route. After the significant outreach and study in support of this Application described in the testimony of Brad Pnazek and Jay Puckett, the Routing Team made some minor revisions to the 2015 Proposed Route and the 2015 Alternate Route to develop the 2022 Proposed Route and the 2022 Alternate Route described in the 2022 Routing Study Addendum. The 2022 Proposed Route and the 2022 Alternate Route are described on Attachment 4 (legal description) and Attachments 5 and 6 (maps) to this Application.

**B. The revisions to the 2015 Proposed Route resulting in the 2022 Proposed Route**

111. Three primary sources of information were used to identify potential revisions to the 2015 Proposed Route: (1) the Commission's analysis in approving in the 2015 Approved Route; (2) updated datasets used for the Project (including aerial imagery and information on state-owned conservation lands) and (3) discussions with individual landowners along the 2015 Approved Route during the 2015 and 2022 routing process. The majority of revisions to the 2015 Proposed Route and 2015 Alternate Route are minor and involve a small number of landowners, but they reduce potential impacts from routing the transmission line on individual properties and

resources. Those revisions to the 2015 Proposed Route, which result in the 2022 Proposed Route, are summarized as follows and explained in more detail in the 2022 Routing Study Addendum:[54]

(a) Reroute A-1 incorporates the "Rex Encore Modification," which is in Pike County. This modification was adopted to the 2015 Proposed Route by the Commission in its 2015 Approved Route in response to suggestions made by intervening impacted landowners who advised that the modification would move the 2015 Propose Route closer to the edge of their parcels and would reduce impacts to managed wildlife habitat and farming operations. The Rex Encore Modification adopted in the 2022 Proposed Route is consistent with the modification adopted in the 2015 Approved Route. Because it is a modification to the 2015 Proposed Route, it is identified as Reroute A-1 to the 2015 Proposed Route in the 2022 Route Selection Study.

(b) Reroute A-2 is directly east of the Rex Encore Modification in Pike County. Impacted landowners communicated during the public meeting process that they preferred this modification because it sites the Proposed Route to the northern edge of their properties instead of the southern edge of their properties and would have a lower impact on their farming and recreational activities.

(c) Reroute A-3 is south of Glasgow. The impacted landowner suggested the modification to reduce impacts to relatively contiguous forested areas and proximity to a residence. The Routing Team determined that the proposed modification would require approximately 30% less tree clearing and have a significantly greater length parallel to parcel boundaries. The modification better preserves the intact forested areas, reduces tree clearing, increases distance from a neighboring residence and avoids crossing a pond near that residence.

(d) Reroute A-4 is about seven miles east of Roodhouse. The impacted landowner requested the modification to reduce tree clearing in prime recreational forest and to take advantage of higher ground on that part of their parcel. The Routing Team agreed with this suggestion and also determined that the modification would move the Proposed Route further from a residence and closer to parcel boundaries.

(e) Reroute A-5 is about a mile northeast of Scottville. The Routing Team identified a new gas pipeline infrastructure potentially interfering with the path of the 2015 Proposed Route. Further, the impacted landowner suggested a minor modification to structure placement that would have a lower impact on their agricultural operations. The Routing Team developed this modification to avoid potential impacts with the gas pipeline infrastructure and to reduce overall impacts to the agricultural operations identified by the landowners. The modification additionally aligns with more parcel boundaries and avoids a turn that exceeded 90 degrees and may not have been feasible from an engineering perspective.

[54] The proposed revisions to the 2015 Alternate Route resulting in the 2022 Alternate Route are also set forth in detail in the 2022 Routing Selection Study Addendum.

(f) Reroute A-6 is approximately 5.5 miles west of Virden in Macoupin County. The Routing Team developed this modification to increase distance to a residence from 260 feet to 420 feet, reduce overall tree clearing by over 60% and to preserve the existing visual screening provided by trees between that residence and the Proposed Route.

(g) Reroute A-7 is south of Virden. This modification straightens the alignment, eliminates one mile of the Proposed Route crossing agricultural fields, has nearly its entire length along parcel boundaries, is 14% shorter and has two fewer heavy angles.

(h) Reroute A-8 is in Cumberland County. Two impacted landowners suggested this modification to even out the distance of the Proposed Route traversing between their two residences, preserve a large old tree with sentimental value and slightly reduce overall tree clearing.

(i) Reroute A-9 is approximately five miles southeast of Casey in Clark County. This modification shifts the Proposed Route south by about .25 miles for a length of 1.5 miles before angling back to the north and rejoining the 2015 Proposed Route. This modification avoids crossing a large parcel that is in the permanent Wetland Reserve Program. This modification also has more access points, is directly adjacent to a road and has approximately 33% less tree clearing.

112. As detailed in the 2022 Illinois Route Study Addendum, the Proposed Route described on **Attachment 4** and depicted on **Attachments 5** and **6** best meets the overall objective of minimizing impacts on the natural environment (including wetlands and other environmentally-sensitive areas, threatened and endangered species and scenic areas) and human environment (including residences, populated areas, agricultural and mining uses and recreational areas), and on historic and cultural resources, while making the best use of existing divisions of land and other routing opportunities (such as paralleling existing transmission lines and other existing infrastructure) and avoiding costly, non-standard design and construction requirements. In addition, the Proposed Route has a lower estimated construction cost than the Alternate Route. The Proposed Route is the best route for the Project in Illinois when all of the applicable Routing Criteria are taken into consideration.

**C. Description on the Proposed Route's minimal overlap with the Alternate Route and the good cause for such overlap.**

113. The 2022 Alternate Route overlaps the 2022 Proposed Route minimally in Pike and Scott Counties to (1) reduce impacts to landowners, (2) avoid concentrated areas of residences and municipalities and (3) share a known crossing of the Illinois River with six existing gas pipelines (which reduces impacts to the Illinois River and surrounding bluffs and floodplains and minimizes risk of impacts to archeological resources). Specifically, the 2022 Alternate Route overlaps a total of only 16.3 miles with the 2022 Proposed Route, which comprises a small portion (about 7.6%) of the total 2022 Alternate Route alignment.

114. The overlap occurs entirely in the Reroute B-1 modification by relocating the 2022 Alternate Route north of the 2022 Primary Route. As explained above, this Route Modification significantly minimizes impacts to forested, environmentally sensitive and recreational areas in southern Pike County, which consist of more densely forested areas along the Mississippi River bluffs. It also tracks with recent regulatory direction in the Illinois Climate and Equitable Jobs Act.

115. Overlap is necessary in three specific areas. The first area of overlap is required at the crossing of the Mississippi River from Missouri into Illinois. Both Proposed and Alternate Routes traverse the river with a structure on Jim Young Island and proceed into Pike County for approximately 2,180 feet from the shore of the river, at which point the Proposed and Alternate Routes diverge. This overlap is necessary because the transmission line must enter Illinois at this point and will utilize the Jim Young Island to traverse the Mississippi River. The transmission line then must proceed across Jim Young Chute Road in a northeasterly direction and to a location where it can angle eastward. At that angle point, the lines diverge.

116. The second overlap is necessary to circumvent Pittsfield. The west-to-east path of the Alternate Route requires that it drop south and converge with the Proposed Route just west of

Pittsfield and east of U.S. Route 54. The Proposed and Alternate Routes overlap for about 4.1 miles as they circumvent Pittsfield to the south until a point just south of Pittsfield, where the Proposed Route angles southeast and the Alternate Route proceeds east and then slightly northeast as it circles around Pittsfield. This overlap is necessary for the Alternate Route to avoid the densely populated area of Pittsfield. Traversing to the north of Pittsfield is also not a viable option. The area to the north of Pittsfield is more densely populated and has an airport and a lake (Lake Pittsfield) that would interfere with a transmission line siting and require significantly more mileage and hard angles.

117. The third overlap is necessary to circumvent Milton and Glasgow and to cross the Illinois River. Going west to east, the Proposed and Alternate Routes converge southwest of Milton on the west side of the Illinois River, traverse south of Milton and across the Illinois River, traverse south of Glasgow on the east side of the river, and then diverge to the southeast of Glasgow. The Proposed and Alternate Routes overlap for 11.4 miles. This overlap is necessary for the Alternate Route to avoid the wooded bluffs of the Illinois River and to cross the Illinois River at a known good crossing point along with the Proposed Route at an established utility corridor, sharing the crossing of the river with six gas pipelines. This shared crossing minimizes impacts to the river, the river bluffs and floodplain and ensures that the areas have already been surveyed for archaeological resources, which is an important factor to consider all along the Illinois River floodplain. The overlap is also necessary to minimize impacts to Milton, which the Alternate Route avoids.

118. To the east of the river after the crossing, the Proposed and Alternate Routes overlap to minimize impacts to the Illinois River floodplain and bluffs, to stay south of an airport and to stay south of Glasgow. Just southeast of Glasgow, the lines diverge with the Alternate Route

dropping south of White Hall into Greene County before traversing east and the Proposed Route continuing east on the north side of Barrow.

119. To avoid any overlap at the river crossing, the Alternate Route would likely need to traverse north of Milton, through the more heavily wooded river bluffs west of the river, cross the river at a site with unknown potential environmental or archaeological impacts or engineering challenges, continue east after the crossing through a wider swath of the floodplain before traversing south and splitting the distance between Glasgow and Alsey. This would add mileage to the route, increase impacts to landowners and increase uncertainty in engineering. It would also require two utility crossings of the Illinois River within approximately three miles of each other.

120. The overlap described above is minimal in the context of the entire transmission line in Illinois and is consistent with the statutory mandate that Grain Belt Express present a "primary right-of-way and one or more alternate rights-of-way for the Project as part of the filing" under 220 ILCS 5/8-406.1(a)(1)(viii). Grain Belt Express has done that.

121. However, if this Commission requires a showing of good cause under 220 ILCS 5/8-406.1(a)(1)(viii) for the overlap described above, that showing of good cause is met. There are no viable alternate routes within the right-of-way width necessary to accommodate the Project in those three areas identified above. Any alternates would more significantly impact environmental and recreational resources (including multiple utility crossings of the Illinois River and impacts to the river bluffs and floodplain), may displace residences and would require excessive line length or engineering challenges. The presented Alternate Route, even with the overlap of the Proposed Route, is the most viable and rational alternate to the Proposed Route. In addition, Grain Belt Express is filing its CPCN Application as a Qualified Project and, as

previously mentioned, new statutory direction indicates that in order to do so, the route should pass through Scott County, which the 2015 Alternate Route did not.

**D. Anticipated Structures and Converter Station**

122. In accordance with the AIMA that Grain Belt Express has signed with the IDOA, the Project will utilize a concrete foundation or embed type foundations that are typical of single pole and lattice mast type structures. (**Attachment 10** to this Application is a copy of the AIMA.) Unless negotiated by the landowner, Grain Belt Express will not utilize multi-foundation lattice type structures, though such structures may be used for turns, heavy angles, corners, long spans (such as river crossings) and situations where specific engineering, environmental challenges and/or terrain/soil constraints are present as established in Section 1 of the AIMA. Typical structure heights between 100 and 140 feet are expected with the precise height being specified based on topography, structure type and span length and other design requirements. Taller structures may be required at river crossings and in certain other situations such as where longer span lengths are required. It is anticipated that the pier sizes will vary in diameter from 8 feet to 12 feet for the lattice mast or monopole structures and 4 feet to 6 feet for each pier of the lattice structures. The transmission line will be bipolar with in a triple bundle configuration for the pole conductors, two dedicated metallic return conductors (one conductor on each side of the transmission structure), and two optical ground wires ("OPGW") for communication and lightning protection. Typical span lengths will be 1,000 feet with a maximum span length of 1,200 feet between lattice mast or monopole single-pier structures, with shorter or longer span lengths where warranted by conditions in specific locations. Final engineering is typically completed after a final route has been approved by regulatory authorities, so the design could change slightly at that time or based upon further optimization studies.

123. The Project is anticipated to include three converter stations. One converter station will be located in Ford County, Kansas, and will convert electricity delivered through the surrounding grid to this converter station from AC to DC. The second converter station will be located in Missouri and will convert electricity from DC to AC for delivery into the MISO-Ameren and/or AECI grids. The third converter station will be located near West Union in Clark County, Illinois, and will convert electricity transmitted by the Project from DC to AC for delivery to the PJM grid at AEP's Sullivan Substation. Based on the anticipated pathway of the Proposed Route and Alternate Route going into the known Sullivan Substation, Grain Belt Express expects to site the converter station on one or more parcels in Clark County, Illinois.

**E. The Project's need for a "Right-of-Way Corridor" with sufficient flexibility to construct the Project with minimal impacts to landowners**

124. In 2015, the Commission authorized Grain Belt Express Clean Line LLC to construct the Project mainly with 200-foot permanent easements, with the exception of four locations identified by Grain Belt Express Clean Line LLC that would require between 275-foot and 300-foot permanent easements due to atypical span to accommodate terrain features, land considerations and other local factors. *Grain Belt Express Clean Line LLC*, Docket 15-0277, Order issued November 12, 2015, at 180–81, 209–10. The Commission also approved 50-foot temporary construction easements in locations where necessary to accommodate construction. *Id.* at 210. The Commission also approved temporary easements of up to 140 feet beyond the 100-foot permanent easement on one side of a turning structure to accommodate the stringing of the conductor at locations along the route where a major (15 to 90 degree angle) turning structure was required. *Id.* at 210.

125. Around the time of the Commission's order in Docket 15-0277, the Commission began observing the benefits of more flexibility in permanent easement siting. On September 16,

2015, in Docket 14-0514, the Commission granted a CPCN to Ameren Transmission Company of Illinois ("ATXI") to develop the Illinois Spoon River Project. In that order, the Commission observed the reasonableness in allowing flexibility for siting the permanent easement for the transmission line in coordination with specific landowner requests and interests. Specifically, the Commission advised ATXI to adjust pole placement on a landowner's property where feasible and appropriate to address specific landowner concerns and, to the extent feasible, to mitigate landowner concerns about proximity to field entrances, fences or other structures to assure farm equipment can reasonably maneuver around it. *Ameren Transmission Co. of Illinois*, Docket 14-0514, ICC Order issued September 16, 2015, at 43–44. The Commission further advised that ATXI should make adjustments for other similar pole placement concerns to avoid placement of a pole inside the arc of an existing or soon-to-be-constructed center pivot irrigation system. *Id.*

126. Following the order in Docket 14-0514, the Commission approved in several dockets the flexibility for transmission line developers when feasible and consistent with the Commission-approved route location, or by agreement of affected landowners, to make adjustments to the transmission line's route alignment or pole locations without need for further Commission Approval. *Ameren Illinois Company d/b/a Ameren Illinois*, Docket 21-0551, ICC Order issued January 5, 2022, at 11 (allowing such flexibility for AIC as "reasonable"); *Ameren Illinois Company d/b/a Ameren Illinois*, Docket 18-0455, ICC Order issued October 10, 2018, at 19 (same).

127. In this Docket, Grain Belt Express is again requesting authority to obtain up to a 200-foot permanent easement for the majority of the Project, with the exception of locations that require an atypical span to accommodate terrain features, land considerations and other local factors, in which case Grain Belt Express requests authority to obtain a permanent easement up to

300 feet.[55] Grain Belt Express also requests the authority to obtain 50-foot temporary construction easements in locations where necessary to accommodate construction. Grain Belt Express requests authority to obtain temporary lay-down easements along the approved route where materials will be staged. Materials will then be moved to the structure location according to the build schedule. Grain Belt Express is also requesting authority to obtain temporary easements of up to 600 feet beyond the 100-foot permanent easement on one side of a turning structure to accommodate the stringing of the conductor at locations along the route where a major (15 to 90 degree angle) turning structure was required. Grain Belt Express commits to obtaining the narrowest easement possible consistent with safety and reliability standards. This ROW width is needed for the up to ±600 kV HVDC transmission line in the direct current section and for the double-circuit 345 kV transmission line in the alternating current section to maintain adequate clearances and for vegetation management and access purposes, in accordance with the National Electrical Safety Code, the Commission's regulations at 83 Ill. Admin. Code Part 305, applicable NERC standards and applicable industry codes and standards.

128. As set out in this Application and the witness testimony, Grain Belt Express is committed to working with landowners to mitigate the impact of the Project on their interests. As was granted in Dockets 14-5014, 18-0455, and 21-0551, Grain Belt Express requests the authority to adjust the Project's route alignment or pole locations when feasible and consistent with the Commission-approved route location or by agreement of all affected landowners without the need for further Commission approval.

[55] Such locations have not been determined yet and are subject to final engineering and design.

129. Consistent with the flexibility required to mitigate impact to individual landowners upon final engineering and construction of the Project, Grain Belt Express requests that the Commission approve a larger "Route Corridor" for the approved route within which Grain Belt Express must site its permanent easement. Specifically, Grain Belt Express requests that the Commission authorize Grain Belt Express to locate the permanent easement anywhere within 500 feet on either side of the centerline of the approved route. Accordingly, the "Route Corridor" is defined as 1,000 total feet wide, with 500 feet extending on either side of the centerline of the approved route. Importantly, the permanent easement will remain the narrowest easement possible consistent with safety and reliability standards not to exceed 200-feet wide in most places, but the permanent easement may be located anywhere within the 1,000-foot wide Route Corridor without seeking additional Commission approval. Landowners within the entire Route Corridor for both the Proposed Route and the Alternate Route will be notified of this Application pursuant to 83 Ill. Adm. Code § 200.150(h). Attachment 13 lists the contact information for each of those landowners pursuant to 83 Ill. Adm. Code § 200.150(h).

130. A similar flexibility has been allowed in Kansas and Missouri. In Kansas, an applicant for a siting permit for a transmission line must notify all landowners within 660 feet of either side of the approved centerline of a route under K.S.A. § 66-1,178(a)(2) and 66-1,179. Grain Belt Express notified all landowners within 1,000 feet of either side of the centerline. The Kansas Corporation Commission ("KCC") granted a Siting Permit to Grain Belt Express Clean Line LLC (which has been assigned to Grain Belt Express) on November 7, 2013 that stated the following:

> Approval of the siting permit is expressly conditioned on Grain Belt Express's continued flexibility in working with all affected landowners. The Commission approves minor adjustments to the location of the line as necessary to minimize landowner impact but

> requires material, major adjustments, and any such adjustments for which landowners would not have received notice, be approved by the Commission before implementation.

*In re Application of Grain Belt Express Clean Line LLC for a Siting Permit*, Docket No. 13-GBEE-803-MIS, Order dated November 7, 2013, at ¶ 58. Because Grain Belt Express notified landowners within 1,000 of the centerline, the KCC's Order dated November 7, 2013 authorizes minor adjustments up to 1,000 feet on each side of the centerline without additional approval by the KCC.

131. In Missouri, the Missouri Public Service Commission ("MPSC") authorized the following in its Report and Order on Remand Effective April 19, 2019:

> The certificate is limited to the construction of this line in the location specified in the application, and as represented to the landowners on the aerial photos provided by Grain Belt, unless a written agreement from the landowner is obtained, or the company gets a variance from the Commission for a particular property, provided, however, minor deviations to the location of the line not exceeding 500 feet will be permitted as a result of surveying, final engineering and design, and landowner consultation, so long as the line and required easements stay within the property boundaries of that landowner and do not involve a new landowner.

*In re Application of Grain Belt Express Clean Line LLC for a CCN*, File No. EA-2016-0358, Report and Order on Remand effective April 19, 2019, Exhibit 206, Condition VII(1). Pursuant to this condition, the MPSC has authorized a route corridor that is 1,000 feet wide (500 feet on each side of the centerline) in which Grain Belt Express may modify the route without obtaining additional approval by the MPSC.

132. In this Docket, Grain Belt Express is requesting a 1,000-foot Route Corridor in which to locate the permanent easement. This is the same width approved by the MPSC and

smaller than the width approved by the KCC. This Route Corridor will add flexibility to minimize landowner impacts. For example, if the centerline of the Route Corridor sits on a property boundary between northern and southern properties, the Route Corridor likely allows Grain Belt Express to locate a 200-foot permanent easement on either the north property or the south property without obtaining additional Commission approval. If the north property is interested in participating in the Project and the south property is not, then Grain Belt Express can locate the permanent easement mostly consistent with those landowners' preferences without seeking additional approval. The Project can cross between north and south properties on the property boundary as it traverses west to east according to landowners wishes, thereby minimizing impact to property owners that do not want to participate in the Project.

133. The Route Corridor also allows Grain Belt Express more flexibility to site the permanent easement according to final engineering and design standards and environmental and territorial constraints without seeking final approval. Grain Belt Express is more likely able to navigate around bodies of water, wetlands, center pivot irrigation systems, agricultural structures (for example barns, field entrance and fences) and other environmental challenges without seeking Commission approval.

134. Grain Belt Express will attempt to acquire all necessary easements in Illinois through voluntary negotiations and transactions with landowners. Grain Belt Express is not requesting eminent domain authority at this time. Grain Belt Express will not request eminent domain authority from the Commission to acquire easements on specific parcels unless and until Grain Belt Express has exhausted reasonable efforts to acquire the easements through voluntary transactions.

135. **Attachment 11** is a copy of the Informational Packet for the Project that Grain Belt Express is hereby filing with the Commission in accordance with 83 Illinois Administrative Code § 300.20. **Attachment 12** is a copy of the form of letter that will be sent to all landowners with whom Grain Belt Express will seek to negotiate for the acquisition of land and land rights along the route of the Project. In negotiating with landowners, Grain Belt Express will follow the requirements of the Commission's regulations at 83 Illinois Administrative Code §300.30.

136. **Attachment 13** is a list containing the names and addresses of the record owners of each parcel of land that will be crossed by the Proposed Route or the Alternate Route of the Project in Illinois, as shown on the records of the tax collector for the applicable county within the 30 days preceding the filing of this Application, as required by 83 Illinois Administrative Code §200.150(h). In order to provide for more complete notification to landowners, where necessary, Grain Belt Express has also provided revised or amended landowner names and addresses that were incomplete or missing on the records of the county tax collector, based on additional name and address information obtained by Grain Belt Express.

137. **Attachment 14** is a proposed notice of the initial hearing in this proceeding to be issued by the Chief Clerk of the Commission.

138. In constructing the Project across agricultural properties in Illinois, Grain Belt Express will take appropriate steps to prevent adverse impacts to agricultural lands, including steps to prevent or mitigate soil erosion, soil compaction, damage to or interference with drainage tiles, and interference with irrigation systems, and to remediate such impacts should they occur. Many of these steps are memorialized in the AIMA (**Attachment 10** to this Application), which will be incorporated into each easement agreement between Grain Belt Express and a landowner.

139. In addition, per AIMA direction, Grain Belt Express will (i) avoid the use of guy wires to the extent feasible and, if guy wires are used, they will be marked with highly visible guards; and (ii) make a good faith effort to negotiate with landowners regarding the specific placement of the transmission line and structures on their property as appropriate, considering impacts of any placement changes on neighboring parcels and considering other routing criteria so as to minimize the overall impacts to aerial spraying activities along the route of the Project in Illinois.[56]

## X. GRAIN BELT EXPRESS HAS MET OR WILL MEET THE PUBLIC MEETING, FILING AND OTHER REQUIREMENTS OF § 8-406.1(a), (d) AND (e) OF THE PUBLIC UTILITIES ACT.

140. Section 8-406.1(a) of the PUA requires that the applicant include with its application under that Section certain information regarding the high voltage transmission line project for which the applicant seeks approval, to provide certain notice of the project, and to conduct specified public meetings concerning the project. Grain Belt Express has complied with these requirements. **Attachment 15** to this Application is a schedule identifying where the information specified in § 8-406.1(a)(1) is located in this Application or in Grain Belt Express's direct testimony and exhibits that are being filed contemporaneously with this Application.

141. Concurrently with this filing, Grain Belt Express is providing to the Chief Clerk of the Commission an application fee of $100,000 to be paid to the Public Utility Fund, pursuant to § 8-406.1(a)(2) of the PUA.

142. Grain Belt Express held three rounds of pre-filing public meetings to receive public comments concerning the Project in each of the counties through which the Proposed Route of the Project will run in Illinois. Specifically, public meetings were held in the following counties:

[56] These conditions are in addition to the financial conditions proposed in Paragraph 98.

Christian, Clark, Cumberland, Greene, Macoupin, Montgomery, Pike, Scott and Shelby. A total of 27 public meetings were held in these counties. The first round of public meetings was held on dates during the weeks of February 6-12 and February 13-19, 2022; the second round of public meetings was held on dates during the weeks of March 6-12 and March 13-19, 2022; and the third round of public meetings was held on dates during the weeks of April 3-9 and April 10-16, 2022. All of these dates are within the six-month period preceding the date of filing of this Application. Grain Belt Express published notice of each public meeting in at least one newspaper of general circulation in the county in which the public meeting was to be held, once a week for at least three consecutive weeks, beginning no earlier than one month prior to the first public meeting. Grain Belt Express also provided written notice of the public meetings, including a description of the Project, to the Clerk of each of the above-listed Counties in which the public meetings were held. Additionally, by letter to the Executive Director of the Commission, Grain Belt Express invited representatives of the Commission to attend the public meetings. Further details of the public meetings, including the specific dates and copies of the newspaper publication notices and other notices, are provided in the direct testimony and exhibits presented by Grain Belt Express witness Brad Pnazek attached as Exhibit 2.0 to this Application.

143. Grain Belt Express will publish notice of this filing in the official State newspaper within ten days following the date this Application is filed, in accordance with § 8-406.1(d).

144. Grain Belt Express established a dedicated website for the Project at www.GrainBeltExpress.com at the beginning of Project development in 2010, and it has continually updated the website since that date and will maintain the website until construction of the Project is complete, in accordance with § 8-406.1(e). Grain Belt Express has included, and will continue to include, the website address in public notices related to the Project.

145. Grain Belt Express has also established a Project hotline at (866) 452-4082, a Project mailing address at offices in Kansas and Missouri, a Project e-mail address at connect@grainbeltexpress.com, a comment portal on the Project website, and a presence on social media at Facebook.com/GrainBeltExpress.

## XI. GRAIN BELT EXPRESS REQUESTS AN ORDER PURSUANT TO § 8-503 AND § 8-406.1(i) OF THE PUBLIC UTILITIES ACT AUTHORIZING GRAIN BELT EXPRESS TO CONSTRUCT THE PROJECT

146. In addition to requesting a Certificate of Public Convenience and Necessity pursuant to § 8-406.1 of the PUA to construct, operate and maintain the Project, Grain Belt Express is also requesting an order pursuant to § 8-503 of the PUA authorizing Grain Belt Express to construct the Project. Section 8-503 states in pertinent part:

> Whenever the Commission, after a hearing, shall find that additions, extensions, repairs or improvements to, or changes in, the existing plant, equipment, apparatus, facilities or other physical property of any public utility or of any 2 or more public utilities are necessary and ought reasonably to be made or that a new structure or structures is or are necessary and should be erected, to promote the security or convenience of its employees or the public or promote the development of an effectively competitive electricity market, or in any other way to secure adequate service or facilities, the Commission shall make and serve an order authorizing or directing that such additions, extensions, repairs, improvements or changes be made, or such structure or structures be erected at the location, in the manner and within the time specified in said order.

147. Additionally, § 8-406.1(i) of the PUA provides:

> Notwithstanding any other provision of this Act, a decision granting a certificate under this Section shall include an order pursuant to Section 8-503 of this Act authorizing or directing the construction of the high voltage electric service line and related facilities as approved by the Commission, in the manner and within the time specified in said order.

148. As explained more above, the criteria to satisfy § 8-503 is duplicative of the criteria to satisfy § 8-406.1(f)(1). Section 8-406(b-5) requires that this Commission find that the criteria of § 8-406.1(f)(1) has been satisfied. Accordingly, this Commission must also find that the criteria to satisfy § 8-503 has been satisfied. If this Commission grants a certificate of public convenience

and necessity to Grain Belt Express for the Project, then it must also authorize construction of the Project under § 8-503. See Section VII, supra, and 220 ILCS 5/8-406(b-5), 8-406.1(i).

149. In addition to the statutorily-mandated finding that Grain Belt Express satisfied the criteria of § 8-503, the evidence presented by Grain Belt Express in this docket will show that the construction and operation of the Project will promote the development of an effectively competitive electricity market, will promote the security and convenience of the public, and will help to secure adequate services and facilities, particularly by enabling over 4,000 MW of new generating capacity to MISO and PJM,[57] the electricity markets of which Illinois is a part, by enabling electricity generated by the cost-effective wind resources in southwestern Kansas to access and be delivered to electricity markets in Illinois and other PJM and MISO states. Therefore, in the alternative to the presumptive finding mandated by § 8-406(b-5), the Commission should find that the Project satisfies the criteria of § 8-503 and should be erected. The Commission should authorize Grain Belt Express, pursuant to § 8-503 and § 8-406.1(i), to construct the Project along the Proposed Route described in **Attachment 4** and depicted on **Attachments 5** and **6** and as described in this Application.

150. In accordance with § 8-406.1(i), the Commission's order should specify that construction of the Project should commence within five years (60 months) following the date of the Commission's order in this docket. This timeline is necessary due to the staging the Project in two Phases, as discussed above. Phase I of the Project, which will include transmission line facilities from Kansas to Missouri, will be constructed first and will have the first commercial operation date. Phase II of the Project, which will include transmission line facilities from

[57] This number includes the entire proposed capacity of the Project, less the Project's proposed injection of approximately 1,000 MW into AECI's system.

Missouri into Illinois and terminating at the Sullivan Substation in Indiana, will be constructed second and will have the second commercial operation date. Grain Belt Express anticipates commencing Phase II of the Project within five years by initiating work on access roads, conducting environmental surveys, conducting boring work and other pre-construction activities. Once those pre-construction activities are completed, Grain Belt Express will commence construction on the Phase II transmission line.

## XII. GRAIN BELT EXPRESS WILL MAINTAIN ITS BOOKS AND RECORDS IN ILLINOIS

151. As a public utility, Grain Belt Express will be subject to §5-106 of the PUA, 220 ILCS 5/5-106 and the Commission's regulations at 83 Illinois Administrative Code Part 250, Public Utility Books and Accounts. Section 5-106 of the PUA states in pertinent part:

> Each public utility shall have an office in one of the cities, villages or incorporated towns in this State in which its property or some part thereof is located, and shall keep in said office all such books, accounts, papers, records and memoranda as shall be ordered by the Commission to be kept within the State. The address of such office shall be filed with the Commission. No books, accounts, papers, records or memoranda ordered by the Commission to be kept within the State shall be at any time removed from the State, except upon such conditions as may be prescribed by the Commission.

Section 250.10 of the Commission's regulation states that all public utilities are required "to maintain an office within the State and in such office keep all books, accounts, papers, records and memoranda as are employed in their uniform classification of accounts and/or used in connection with their utility business conducted within the State." There are exceptions to this requirement, but they are not relevant here.

152. The principal office of Grain Belt Express and of its parent company, Invenergy Transmission, is located at One South Wacker Drive, Suite 1800, Chicago, IL 60606, in the offices of Invenergy LLC. Additionally, as stated in paragraph 82 above, Invenergy or its affiliates will perform accounting, financial and administrative services for Grain Belt Express, including

maintenance of Grain Belt Express's accounting and financial books and records. Grain Belt Express's books and records will be maintained in Illinois.

## XIII. GRAIN BELT EXPRESS WILL MAINTAIN ITS BOOKS AND RECORDS IN ACCORDANCE WITH FERC UNIFORM SYSTEM OF ACCOUNTS

153. As a multi-state provider of transmission services in interstate commerce that will be subject to the jurisdiction of FERC as well as of this Commission, Grain Belt Express will maintain its books and records of account in accordance with FERC's Uniform System of Accounts Prescribed for Public Utilities and Licensees Subject to the Provision of the Federal Power Act, 18 C.F.R. Part 101.[58] **Attachment 16** is a copy of the Chart of Accounts that Grain Belt Express has adopted in accordance with FERC's Uniform System of Accounts.

154. As stated in paragraph 11 of this Application, based on the nature of its operations, Grain Belt Express will be a "public utility" but will not be an "electric utility" as defined in the PUA. Because Grain Belt Express will not be an "electric utility," based on literal application of 83 Illinois Administrative Code Part 415, Uniform System of Accounts for Electric Utilities, it will not be subject to the Commission's regulations at Code Part 415. Nevertheless, Grain Belt Express acknowledges that the Uniform System of Accounts in Code Part 415 would be the Commission's system of accounts that is the most closely relevant to Grain Belt Express's operations. In Code Part 415, the Commission has adopted FERC's Uniform System of Accounts in 18 C.F.R. Part 101 as the Commission's Uniform System of Accounts for Electric Utilities, with certain deviations.

155. Grain Belt Express submits that maintenance of its books and records of account in accordance with FERC's Uniform System of Accounts at 18 C.F.R. Part 101 will provide appropriate, useful, and sufficient accounting and financial information for this Commission's

[58] FERC's order granting Grain Belt Express negotiated rate authority requires Grain Belt Express to keep its books and records in accordance with the FERC Uniform System of Accounts, 18 C.F.R. Part 101. *Grain Belt Express [_____] LLC*, 147 FERC ¶ 61,098, at P 24 (2014).

regulatory purposes. Accordingly, Grain Belt Express requests that, to the extent the Commission deems necessary, it waive the applicability of 83 Illinois Administrative Code Part 415 to Grain Belt Express so long as Grain Belt Express maintains its books and records in accordance with FERC's Uniform System of Accounts at 18 C.F.R. Part 101.

## XIV. PREPARED TESTIMONY BEING SUBMITTED CONTEMPORANEOUSLY WITH THIS APPLICATION

156. Contemporaneously with filing this Application, Grain Belt Express is also filing with the Commission the following prepared testimony and exhibits in support of this Application.

(i) Grain Belt Express Exhibits 1.0 – 1.5: Direct Testimony and Exhibits of Shashank Sane.

(ii) Grain Belt Express Exhibits 2.0 – 2.19: Direct Testimony and Exhibits of Brad Pnazek.

(iii) Grain Belt Express Exhibits 3.0 – 3.3: Direct Testimony and Exhibits of Aaron White.

(iv) Grain Belt Express Exhibits 4.0 – 4.3: Direct Testimony and Exhibit of Rolanda Shine.

(v) Grain Belt Express Exhibits 5.0 – 5.4: Direct Testimony and Exhibits of Carlos Rodriguez.

(vi) Grain Belt Express Exhibits 6.0 – 6.2: Direct Testimony and Exhibits of Jennifer Stelzleni.

(vii) Grain Belt Express Exhibits 7.0 – 7.9: Direct Testimony and Exhibits of James Puckett.

(viii) Grain Belt Express Exhibits 8.0 – 8.2: Direct Testimony and Exhibits of Mark Repsher.

(ix) Grain Belt Express Exhibit 9.0 – 9.2: Direct Testimony and Exhibits of Anthony Petti.

(x) Grain Belt Express Exhibit 10.0 – 10.2: Direct Testimony of David Loomis.

(xi) Grain Belt Express Exhibits 11.0 – 11.2: Direct Testimony and Exhibits of Michael MaRous.

The testimony and exhibits of these witnesses provide additional information in support of Grain Belt Express's Application for a Certificate of Public Convenience and Necessity, Section 8-503 order and other authorizations and relief requested herein.

## XV. GRAIN BELT EXPRESS REQUESTS CONFIDENTIAL AND PROPRIETARY TREATMENT OF CERTAIN INFORMATION

157. The attachments and prepared testimony and exhibits being filed contemporaneously with this Application are not confidential. As a result, Grain Belt Express is not requesting confidential treatment of any materials at this time. If relevant proprietary and/or confidential information is requested by the Commission or other interested parties, then Grain Belt Express will seek an appropriate confidentiality order pursuant to 220 ILCS 5/4-104 at that time.

## XVI. CONCLUSION

WHEREFORE, Grain Belt Express LLC respectfully requests that the Commission issue an order:

(1) Granting Grain Belt Express LLC a Certificate of Public Convenience and Necessity to construct, operate and maintain in the State of Illinois the Project, an up to ±600 kV HVDC transmission line and associated facilities, including a DC-to-AC converter station in Clark County, Illinois, and a double circuit 345 kV AC line from the converter station to the Illinois-Indiana border, along the route described in **Attachment 4** and depicted in **Attachments 5 and 6** to this Application, with a permanent right-of-way of up to 300 feet around the centerline of the ±600 kV HVDC transmission line from the Mississippi River to the converter station in Clark County, Illinois and around the centerline for the double circuit 345 kV AC lines from the

converter station in Clark County, Illinois, to the Illinois-Indiana border, all within a 1000-foot Route Corridor, and additional temporary easements of (i) 50-foot temporary construction easements in locations where necessary to accommodate construction, (ii) temporary lay-down easements along the approved route, where materials will be staged and (iii) temporary easements of up to 600 feet beyond the 100-foot permanent easement on one side of a turning structure to accommodate the stringing of the conductor at locations along the route where a major (15 to 90 degree angle) turning structure was required; and to operate a transmission public utility business in connection with the Project, all as further described in this Application and in the testimony and exhibits filed contemporaneously with this Application; and

(2) Authorizing Grain Belt Express LLC, pursuant to § 8-503 and § 8-406.1(i) of the PUA, to construct the proposed Project as described in request (1) above and in this Application.

Respectfully submitted,

GRAIN BELT EXPRESS LLC

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One of its attorneys

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Attorneys for Grain Belt Express LLC

**STATE OF ILLINOIS**
**ILLINOIS COMMERCE COMMISSION**

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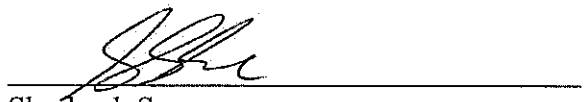
| **Grain Belt Express LLC** | ) | |
| | ) | |
| **Application for an Order Granting Grain Belt Express LLC, as a Qualifying Direct Current Applicant, a Certificate of Public Convenience and Necessity pursuant to Sections 8-406(b-5) and 8-406.1 of the Public Utilities Act to Construct, Operate and Maintain a High Voltage Direct Current Electric Service Transmission Line as a Qualifying Direct Current Project and to Conduct a Transmission Public Utility Business in Connection Therewith and Authorizing Grain Belt Express LLC Pursuant to Sections 8-503 and 8-406.1(i) of the Public Utilities Act to Construct the High Voltage Direct Current Electric Transmission Line.** | ) | **Docket No. 22-____** |

## VERIFICATION BY CERTIFICATION

Under penalties as provided by law pursuant to § 1-109 of the Code of Civil Procedure, 735 ILCS 5/1-109, the undersigned certifies that the statements set forth in the foregoing Application by Grain Belt Express LLC are true and correct, except as to matters therein stated to be on information and belief and as to such matters the undersigned certifies as aforesaid that he verily believes the same to be true.



Shashank Sane

7/22/22

Date

**EXHIBIT B**

**to**

**Petitioners' Response to Grain Belt Express LLC's**

**Motion to Dismiss Petition for Judicial Review**

**Attachment 12 to Verified Application of Grain Belt Express LLC**

**STATE OF ILLINOIS**
**ILLINOIS COMMERCE COMMISSION**

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| **Grain Belt Express LLC** | ) | |
| | ) | |
| **Application for an Order Granting Grain Belt Express LLC, as a Qualifying Direct Current Applicant, a Certificate of Public Convenience and Necessity pursuant to Sections 8-406(b-5) and 8-406.1 of the Public Utilities Act to Construct, Operate and Maintain a High Voltage Direct Current Electric Service Transmission Line as a Qualifying Direct Current Project and to Conduct a Transmission Public Utility Business in Connection Therewith and Authorizing Grain Belt Express LLC Pursuant to Sections 8-503 and 8-406.1(i) of the Public Utilities Act to Construct the High Voltage Direct Current Electric Transmission Line.** | ) | **Docket No. 22-____** |

**ATTACHMENT 12**

**FORM OF LETTER THAT WILL BE SENT TO ALL LANDOWNERS WITH WHOM GRAIN BELT EXPRESS LLC WILL SEEK TO NEGOTIATE FOR ACQUISITION OF LAND AND LAND RIGHTS ALONG THE ROUTE OF THE PROJECT**

Grain Belt Express
An INVENERGY TRANSMISSION Project

[Date] via Certified Mail

[Landowner Name
Address
City, State Zip]

RE: **Tax Parcel ID [No. XXXXXXXXX] [County, Illinois]**

Dear [Landowner Name],

We are contacting you about the Grain Belt Express transmission line project. The project is an overhead electric transmission line being designed and built by Grain Belt Express LLC, a subsidiary of Invenergy Transmission LLC. In this letter, you will find additional information about the project.

Grain Belt Express is an electric transmission infrastructure project connecting four states—Kansas, Missouri, Illinois, and Indiana—across 800 miles. It will carry more affordable, reliable power to millions of homes and businesses across the Midwest and other regions, delivering 100% domestic, clean electricity while powering economic opportunity and energy security.

The Project will enter Illinois approximately 6.5 miles west of New Canton, Illinois, in Pike County and will traverse Illinois for approximately 207 miles through Scott, Greene, Macoupin, Montgomery, Christian, Shelby, Cumberland and Clark Counties, Illinois. The 207-mile proposed route in Illinois consists primarily of a high voltage, direct current ("HVDC") transmission line and includes approximately three to eight miles of an alternating current ("AC") transmission line. The AC line will run from a converter station proposed in Clark County, Illinois—where current will be converted between DC and AC—to the Indiana border.

**You are receiving this notice because, according to the records of the tax assessor for your county, property in which you have an interest lies within a proposed route of this transmission line.**

Grain Belt Express is now beginning to acquire the easements needed to construct, operate and maintain the transmission line. These transmission line easements will typically be between 150 and 200 feet wide. Landowners will continue to own the property within the easement area. The easement will be only for the exclusive right to construct, operate and maintain the Grain Belt Express transmission line. Construction, operation and maintenance of the transmission line may require certain rights to access and enter the easement area and temporary construction easements. The project will be built with monopole structures, lattice mast structures and lattice structures.

Grain Belt Express is committed to building transmission infrastructure the right way—treating landowners with respect and fairness. It is our intention to reach a fair and reasonable agreement with you to acquire a voluntary easement or other land rights on the above-referenced property to construct, maintain and operate the transmission line. Grain Belt Express has hired Contract Land Staff ("CLS") to conduct landowner outreach and easement negotiations for the project.

Grain Belt Express
An INVENERGY TRANSMISSION Project

Through CLS, you will have a land representative assigned to work with you or your designated representative on easement negotiations.

A CLS land representative working on behalf of Grain Belt Express will contact you in a couple of weeks to schedule a meeting. At this meeting, the land representative will show you a map of the area where Grain Belt Express is seeking an easement or other land rights on your land; provide you technical information about the project; discuss an easement agreement and associated compensation; and address questions you may have.

In the meantime, we have enclosed the "Statement of Information from the Illinois Commerce Commission Concerning Acquisition of Land or Land Rights-of-Way by Illinois Utilities and common carriers by Pipeline" for your review.

We invite you to contact the Grain Belt Express project team by leaving a voicemail at 866.452.4082 or sending an email to Connect@GrainBeltExpress.com. A member of the team will respond to you soon to arrange a mutually agreeable time for an appointment and to discuss the matter further.

For more information about the project, please visit www.grainbeltexpress.com.

Sincerely,

Brad Pnazek
Vice President, Transmission Development

One South Wacker Drive, Suite 1800
Chicago, IL 60606
B.Pzanek@Invenergy.com
866.452.4082

Enclosures:

- Statement of Information from the Illinois Commerce Commission Concerning Acquisition of Land or Land Rights-of-Way by Illinois Utilities and Common Carriers by Pipeline

Joint Committee on Administrative Rules
ADMINISTRATIVE CODE

**TITLE 83: PUBLIC UTILITIES**
**CHAPTER I: ILLINOIS COMMERCE COMMISSION**
**SUBCHAPTER b: PROVISIONS APPLICABLE TO MORE THAN ONE KIND OF UTILITY**
**PART 300 GUIDELINES FOR LAND AND RIGHT-OF-WAY ACQUISITIONS**
**SECTION 300.APPENDIX A STATEMENT OF INFORMATION FROM THE ILLINOIS COMMERCE COMMISSION CONCERNING ACQUISITION OF LAND OR LAND RIGHTS-OF-WAY BY ILLINOIS UTILITIES AND COMMON CARRIERS BY PIPELINE**

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**Section 300.APPENDIX A Statement of Information from the Illinois Commerce Commission Concerning Acquisition of Land or Land Rights-of-Way by Illinois Utilities and Common Carriers by Pipeline**

A representative of a public utility or a common carrier by pipeline (collectively the company) is contacting you to negotiate the purchase of property or the acquisition of land or a land right-of-way over or through property that you own, or in which you have an interest as an owner. The company proposes to construct, operate and maintain certain facilities on your land, as set forth in the accompanying letter. The company representative contacting you will further explain the proposed project.

The purpose of this Statement is to provide you with general information regarding the Illinois Commerce Commission's (Commission's) regulatory process governing a company's proposed project, including the procedures that companies must follow before they can exercise the power of eminent domain to acquire land or land rights. Eminent domain is the power of the State, or those to whom the power is delegated by the State, to take private property for public use upon payment of just compensation to the landowner as is determined by the courts. This Statement covers several questions that landowners commonly pose to Commission staff members about proceedings at the Commission that relate to a company's proposed project when a company seeks to place facilities on or near those landowners' property. This Statement, however, is not a legal opinion concerning your rights under the law, or the Commission's rules. It also is not a detailed analysis of the procedures involved. If you have any questions concerning your legal rights, you may wish to consult an attorney.

Requests for a Commission Certificate under
Section 8-406, 8-406.1, or 15-401 of the Public Utilities Act

Ordinarily, before constructing major new facilities, a public utility must obtain a certificate of public convenience and necessity from the Commission under Section 8-406 or 8-406.1 of the Public Utilities Act [220 ILCS 5/8-406 or 8-406.1]. Likewise, a common carrier by pipeline ordinarily must obtain a certificate in good standing from the Commission under Section 15-401 of the Public Utilities Act [220 ILCS 5/15-401] before constructing a pipeline or other facility. In either case, to obtain a certificate, the utility or common carrier files an application with the Commission describing the proposed project. The Commission then initiates a proceeding to consider evidence regarding the application and notifies affected landowners of the date, time and place of the initial hearing regarding the proposed project. If you have concerns about such a

proposal, the Commission encourages you to participate in the Commission's certificate proceeding. Changes to a company's proposal are much less likely after the Commission has approved the proposal and issued the company a certificate. Landowners may participate in the proceeding, either through oral or written statements, or by intervening in the proceeding regarding the proposed project, as provided in the Commission's Rules of Practice (83 Ill. Adm. Code 200). In this type of proceeding, the Commission considers such factors as the public need for the proposed project, the type of facilities to be constructed, and the feasibility of the proposed location of the facilities. If the Commission determines that a company has met the requirements for obtaining a certificate and it approves the facility's design and location, it will grant a certificate to the company authorizing construction of the facility and the route that the facility will take across or through property not owned or controlled by the company.

Requests for a Commission Order Under
Section 8-503 of the Public Utilities Act

A company may also seek a Commission Order under Section 8-503 [220 ILCS 5/8-503] authorizing or directing it to construct the proposed project, either in conjunction with its request to obtain a certificate under Section 8-406 or 15-401, or separately. If a company seeks an order pursuant to Section 8-503 in a separate proceeding, the Commission will notify affected landowners of the Section 8-503 proceeding, and affected landowners may participate in this type of proceeding in the same manner as is described above for applications for certificates under Section 8-406 or 15-401. If, at the conclusion of the proceeding, the Commission grants the company's request for an order pursuant to Section 8-503, it will issue an order authorizing the proposed project or directing the company to construct the proposed project, including the specific route of the facility. If the Commission grants a company's request for a certificate under Section 8-406.1, the Section 8-406.1 order must also contain an order pursuant to Section 8-503 authorizing or directing the construction of the high voltage electric service line.

Requests for Eminent Domain Authority Pursuant to
Section 8-509 of the Public Utilities Act

A company seeking a certificate under Section 8-406.1 or a Commission Order under Section 8-503 may also apply to the Commission for authorization under Section 8-509 [220 ILCS 5/8-509] to use the power of eminent domain through the courts pursuant to the Eminent Domain Act [735 ILCS 30] to acquire the land or land rights necessary for the project. The company may elect to seek Commission authorization pursuant to Section 8-509, either in conjunction with its request for a certificate under Section 8-406.1 or for a Commission Order under Section 8-503, or separately. If the Commission authorizes the use of eminent domain under Section 8-509, and if the company is unable to reach agreement with the landowners to acquire the property interests necessary to complete the proposed project, the company will file a condemnation lawsuit in the circuit court where the property is located in order to obtain the property interests that the project requires. The courts, not the Commission, make the final decision as to whether the company can acquire land or land rights by eminent domain and, if so, the compensation that the company will pay to the landowner.

Attempts by Companies to Acquire Property Rights

Before seeking a Commission Order authorizing or directing a company to construct a project, a company may choose to acquire land or land rights from landowners. A company may seek to purchase land or acquire a right for use of the land. Alternatively, a company may seek to obtain an option to purchase land or land rights at a future date. A company representative will provide affected landowners with information regarding the price and other terms that the company intends to offer for the land or land rights. Such a company uses its own forms for this type of

transaction. The Commission does not require a company seeking to acquire land or land rights to use any particular form.

The price and other terms for the land or land rights is a matter of negotiation. between each landowner and a company. The Commission does not participate in the negotiation The Commission also does not establish or approve the negotiated price and other terms for the acquisition of land or land rights. Negotiation involves discussion and bargaining in an effort to reach a mutual agreement. During the negotiations, and at any time, you may be represented by an attorney. However, you are under no obligation to retain anyone to provide legal counsel. Further, you are under no obligation to negotiate or reach an agreement with the company that is seeking to acquire land or land rights. The Commission does not require such a company to obtain by negotiation a fixed amount or percentage of land or land rights necessary for the project before it seeks Commission authorization to acquire land or land rights.

The Commission typically makes its final decision regarding a project's route in certificate proceedings. Once a company obtains a certificate, issues such as the specific route of the project are not typically reconsidered in subsequent Section 8-503 proceedings before the Commission. Once a company obtains a Commission Order pursuant to Section 8-503 for a project, issues such as the specific route of the project will not be reconsidered in subsequent Section 8-509 proceedings before the Commission and in subsequent condemnation proceedings before the courts. You should not delay in taking whatever action that you believe is, or may be, necessary to protect your property interests. If you elect to negotiate with a company, the Commission encourages you or your representative to negotiate vigorously.

If you have any questions about this Statement or Commission rules and procedures, please contact:

Director, Safety & Reliability Division
Illinois Commerce Commission
527 East Capitol Avenue
Springfield, Illinois 62701

Please address specific questions concerning your individual property to the company representative.

(Source: Amended at 37 Ill. Reg. 2864, effective March 1, 2013)