

**STATE OF MINNESOTA
OFFICE OF ADMINISTRATIVE HEARINGS
FOR THE PUBLIC UTILITIES COMMISSION**

In the Matter of the Application of ITC
Midwest LLC for a Certificate of Need and
Route Permit for the Minnesota-Iowa 345 kV
Transmission Line Project in Jackson, Martin,
and Faribault Counties

OAH Docket No.: 60-2500-30782
PUC Docket No.: ET-6675/CN-12-1053
ET-6675/TL-12-1337

CITIZENS ENERGY TASK FORCE AND NO CAPX 2020

AFFIDAVIT OF CAROL A. OVERLAND

STATE OF MINNESOTA)
) ss.
COUNTY OF GOODHUE)

Carol A. Overland, after duly affirming, states and deposes as follows:

1. My name is Carol A. Overland, an attorney licensed in good standing in the State of Minnesota, and I represent Citizens Energy Task Force and No CapX 2020, limited intervenors in the above-captioned docket.
2. Documents referred to in pre-filed testimony and other documents necessary to inform the record are not included in the application and/or testimony, and should be included to inform the record. This was raised at the Fairmont public hearing:

MS. LISA AGRIMONTI: Your Honor, I would suggest that if Ms. Overland knows which document she would like to have in the record that she has until May 30th to provide that information.

MS. CAROL OVERLAND: Gladly.

Transcript, p. 142, l. 16-20, Fairmont Public Hearing. Attached I am providing, under oath, relevant industry documents to inform the record.

3. Attached as Exhibit A is a true and correct copy of MISO Tariff MM, setting out cost apportionment calculations for MISO filings for rate recovery.

4. Attached as Exhibit B is a true and correct copy of MISO Schedule 26A dated 2/26/2014, regarding total cost of various MVP projects, cost apportionment, and expected costs by balancing authority, i.e., NSP, or ATC. ITC is not a “balancing authority.”
5. Attached as Exhibit C is a true and correct copy of MISO’s Value Proposition Study dated February 2014. As stated on slide 3:

The 2013 Value Proposition study shows that MISO provides between \$2.1 and \$3.0 billion in annual economic benefits to its region

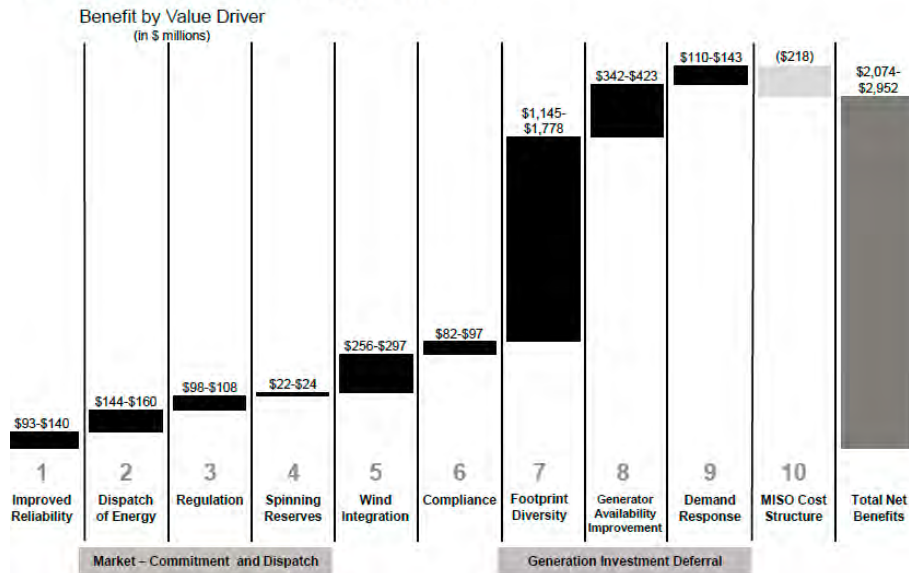
What is the MISO Value Proposition?

The Value Proposition study is a quantification of value provided by MISO to the region including the entire set of MISO market participants and their customers

This value is provided through improved grid reliability and increased efficiencies in the use of generation resources enabled by MISO market operations

6. The Value Proposition Study shows “Footprint Diversity” and “Generator Availability Improvement” as the primary drivers, meaning that transmission expansion expands the footprint of deliverability, and the transmission expansion improves generator availability by making generation accessible to distant markets.

MISO’s 2013 Value Proposition



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7. What we see in that chart is that the MISO “Cost Structure” takes away, in the best case scenario, \$218 million, or over one-half of the “benefits” of Generator Availability Improvement at \$342-423 million, or most of the “benefits” of wind integration at \$256-297 million, or the lion’s share of “Improve reliability” and “Dispatch of Energy” at \$237-300 million.

8. Attached as Exhibit D is a true and correct copy of the ICF Independent Assessment of MISO Operational Benefits dated February 2007, which explains the “use of generation resources enabled by MISO market operation” as coal generation, supported by Exhibit C, the MISO Value Proposition Study, above, and concluded:

The overall outcome of this analysis demonstrates that potential RTO benefits are large and are measured in hundreds of millions of dollars per year. While on a percentage basis the potential improvement appears modest, the magnitude of the production costs involved is so large that on a dollar basis, the efficiency improvements are substantial.

RTO operational benefits are largely associated with the improved ability to displace gas generation with coal generation, more efficient use of coal generation, and better use of import potential. These benefits will likely grow over time as:

- *Reliance on natural gas generation within the Midwest ISO footprint grows as a result of the ongoing load growth and a general lack of non gas-fired development over the last 20 years. This may increase the scope for potential savings from centralized dispatch in future years.*
- *Tightening environmental controls and the resulting greater diversity in coal plant fleet variable operating costs will make optimization of coal plant utilization more important in future years.*
- *Tightening supply margins throughout the Eastern Interconnect over the next three to five years increase the importance of optimizing interchange with neighbors such as PJM, SPP, and others.*
- *Transmission upgrades which could increase the geographic scope of optimization within the Midwest ISO footprint.*

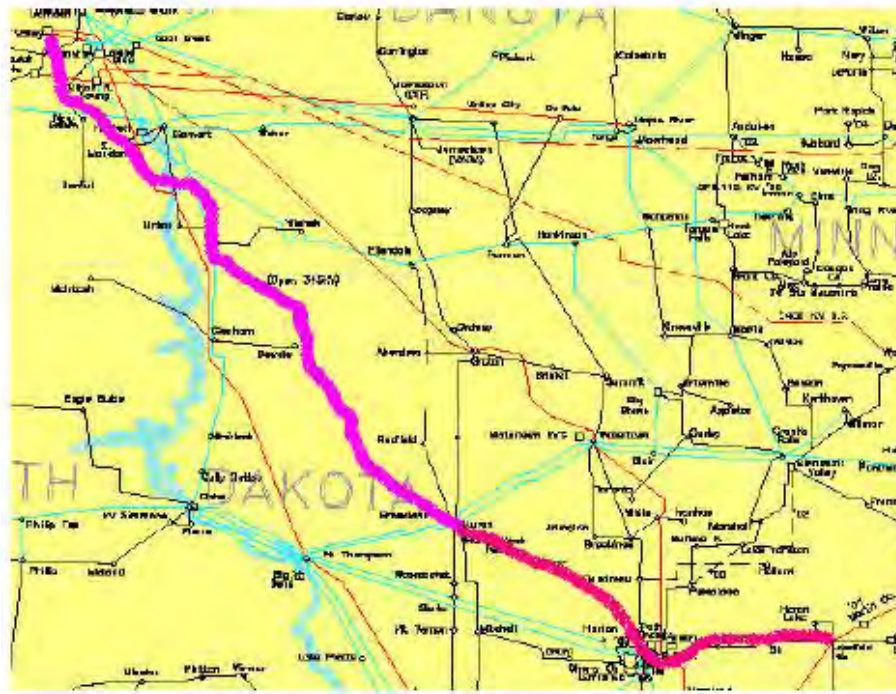
Ex. D, p. 14, 83, ICF Independent Assessment of MISO Operational Benefits (**emphasis added**).

9. Transmission expansion for generation outlet has long been planned in this area of the Midwest. Attached as Exhibit E is a true and correct copy of the ABB Lignite Vision 21 transmission development and marketing plan and Phase II Transmission System Impact Study Summary Report, dated February and November, 2001, “to assist in the development of additional lignite-based electrical generation in North Dakota,” to “increase North Dakota export.”

Initially studies were made for identifying the common facilities required to export 2,450 MW from North Dakota with the new Lignite Vision 21 500-MW power plant. Studies were also made for identifying the facilities required to export 2,800 MW from North Dakota with the new Lignite

Vision 21 500-MW power plant plus an additional 350 MW in transmission reservations.

A common factor is the “70-mile, 345 kV circuit between Split Rock and Lakefield Junction,” now permitted and constructed, to which this ITC Midwest project will connect (CoN PUC Docket 01-1958). The Split Rock – Lakefield Junction line is shown on the lower right portion of this map, the relatively-horizontal magenta line:



10. David Grover, Manager for Regulatory Strategy for ITC Holdings, parent company of ITC Midwest, has long been involved in transmission build-out planning, including NSP’s TRANSLink (PUC Dockets 02-2152; 02-2219), Wisconsin Advance Plan, and as co-facilitator of the WIREs Study. Attached as Exhibit F is a true and correct copy of the WIREs Phase II study showing a 1999 transmission planning study of options to provide transmission capacity into Wisconsin, including the “9b” option from Lakefield Junction, Minnesota to Columbia (Madison), Wisconsin.

Three new reinforcement plans were developed based on the options evaluated in the Phase I process. Plan 9b (Lakefield Jnc – Adams – Genoa – Columbia 345 kV) is a trimmed version of the Phase I Option 9a and is less costly from a construction cost standpoint. Plan 5b (Apple River – Weston 230 kV) was added to consider dynamic and voltage stability performance of a lower voltage version of Plan 5a. Plan 10 (King – Weston 345 kV) was added because of the potential dynamic stability differences between it and Plan 5a (Chisago – Weston 345 kV). The group discussed the King – Weston reinforcement in the Phase I process but noted that from a thermal standpoint, it is electrically similar to Plan 5a. However, potential dynamic and voltage stability differences prompted the group to add Plan 10 to the Phase II process.

“Plan B” essentially runs a 345 kV transmission line from Lakefield Junction to Columbia, Wisconsin, which is accomplished in a more round-about way with MVP 3, MVP 4 and MVP 5.

11. History of transmission is particularly important in this location in Minnesota. The “Clean Energy Intervenors” have executed at least two agreements related to this project, the “Merger Agreement” with a material term regarding “825 MW” of transmission and “removal of impediments to transmission,” and the TRANSLink Agreement, paving the way for “transmission only” companies and the transmission build-out. Both were entered into the record of the respective PUC Dockets. Attached as Exhibit G is a true and correct copy of the 1999 Merger Agreement. Attached as Exhibit H is a true and correct copy of the TRANSLink Settlement Agreement (PUC Dockets 02-2152 and 02-2219). It is not established in the record whether David Grove, ITC, formerly NSP and working on TRANSLink, was involved in this TRANSLink Settlement Agreement.
12. On September 8, 2001, Beth Soholt, Izaak Walton League (then its Wind on the Wires program) and Matt Schuerger, ME3 (now Fresh Energy) held a meeting with 7 or 8 likely intervenors¹ in the Split Rock – Lakefield Jct. 345 kV transmission proceeding (PUC Docket 01-1958). This ITC Midwest MN/IA transmission project connects to that project at Lakefield Junction. During the September 8 discussion, I pointed out the future coal generation in the SW MN/SE SD study, and they would not address the potential for use of the line for coal generation outlet, i.e. the new MidAmerican 700 MW coal plant.² We were directly asked by Beth Soholt, “What would it take for you to approve of this line?” I asked, “What’s in it for us,” and got no substantive response. I then asked, “What are you getting for your agreement,” and I again got no substantive response. I did not “approve” of this transmission line, and was not offered, nor did I receive any enticement or incentive to approve of it, or any other transmission line.
13. I later learned that there was a lot in it for them in approving of transmission – for example, there were two significant “Wind on the Wires” grants regarding transmission advocacy, \$4.5 million in 2001 and \$8.1 million in 2003. Attached as Exhibit I are true and correct copies of announcement of the McKnight Foundation/Energy Foundation “Wind on the Wires” grants totaling \$12.6 million, \$4.5 million in 2001 and \$8.1 million in 2003. The “collaboration” of environmental groups in the administrative and legislative venues was essential to permitting of CapX 2020. Attached as Exhibit J is a true and correct copy of 2005 Session Laws Ch. 97. Attached as Exhibit K is a true and correct copy of the June 17, 2008 Testimony of William Kaul., Great River Energy.

¹ Myself, Bill Neuman, Kristen Eide-Tollefson, Sigurd Anderson, George Crocker, Dan Juhl, Jack Keers and perhaps others.

² P. 21, Southwest Minnesota/Southeast South Dakota Electric Transmission Study Phase 1: Transmission Outlet Analysis for Southwest Minnesota, Draft #1, August 17, 2001. See p. 29-30, November 13, 2001 version -- online at www.oatioasis.com/woa/docs/NSP/NSPdocs/Outlet_rpt_2.doc

14. There have also been significant RE-AMP transmission advocacy grants to the intervening organizations appearing in this docket.³ Attached as Exhibit L is a true and correct copy of a RE-AMP funding list. RE-AMP continues beyond that in Exhibit K, funding transmission advocacy by Clean Up Our River Environment, Montevideo, MN, and Center for Rural Affairs, of Lyon, NE. CURE's Duane Ninneman⁴ and Lucas Nelson of CFRA⁵ attended the DEIS meeting in Jackson, but did not make any statement. Mr. Ninneman attended the Blue Earth Public Hearing, and did not make any statement.
15. On or about February 17, 2014, I spoke with Keven Reuther, MCEA, who stated that MCEA, Wind on the Wires, Izaak Walton League, and Fresh Energy were intervening in support of the ITC Midwest MN/IA and the Xcel/ATC Badger Coulee transmission lines.
16. Attached as Exhibit M is a true and correct copy of the "Regional Transmission System Reinforcement Options" map found on p. 8 of the Wisconsin Reliability Assessment Organization (WRAO) Report, showing the option of a 345 kV line from Lakefield Junction to the Madison area. This is electrically similar to the ITC/MidAmerican MVP 3, when combined with existing infrastructure and the necessary MVP 4 and MVP 5.
17. Attached as Exhibit N is a true and correct copy of the March 6, 2006, DOE Comment of Wind on the Wires and others, proposing as a NEITC transmission corridors in Minnesota and Iowa that is substantially similar to ITC/MidAmerican MVP 3 and MVP 4, and another similar to the CapX Brookings (MVP 1) and Fargo projects:



18. Commerce's Dr. Steven Rakow changed his testimony on the eve of the evidentiary hearing, ostensibly based on "new facts" regarding the Odell Wind Farm heard during the statement of Aaron Backman, E.D., Economic Development Authority, City of Windom.

³ Midwestern RE-AMP groups are leading the national participation of nongovernmental organizations in a stakeholder process to plan and build economic models of the transmission system needed for clean energy generation. http://reamp.org/content/uploads/2014/01/RE-AMP_overview_2011-1.pdf

⁴ RE-AMP position of Ninneman <http://www.cureriver.org/2014/01/07/cure-senior-director-assumes-clean-energy-responsibilities/>

⁵ CFRA on RE-AMP Steering Committee <http://www.cfra.org/about/staff/brian-depew>

Dr. Rakow testified that he did not know whether Mr. Backman was under oath, testified that he was at the first day of public hearings, and also testified that he did not hear any others testify about the Odell Wind Farm. However, two others did comment that day about the Odell Wind Farm – at the public hearing in Blue Earth, Geronimo’s Justin Pickar spoke about Odell on behalf of Geronimo, and also in Jackson, Geronimo’s Jason Burmeister spoke about Odell on behalf of Geronimo. Aaron Backman was not under oath for his statement at the Jackson public hearing. Neither Justin Pickar and Jason Burmeister were under oath. No members of the public who spoke were offered the option of testifying under oath.

19. Prior to the start of the public hearing I requested that all witnesses be given the option of testifying under oath. That request was denied. I requested that this denial be put on the record. That request was denied. Minnesota Rules regarding conduct of hearing address testimony under oath. For example, all evidentiary testimony presented to prove or disprove a fact at issue shall be under oath or affirmation. Minn. R. 1400.7800, Subp. G; see also Minn. R. 1400.7200 (All oral testimony at the hearing shall be under oath or affirmation.). The Ch. 1405 PPSA Rules are more specific and discount the weight of testimony based on whether it was offered without the benefit of oath or affirmation:

1405.0800 PUBLIC PARTICIPATION.

At all hearings conducted pursuant to parts [1405.0200](#) to [1405.2800](#), all persons will be allowed and encouraged to participate without the necessity of intervening as parties. Such participation shall include, but not be limited to:

- A. Offering direct testimony with or without benefit of oath or affirmation and without the necessity of pre-filing as required by part [1405.1900](#).
- B. Offering direct testimony or other material in written form at or following the hearing. However, testimony which is offered without benefit of oath or affirmation, or written testimony which is not subject to cross-examination, shall be given such weight as the administrative law judge deems appropriate.

20. Dr. Rakow states that the information presented by Backman is “new facts.” However, this testimony was not under oath and therefore not proof of any “facts”. Further, it is not “new” because the MISO Queue shows that the Odell Wind Farm, G826, has been in the MISO queue since July 16, 2007.⁶ The Feasibility Study Report was issued 9/30/2008 and the link is posted on the MISO Queue.⁷ The System Impact Study Report was issued and the link is posted on the MISO Queue.⁸ This report was dated Marcy 29, 2013, and was entered into the record as Exhibit 535. The Odell Wind Project Power Purchase Agreement is PUC Docket E-002/M-13-603. The site permit is PUC Docket 13-843, owned by Geronimo, and Christine Brusven is Gerinomo’s attorney of record. In addition, Geronimo’s attorney Christine Brusven was present at the ITC Midwest MN/IA DEIS meetings and was also present at the Public and Hearings. Upon information and belief, Ms. Brusven also working on land acquisition matters for this ITC Midwest

⁶ MISO Queue online: <https://www.misoenergy.org/layouts/MISO/ECM/Redirect.aspx?ID=18896>

⁷ G826 Feasibility Study link: <https://www.misoenergy.org/layouts/MISO/ECM/Redirect.aspx?ID=16051>

⁸ G826 System Impact Study link: <https://www.misoenergy.org/layouts/MISO/ECM/Redirect.aspx?ID=23730>

project. Below is a true and correct image taken by me, that's Christine Brusven in front of the red tractor at this Jackson meeting location:



20. Both ITC Midwest and Geronimo had counsel present, staff present, and had numerous opportunities to enter information and/or present testimony on the record, under oath, but they did not. There was no opportunity to cross-examine any witness regarding the Odell Wind Farm under oath.

Further your affiant sayeth naught.

May 30, 2014

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Signed and affirmed before me this
30th day of May, 2014.

Leah M. Dietz

Notary Public

