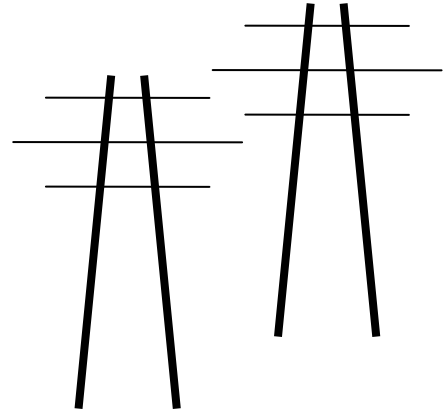


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February 2, 2015

Michael Newmark
Administrative Law Judge
Public Service Commission of Wisconsin
610 North Whitney Way, P.O. Box 7854
Madison, WI 53707-7854

RE: No CapX Submit Non-Party Brief
Wisconsin PSC Docket 05-CE-142

Dear Judge Newmark:

Attached please find No CapX 2020 Non-Party Brief.

An extension of time for filing of a Non-Party Brief was requested Friday because technical hearing transcripts were not available until Tuesday afternoon of this week, and official transcripts were not ERFed until Thursday.

Thank you for your consideration.

Very truly yours,

Carol A. Overland
Attorney at Law

cc: ERFed and Service List via email

**BEFORE THE
PUBLIC SERVICE COMMISSION OF WISCONSIN**

Joint Application of American Transmission Company
LLC and Northern States Power Company – Wisconsin,
for Authority to Construct and Place in Service a 345kV
Electric Transmission Line from the La Crosse area, in
La Crosse County, to the greater Madison area in
Dane County, Wisconsin

Docket No. 05-CE-142

NON-PARTY BRIEF OF NO CAPX 2020

The primary reason for constructing the Project is economic...¹

I. INTRODUCTION

The Badger Coulee transmission project is admittedly an “economic project.” An economic driver as the “need” justification makes this transmission project a case of first impression in Wisconsin, where a transmission-only company Applicant and a utility Applicant have requested a Certificate of Public Convenience and Necessity for a segmented portion of a multi-project “portfolio” project extending across the region. No CapX 2020 asks that the Commission consider all of the costs and benefits of the MISO 17² project MVP Portfolio as a part of this proceeding, because this portion of MVP Project 5 was studied by MISO only as part of the larger portfolio of projects, proposed as such. Badger Coulee, as part of MVP 5, is reliant on the MISO MVP plan as its justification of “need.”³

No CapX 2020 also requests that the Commission consider the policy ramifications of promotion of an economic-based project, which is not contemplated in the CPCN Criteria, and

¹ Badger Coulee Application, p. 24 of 144 [ERF 204860](#).

² 17 or 20 projects, per the MISO MVP Portfolio. See Application, p. 24 of 144, [ERF 204860](#).

³ As an aside, Applicants also claim “need” in western Wisconsin that was 1) supposed to have been addressed by the CapX 2020 Hampton-La Crosse transmission project, and 2) for which this project as proposed is grossly oversized.

claims of benefits and costs that are not sufficiently jurisdictionally identified – no claim of “Wisconsin” costs or benefits of a segment of a MISO MVP project is credible. Given an overly economic purpose, there is logically no alternative that could be evaluated against a project that’s designed to profit from construction and operation of transmission. Without evaluation of system alternatives, the Commission cannot legitimately issue a Certificate of Public Convenience and Necessity.

The MVP 17 project portfolio is MISO’s promotional business plan to enable marketing of low-cost electricity, transmission serving any and all generation available, generation from points west and northwest of Wisconsin eastward to Madison/Milwaukee, Illinois, and beyond. A marketing plan is not need, nor is it recognized in Wisconsin’s CPCN criteria. Desire to gain financially by increasing marketing range is not need, lowering production costs for outstate generators is not need, nor is wanting a return of 12.38% on the capital costs of transmission construction “need” for a project⁴. Applicants claim a need for this project, but a legally recognized “need” has not been defined or demonstrated. The Badger Coulee application for a Certificate of Public Convenience and Necessity must be denied.

II. BADGER COULEE IS NOT “NEEDED” UNDER CPCN CRITERIA

Wisconsin has specific criteria to use in determining whether a proposed transmission project should be granted a Certificate of Public Convenience and Necessity.⁵ As an economic project, the project has not demonstrated that it satisfies the reasonable needs of the public for an adequate supply of electric energy; it has not utilized existing rights-of-way nor minimized environmental impacts in a manner that is consistent with achieving reasonable electric rates; nor

⁴ The FERC approved 12.38% return on investment has been challenged and is pending. Search for [FERC Docket EL14-12](#), to which Badger Coulee Applicants ATC and NSP– Wisconsin, and MISO are parties.

⁵ MISO also sets out conditions for development of transmission projects. Application p. 7; MISO Rausch Ex. 1, p. 8, Tariff Requirements. These MISO criterion and conditions are different from and not relevant to a Wisconsin Commission decision.

has it demonstrated that it provides usage, service or increased regional reliability benefits to the wholesale and retail customers and that benefits are reasonable in relation to the cost. Wis. Stat. §196.491(3)(d)(2),(3r),(3t); Wis. Stat. §196.493(b) and Wis. Stat. §196.491(3)(d)5.

The Badger Coulee Transmission Project is a project jointly proposed by ATC, LLC, a transmission only company, and NSP-Wisconsin. This project is part of the MISO 17 project MVP Portfolio, with a total cost in 2011 dollars of \$5.17 billion. MVP 5 cost was \$714, but given the Badger Coulee increase of \$150 million, from 2011 \$390 million to the present \$540 (Southern Route) to \$576-580 million (northern route), the full cost of MVP 5 is likely \$1 billion. The MVP Portfolio cost higher as well⁶, as high as \$5.86 billion.⁷

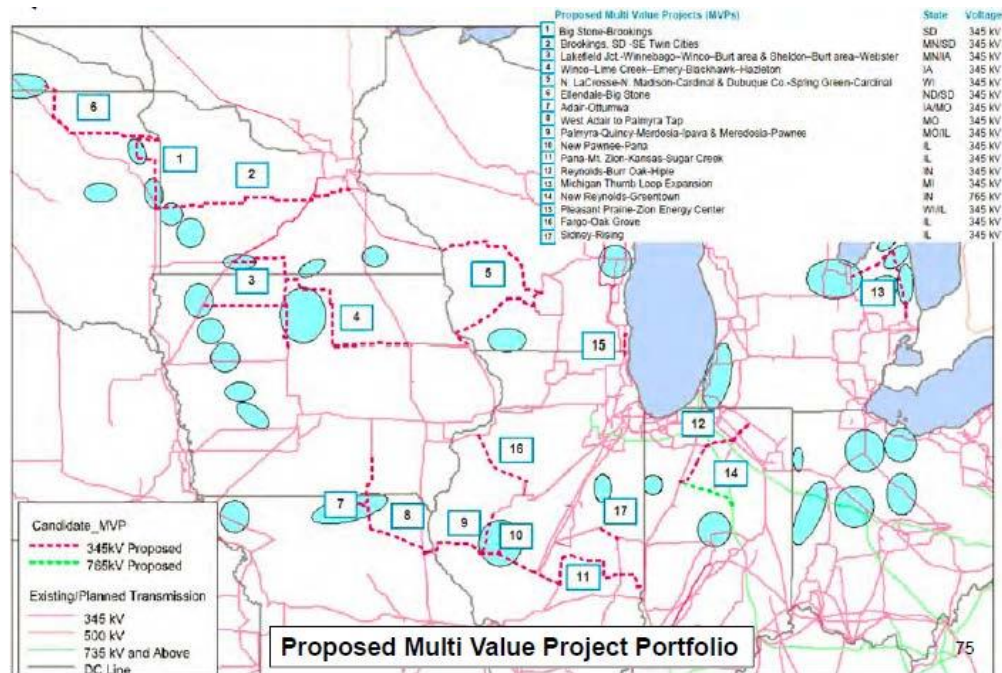
	Project	State	Voltage (kV)	In Service Year	Cost (M, 2011\$) ³
1	Big Stone–Brookings	SD	345	2017	\$191
2	Brookings, SD–SE Twin Cities	MN/SD	345	2015	\$695
3	Lakefield Jct. –Winnebago–Winco–Burt area & Sheldon–Burt area–Webster	MN/IA	345	2016	\$506
4	Winco–Lime Creek–Emery–Black Hawk–Hazleton	IA	345	2015	\$480
5	N. LaCrosse–N. Madison–Cardinal & Dubuque Co. –Spring Green–Cardinal	WI	345	2018/2020	\$714
6	Ellendale–Big Stone	ND/SD	345	2019	\$261
7	Adair–Ottumwa	IA/MO	345	2017	\$152
8	Adair–Palmyra Tap	MO/IL	345	2018	\$98
9	Palmyra Tap–Quincy–Meredosia–Ipava & Meredosia–Pawnee	IL	345	2016/2017	\$392
10	Pawnee–Pana	IL	345	2018	\$88
11	Pana–Mt. Zion–Kansas–Sugar Creek	IL/IN	345	2018/2019	\$284
12	Reynolds–Burr Oak–Hiple	IN	345	2019	\$271
13	Michigan Thumb Loop Expansion	MI	345	2015	\$510
14	Reynolds–Greentown	IN	765	2018	\$245
15	Pleasant Prairie–Zion Energy Center	WI/IL	345	2014	\$26
16	Fargo–Galesburg–Oak Grove	IL	345	2018	\$193
17	Sidney–Rising	IL	345	2016	\$90
Total					\$5,197

Table 1.1: MVP portfolio⁴

⁶ MISO’s Rauch Ex. 1, p. 2, MVP Portfolio January 2012 ([ERF 218120](#)).

⁷ PSC Neumeyer Direct, p. 2, l. 16 [ERF 224603](#).

Applicants rely on the MISO MVP Portfolio for project costs and benefits, established in the MTEP 2011, for the “purpose and necessity” of the project⁸. Badger Coulee is roughly the northern half of MISO’s MVP 5, connecting to CapX 2020 Hampton to La Crosse to the north, and MVP 4 to the southwest. Badger Coulee is a segment of just one of the 17 “Multi Value Projects” that fill in the missing links of the extra high voltage (EHV) system to carry electricity eastward from the Dakotas in the northwest, through Wisconsin, to Illinois and beyond⁹:



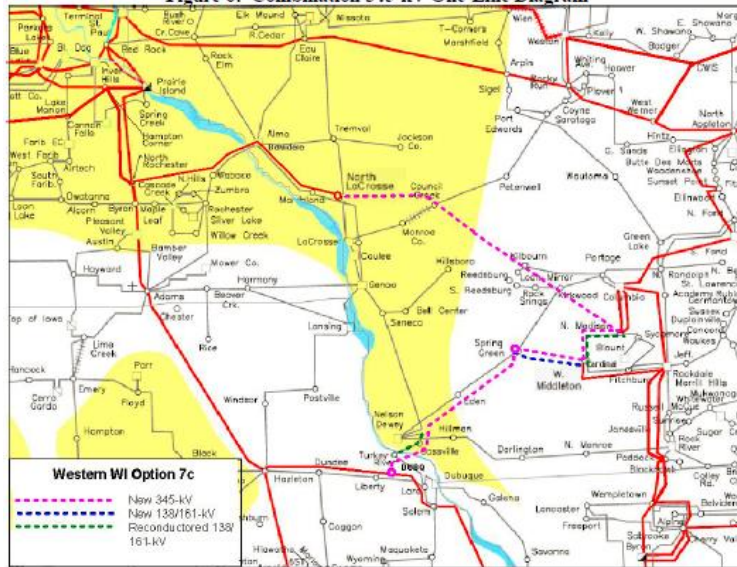
On the above map, and the map on the following page, MVP 5 is the dotted purple line, a sideways “V,” one from the La Crosse Briggs Road substation eastward to the North Madison substation and then on to the Cardinal substation in Middleton, Wisconsin, and the other from Dubuque both going eastward to the Cardinal substation in Middleton¹⁰. Badger Coulee is the northern dotted red line on the above map. MVP 5 is primarily in Wisconsin. MVP 5 is the larger of Wisconsin, and MVP 15 is a much smaller line between Wisconsin and Illinois.

⁸ Application, p. 2, 6, [ERF 204860](#).

⁹ MISO’s Rauch Ex. 1, p. 2, MVP Portfolio January 2012 ([ERF 218120](#)); see also JCSP and Upper Midwest Transmission Development Initiative both cited by the Applicants. Application, App. D., Exhibit 1, p. 15 of 346. [ERF 204739](#).

¹⁰ Application, p. 1; MISO’s Rauch Ex. 1, p. 2, MVP Portfolio January 2012 [ERF 218120](#).

Figure 6: Combination 345-kV One-Line Diagram ²⁴



Application, Appendix D, Exhibit 1, Planning Analysis, p. 25-26 of 346 [ERF 204739](#).

According to Applicants, both parts of MVP 5 are intended to bring power into the Madison area and beyond. PSC Staff found the Cardinal Bluff project to provide increased benefits over Badger Coulee and sought explanation of why that project was not being built before or with Badger Coulees project¹¹. “The applicants are not proposing the Badger Coulee project “as a reliability project to address identified concerns that violate system planning criteria.”¹²

A. The Proposed Facility, As An Economic Project, Is Not to Satisfy the Reasonable Needs Of The Public For An Adequate Supply Of Electric Energy, and Instead Provides Facilities Unreasonably In Excess Of The Probably Future Requirements.

The Commission must make the determination that the proposed facility satisfies the reasonable needs of the public for an adequate supply of electricity, and the Commission may refuse to certify a project that would provide facilities unreasonably in excess of the probable

¹¹ See responses to PSC 2.07 [ERF 226012](#), and PSC 1.115 [ERF 199617](#):

The Cardinal Bluffs Project is designed to provide both generation outlet and reliability benefits that are separate from the Badger Coulee Project. On the generation side, the Cardinal Bluffs Project moves power from Iowa into southern Wisconsin where it can then go further east to Milwaukee or further south to Illinois. In combination with the Oak Grove –Galesburg – Fargo 345 kV transmission line, the Cardinal Bluffs Project enables additional wind transfer capability.

¹² Urban Direct, p. 6, quoting Revised Application, p. 28 of 144, [ERF 204860](#).

future requirements. Wis. Stat. §196.491(3)(d)(2); Wis. Stat. §196.49(3)(b)(1). This project would provide facilities unreasonably in excess of future requirements.

This Badger Coulee project is a high capacity 345 kV transmission line proposed to increase transfer capacity for economic purposes. Yet according to the application, 2018 peak load will be only 198.3 amps, and in 2028, peak will be only 185.3 amps¹³. Testimony revealed the normal rating for this project as 2,400 amps and 2,500 amps emergency¹⁴. These admitted amperage levels are over ten times the 185-198 amps claimed in the application and used for magnetic field calculations. This low amp level for a high capacity line should alert regulators, yet these numbers were used by PSC staff for the EIS¹⁵. 2,400 – 3,000 amps represents significant capacity which should be measured against other claims regarding this project.

This project is also not required to address Wisconsin’s reserve requirements¹⁶.

The areas claimed to need MVP for improvement of “robustness” are not in Wisconsin:

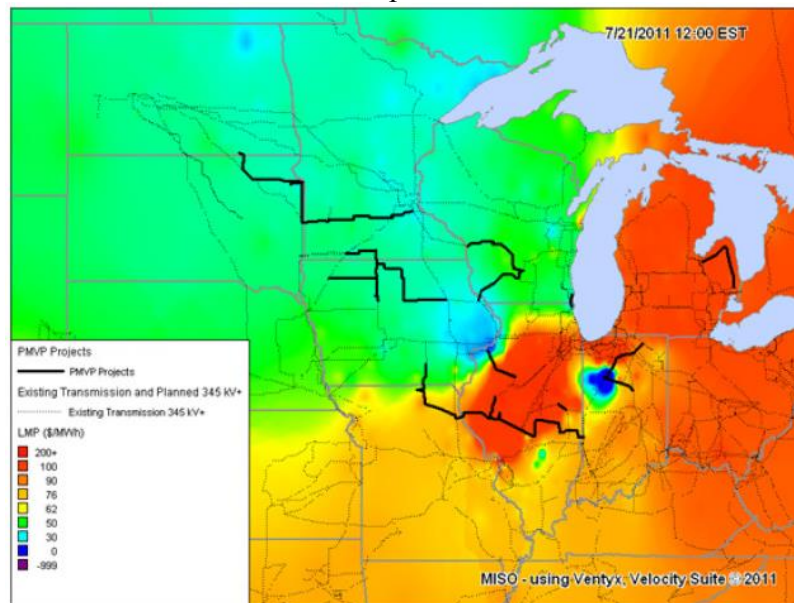


Figure 9.2: June 2011 LMP map with recommended MVP portfolio overlay

17

¹³ Application, Appendix G, Table 191 – Estimated Magnetic Field Data for Segment A, [ERF 191905](#).

¹⁴ Lorenz, Tr. Vol. 9, p. 130-131; Application p. 13 (“All ring bus components will have a minimum capacity of 3,000 amps continuous.”) [ERF 204860](#).

¹⁵ See FEIS p. 217-220; 253; 298; 332-333; 353; 379-380.

¹⁶ Rauch, Ex. 1, p. 56, MVP Portfolio, June 2012 [ERF 218120](#).

¹⁷ Rauch, Ex. 1, p. 71, MVP Portfolio, June 2012 [ERF 218120](#).

As to the the benefits claimed, SOUL's Lanzalotta correctly states that:

However, the benefits studies, MISO's studies are based on peak load growth assumptions that are too high in light of current conditions.

SOUL's Lanzalotta Direct, p. 19, l. 12-14; see also Powers, Direct, p. 2-4 [ERF 224737](#).

The historical average annual growth rate is 0.55 percent. The applicants' projected average 13 annual growth rate used in the MTEP09 analysis of 0.95 percent¹⁰ is almost twice the 14 historical rate. However, there is no reason to expect load growth in the future to be 15 above historical levels.... Experts are predicting demand growth to fall in the future.

Urban Direct, p. 4 [ERF 224595](#). Despite this, Urban testified Further, both applicants distracted with non-coincident peak forecasts and PSC staff testimony followed with focus on non-coincident peak, rather than coincident peak, which inflates forecasts. Coincident peaks were apparently not available prior to 2007.¹⁸ This distinction was recognized by Lanzalotta:

Of course, simply adding non-coincident peak loads will overstate the annual peak loads if the non-coincident peaks occur at different times. As discussed in the testimony of William Powers, in prior years, intervenors in transmission cases have alleged that 5% diversity or more exists between these non-coincident peaks. Should this still be the case, then it could take an additional year or more than this to reach 750 MW. This would put this reliability need for Badger-Coulee 15 or more years in the future. This not only puts this reliability need outside the typical 10 year planning horizon...

Lanzalotta Direct, p. 16, l. 3-10 [ERF 229027](#); see King-Huffman, Tr. Vol. 8, l. 22. Powers' testimony demonstrates the magnitude of this error:

Had the Applicants compared non-coincident peak load in 2006 and 2011, 465 MW and 465 MW respectively, it would have concluded that there was no peak load growth in the LaCrosse/Winona area over time instead of 3.44 percent per year. Had the Applicants compared the LaCrosse/Winona area non-coincident peak load in 2006 to 2012, 465 MW and 481 MW, it would have determined that the rate of peak load growth was less than 0.5 percent per year, not 3.44 percent.²¹ Had the Applicants compared LaCrosse/Winona area coincident peak load in 2006 and 2012, and not the non-coincident peak load, it may have found no difference in coincident peak load between these 2006 and 2012.

Powers Direct, p. 16, l. 15-22 [ERF 229030](#). Despite this, PSC Urban's testimony focused

¹⁸ Urban Direct, p. 4, fn. 8 "Coincident peak load data for ATC Wisconsin not available prior to 2007, response to Data Request Item 02.14, [PSC REF#: 205534](#)."

on non-coincident peak was not challenged. Applicants' King-Huffman testified to using non-coincident peak for the La Crosse area, and seconds later, coincident! King-Huffman, Tr. Vol. 8, p. 188, l. 8-13 and 18-21.

Applicants expressly stated that:

Badger Coulee is not being proposed as a reliability project to address identified concerns that violate system planning criteria.

Application, p. 28 of 144. Again, PSC's Urban recognized and testified to this fact.¹⁹ Much effort was spent addressing reliability concerns that were not at issue., or supporting this project based on "reliability benefits" it may provide in concert with the other MVP Portfolio projects. In four volumes of transcripts, there is no challenge to PSC staff analysis of Urban or Sirohi, no correction made to focus the analysis on coincident peak, no explanation of that distinction which would short-circuit use of the too-generous "non-coincident" peak and prevent diversion about "reliability" that is not an issue. Tr. Vol 8, 9, 10 & 11.

The focus of this project, as part of the MVP Portfolio, is not targeted to Wisconsin, it is targeted toward moving power into and through Wisconsin, across the MISO footprint²⁰. As a part of the 17 project MVP Portfolio established by MISO in MTEP 11, the strategy focused on:

Regional transmission, such as the transmission in the proposed MVP portfolio, increases reliability in the MISO footprint, opens the market to increased competition and provides **access to low cost generation, regardless of fuel type.**

Rauch, Ex. 1, p. 9, [ERF 218120](#). The unsubstantiated claims of carbon reduction extend the geographic area to "across MISO and neighboring regions." Rauch, Ex. 3, p. 46. There is nothing in the record supporting claims of decrease of coal generation, only projections of claimed increase of transmission of wind. Likewise, there is nothing in the record regarding the

¹⁹ Urban Direct, p. 6, quoting Revised Application, p. 28 of 144, [ERF 204860](#).

²⁰ See Rauch Direct, p. 9 & 33, [ERF 224234](#); Ex. 1, p. 12 (It will also open markets to competition, reducing congestion and **spreading the benefits of low cost generation across the MISO footprint.**) (emphasis added) [ERF 218120](#) see also Id., p. 1, 3, 5, 9, 15, 15, et seq.

impact of reduction of coal generation on available transmission capacity.

Under Wisconsin law, a project should not be approved if it would provide facilities unreasonably in excess of the probable future requirements. Wis. Stat. § 196.49(3)(b).

Applicants request for a CPCN should be denied.

III. BENEFITS AND COST CLAIMS FOR WISCONSIN ARE CONFLATED.

For a CPCN to be issued, the Commission must analyze and make a determination regarding the relation of benefits to costs:

For a high-voltage transmission line that is designed for operation at a nominal voltage of 345 kilovolts or more, the high-voltage transmission line provides usage, service or increased regional reliability benefits to the wholesale and retail customers or members in this state and the benefits of the high-voltage transmission line are reasonable in relation to the cost of the high-voltage transmission line.

Wis. Stat. §196.491(3)(d)(3t).

If a project meets these criteria, it is approved by MISO as an MVP and is constructed, its costs are shared across the MISO region because the project's benefits are also spread across the MISO region.

Application, p. 25 of 144. Yet applicants want to attribute a disproportionate share of the benefits of the MVP Portfolio to Badger Coulee and only a part of the costs of the MVP Portfolio which will be assessed to Wisconsin. Applicants cannot have it both ways.

A. Economic Benefits To Wisconsin Are Overstated And Are Not Clear.

The MVP economic benefits are not distinct, project by project, state by state, and instead are to be taken as a whole, based upon PROMOD modeling presuming all 17 projects are approved and constructed²¹. All 17 projects are required to achieve the benefits claimed, if at all. Costs of all projects are spread across the MISO region. Yet Applicants wish to attribute benefits for Wisconsin to just the Badger Coulee project, and claim that the benefits received

²¹ . Rauch Ex. 1, MVP Portfolio [ERF 218120](#); Rauch Ex. 3, MVP Triennial Report [ERF 218122](#).

through all MVP projects will cost Wisconsin ratepayers only that amount apportioned for Badger Coulee, and not all 17 projects, which Wisconsin ratepayers will be assessed.

First, it is not possible to separate out “benefits” to Wisconsin.

Q: ... Is it accurate to describe that the savings -- that the application purports the savings of the project in the Wisconsin ratepayers' electric bill will be higher than the cost per ratepayer of paying for the project?

A: I can't answer that question. I mean, the savings of the project are to our interconnected utilities. How they pass those savings on to the ratepayers is, you know, within their tariff and pay structures and things of that nature. So, you know, I personally can't speak to, you know, to a direct savings of any magnitude to the ratepayers of Wisconsin or, in fact, the ratepayers throughout the MISO footprint.

Henn, Tr. Vol. 8, p. 9. Savings to "our interconnected utilities" are not benefits to ratepayers.

Second, it is not reasonable to represent that the cost will be only the percentage of the Badger Coulee cost that will be paid by Wisconsin ratepayers, because they will pay a percentage of the cost of all 17 MVP projects. Yet PSC staff only addressed the \$5.05 million PVRR of the \$579.79 million Badger Coulee cost, and address zero of the cost allocated to Wisconsin of the estimated \$5.86 billion cost of the MVP Portfolio which will be assessed to Wisconsin. See MISO Schedule 26A and Attachment MM... oh, but they're not in the record!!

The purpose of this build-out is to add to the existing and under construction transmission web, provide outlet from La Crosse and ship electricity from where there is a surplus and lower cost electricity to where there is a market with higher prices. See Rauch, Ex. 1, MVP Portfolio, p. 27-28, [ERF 218120](#). The MVP 17 project Portfolio includes a number of drivers, but look at a side by side of the two benefit claims in the record²² (increased benefits in grey):

²² MISO Rauch Ex. 1, MISO Portfolio 2012 [ERF 218120](#) & Ex. 3 MVP Triennial Review Report 2014 [ERF 218122](#).

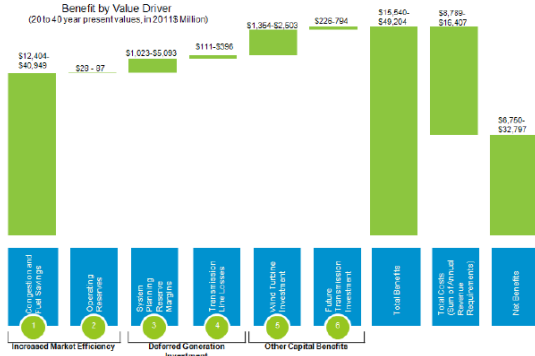


Figure 8.1: Recommended MVP portfolio economic benefits

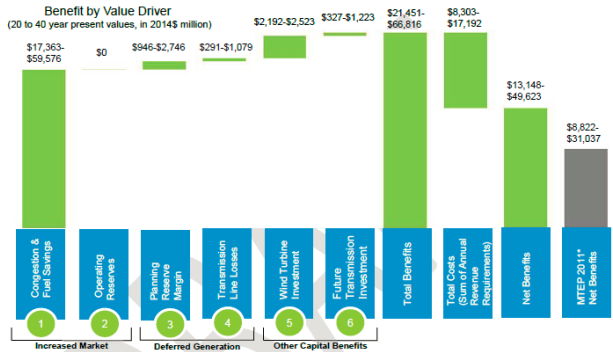


Figure E-1: MVP Portfolio Economic Benefits from MTEP14 MVP Triennial Review

The Draft MVP Triennial Review repeatedly declares and admits, without support for the assumptions, that:

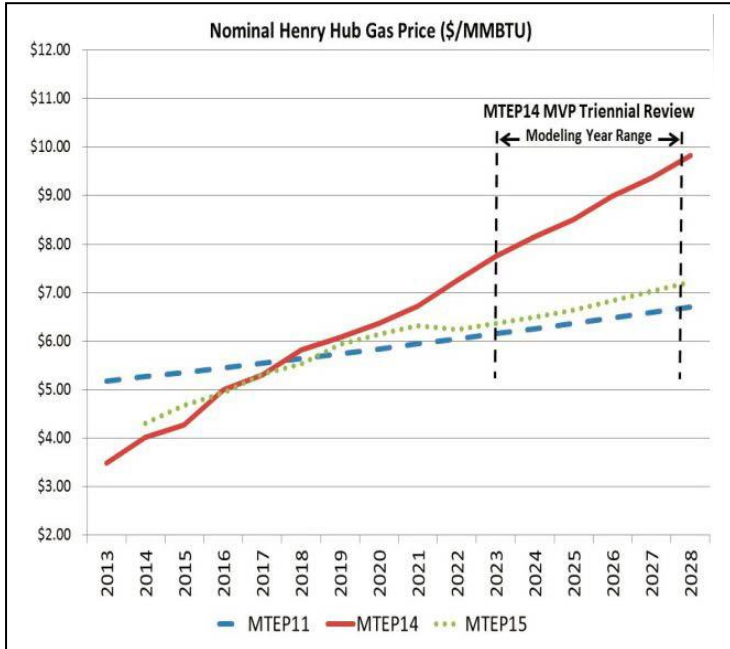
- Benefit increases are primarily congestion and fuel savings largely driven by natural gas price assumptions.
- The bulk of the increase in benefits is due to an increase in the assumed natural gas price forecast in MTEP14 compared to MTEP11.
- The increase in congestion and fuel savings benefits relative to MTEP11 is primarily due to an increase in the out-year natural gas price forecast assumptions (Figures E-2). The increased escalation rate causes the assumed natural gas price to be higher in MTEP14 compared to MTEP11 in years 2023 and 2028 - the two years from which the congestion and fuel savings results are based (Figure E-2).²³

Without verification or analysis, PSC’s Neumeyer accepts this increase based on natural gas price forecast and presumes it would be built, predicting market congestion if Badger Coulee is not built.²⁴ The material increases in “benefits” are wholly speculative, and not reasonable speculation at that – the red line of MTEP 14’s “forecast,” particularly considered in light of MTEP 11 and MTEP 15, is unsupported wishful thinking with no basis for such a marked increase.²⁵

²³ Rauch Ex. 3, MVP Triennial Report, p. 2,4-5, [ERF 218122](#).

²⁴ PSC Neumeyer Direct, p. 2, l. 16 [ERF 224603](#).

²⁵ Id., p. 6, see also Application, App. D, Table E6: Natural Gas Prices, p. 219 [ERF 204739](#).



The application provides additional evidence that an increase in natural gas prices should not be expected.²⁶ This skewed speculation about natural gas prices unreasonably raises claimed “benefits” of MVP:

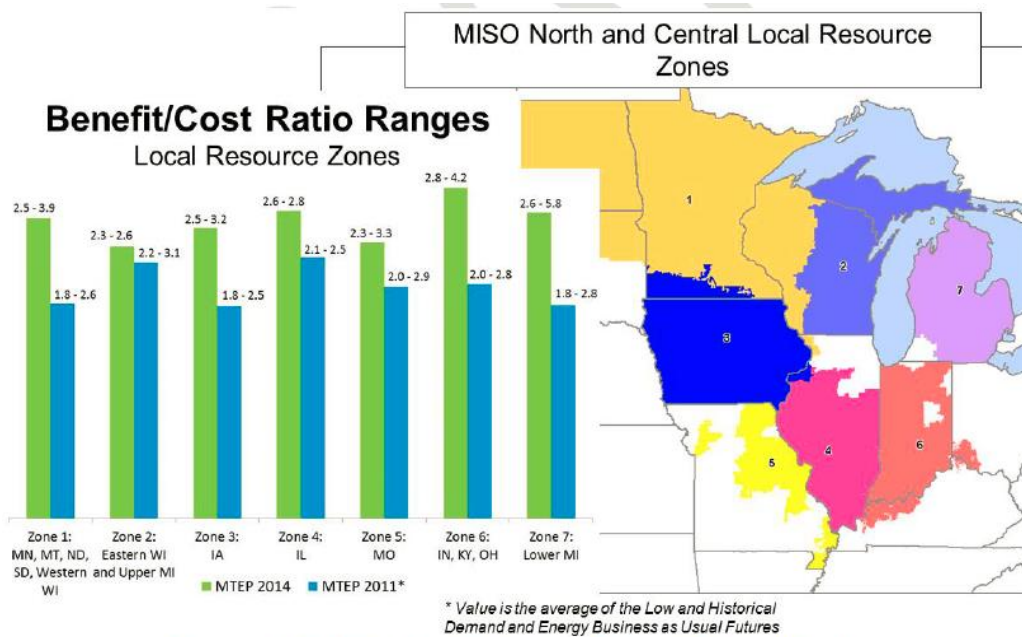


Figure E-3: MVP Portfolio Total Benefit Distribution

²⁶ Application, Appendix D, Exhibit 1, p. 221 (321 of 346).

Rauch Ex. 3, MVP Triennial Report, p. 7 [ERF 218122](#). Benefits claimed are not distinguished by state, but by “Local Resource Zones,” and Wisconsin is divided, with Zone 1 and Zone 2, which both include other states as well. It is impossible to attribute claimed benefits to Wisconsin, and it is impossible to attribute any benefits of the Badger Coulee portion of MVP 5 to Wisconsin or any other jurisdiction.

Applicant’s Henn admits that the benefits accrue to the utilities, and any benefits to Wisconsin ratepayers are not distinct or identifiable:

I mean, the savings of the project are to our interconnected utilities. How they pass those savings on to the ratepayers is, you know, within their tariff and pay structures and things of that nature. So, you know, I personally can't speak to, you know, to a direct savings of any magnitude to the ratepayers of Wisconsin or, in fact, the ratepayers throughout the MISO footprint. to a direct savings of any magnitude to the ratepayers of Wisconsin or, in fact, the ratepayers throughout the MISO footprint.

Henn. Tr. Vol. 8, p. 9, l. 13-20.

PSC’s Urban analyzed the benefits and costs by considering the Badger Coulee line, the Cardinal Bluff line, and both lines, but did not address that the MVP PROMOD requires that ALL projects be built to achieve the claimed benefits, and cannot be analyzed separately.²⁷ Urban only addressed the Wisconsin share of MVP 5 and did not address the Wisconsin share of the 17 MVP projects.²⁸ There was no testimony in the record regarding the allocation of the costs of the 17 MVP projects in Wisconsin, and no testimony regarding inseparability of the projects, that all must be built.

Where benefits are not attributable to a particular project or a particular jurisdiction such as Wisconsin, the Commission has no record upon which to make a determination regarding benefits to Wisconsin of this project.

²⁷ Urban Direct, p. 7 [ERF 230136](#) and Urban Ex. 3 [ERF 224588](#) & 4 [ERF 224602](#).

²⁸ Urban Direct, p. 8 [ERF 230136](#); Urban Ex. 6 [ERF 225346](#).

B. Costs to Wisconsin Ratepayers Are Understated and Skewed in PVRP analysis

What is the cost of this project and what is the cost to Wisconsin ratepayers? Under Wisconsin law, the cost of the project must be reasonable in relation to the benefits it provides. Wis. Stat. §196.491(3)(t); 196.49(3)(b)(2).

If a project meets these criteria, it is approved by MISO as an MVP and is constructed, its costs are shared across the MISO region because the project's benefits are also spread across the MISO region.

Application, p. 25 of 144.

The rate recovery scheme for MISO MVP transmission has changed from an historical requirement that generators pay for necessary upgrades to a cost-apportionment scheme of return set across all MISO balancing authorities, sanctioned by MISO and then approved by FERC. Does the proposed project provide usage, service or increased regional reliability benefits to wholesale and retail customers in Wisconsin that are reasonable in relation to its cost? It's impossible to tell with this record – as with the claims of benefits to Wisconsin retail customers, the cost of the project and the cost to Wisconsin ratepayers is not clear. Where Applicants cannot commit to benefits to ratepayers, there is not basis for any cost/benefit comparison.

Applicants state the cost of the Badger Coulee project is \$540 - \$576-580 million, that part of MVP 5 from La Crosse Briggs Rd. substation to the Cardinal substation²⁹. MVP 5 cost was \$714, but given the Badger Coulee increase of \$150 million, from 2011 \$390 million to the present \$540 (Southern Route) to \$576-580 million (northern route).

Hodgson cites “Schedule 26A” and “Attachment MM” multiple times, but neither is attached as an Exhibit or linked in his testimony³⁰.

²⁹ Application, p. 4; see also Hodgson Direct, p. 4.

³⁰ Applicants will reap a 12.38% rate of return, set in a MISO tariff and approved by FERC; see also MISO Tariff MM and Schedule 26A.

IV. THE COMMISSION MUST DENY APPLICANTS' REQUEST FOR A CPCN

NoCapX 2020 submit this Non-Party Brief and request that the Applications for a Certificate of Public Convenience and Necessity be denied³¹. This Recommendation should provide support for the Commission to make a decision based upon established policy and the public and ratepayer interests.

In this case of first impression in Wisconsin, where a transmission-only company Applicant has requested a Certificate of Convenience and Public Necessity for a segmented portion of a multi-project "portfolio" project extending across the region, No CapX 2020 request that these Applications be denied. Review and analysis of the project should consider all of the costs and benefits of the MISO 17 project MVP Portfolio as a part of this proceeding. Because the MVP 17 project portfolio is nothing more than MISO's promotional business plan to enable marketing of low-cost electricity from the Dakotas in the northwest to Madison/Milwaukee, Illinois, and beyond, it is not a justification for a CPCN. A marketing plan, desire to gain financially by increasing marketing range, lowering production costs, or a return of 12.38% on the capital costs of transmission construction do not constitute "need" under Wisconsin's CPCN criteria. This permit should be denied.



Dated: January 30, 2015

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³¹ No CapX 2020 takes no position as to the route of the project.