

**BEFORE THE STATE CORPORATION COMMISSION  
OF THE STATE OF KANSAS**

In the Matter of Grain Belt Express )  
Clean Line LLC Compliance Filings as )  
Required by Commission in Docket ) Docket No. 14-GBEE-527-CPL  
No. 13-GBEE-803-MIS )

**QUARTERLY STATUS REPORT OF GRAIN BELT EXPRESS**

Grain Belt Express Clean Line LLC (“Grain Belt Express”) hereby files its quarterly report pursuant to Commission Order.

1. On December 7, 2011, the State Corporation Commission of the State of Kansas (“Commission” or “KCC”) issued its *Order Approving Stipulation and Agreement and Granting Certificate* in Docket No. 11-GBEE-624-COC (the “11-624 Docket”). As part of the Stipulation and Agreement in the 11-624 Docket, Grain Belt Express was required to provide notice to the parties when submitting to the Commission quarterly status reports regarding the Grain Belt Express transmission line project.<sup>1</sup>

2. On November 7, 2013, the Commission issued its *Order Granting Siting Application* in Docket No. 13-GBEE-803-MIS (the “13-803 Docket”) directing Grain Belt Express to terminate the notice filings in the 11-624 Docket and instead submit the notice of submittal filings in the 13-803 Docket.<sup>2</sup>

3. Subsequently, on May 22, 2014, the Commission issued in the 13-803 Docket its *Order Closing Docket and Opening Compliance Docket* (Order), at which time the instant docket was initiated. In its Order, the Commission indicated that Grain Belt Express should begin filing notice of its quarterly status reports in this compliance docket.<sup>3</sup>

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<sup>1</sup> Docket No. 11-GBEE-624-COC, Order Approving Stipulation and Agreement and Granting Certificate, ¶ 22.

<sup>2</sup> Docket No. 13-GBEE-803-MIS, Order Granting Siting Application, ¶ 56.

<sup>33</sup> Docket No. 13-GBEE-803-MIS, Order Closing Docket and Opening Compliance Docket, ¶¶ 4, and A-B.

4. On December 28, 2018, Clean Line Energy Partners LLC, Grain Belt Express Holding LLC, and Grain Belt Express, together with Invenergy Transmission LLC (Invenergy Transmission), Invenergy Investment Company LLC (Invenergy Investment and together with Invenergy Transmission, Invenergy), filed a joint application in docket 19-GBEE-253-ACQ (19-253 Docket) requesting approval by the Commission of a transaction involving an upstream change in ownership of GBE, whereby Invenergy Transmission would acquire all the assets and rights of Grain Belt Express.

5. On June 18, 2019, the Commission approved the transaction in the 19-253 Docket by issuing an order approving a Unanimous Settlement Agreement (19-253 Order) that included a provision requiring Grain Belt Express to file a public version of the quarterly reports in this compliance docket. Pursuant to the Commission's 19-253 Order, Grain Belt Express hereby files its quarterly report (attached hereto as **Attachment A**).

WHEREFORE, Grain Belt Express hereby files its Quarterly Report in conformance with Commission Order.

Respectfully submitted,

*/s/ Glenda Cafer*

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**COUNSEL FOR GRAIN BELT EXPRESS  
CLEAN LINE LLC**

**CERTIFICATE OF SERVICE**

I, the undersigned, hereby certify that a true and correct copy of the above *Quarterly Status Report* was served by electronic mail, this 15<sup>th</sup> day of October, 2019 to:

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*/s/ Glenda Cafer* \_\_\_\_\_

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October 15, 2019

Lynn M. Retz  
Secretary  
Kansas Corporation Commission  
1500 SW Arrowhead Road  
Topeka, KS 66604

Dear Ms. Retz:

Pursuant to the December 7, 2011 *Order Approving Stipulation Agreement and Granting Certificate* in Docket No. 11-GBE-624-COC, the November 7, 2013 *Order Granting Siting Permit* in Docket No. 13-GBE-803-MIS (“the 13-803 Docket”), and the June 18, 2019 *Order on Unanimous Settlement* in Docket No. 19-GBEE-253-ACQ (“the 19-253 Docket”) Grain Belt Express Clean Line LLC (“Grain Belt Express”) hereby submits its quarterly update on the development progress of the Grain Belt Express Clean Line transmission project (“Grain Belt Express Project” or “Project”).

**Status Overview**

On November 7, 2013, the Kansas Corporation Commission (“Commission” or “KCC”) issued an *Order Granting Siting Permit* in the 13-803 Docket conferring on Grain Belt Express the right to construct the Kansas portion of a multi-terminal  $\pm 600$  kilovolt (“kV”) high voltage direct current (“HVDC”) transmission line, and HVDC converter station and associated transmission facilities, connecting to the Spearville/Ironwood 345 kV transmission line in Ford County, Kansas to a delivery point near the Sullivan/Breed 345 kV substation in Sullivan County, Indiana (“Siting Order”). Furthermore, on September 6, 2018, Grain Belt Express and Commission Staff filed with the Commission a joint motion seeking an extension to the sunset provision contained in the Siting Order. After various pleadings, on December 6, 2018, the Commission issued an *Order Canceling Procedural Schedule and Granting Limited Extension of Sunset Provision*, which provided an

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extension of the sunset provision through December 2, 2019 for the purposes of allowing the Commission and its Staff time to evaluate a pending transaction between Grain Belt Express and Invenergy Transmission LLC (“Invenergy”). As discussed further below, following submission of an application for the transaction approval, the KCC on June 18, 2019 issued an *Order Approving Unanimous Settlement Agreement*. With the approval of the transaction complete, the KCC again contemplated the sunset of the of the Siting Order, and on September 28, 2019 issued the *Order Granting Joint Motion to Replace Sunset Provision with Settlement Deadlines*, which requires Grain Belt Express to obtain escalating percentages of the easements required to build the Kansas portion of the Project or obtain financing for the full Project by certain dates. If Grain Belt Express is unable to meet the requirements it will be subject to increasing sanctions. If Grain Belt Express has not satisfied the requirements by December 2, 2028, it will be required to file a new siting application or abandon the Project.

On May 23, 2013, the Indiana Utility Regulatory Commission (IURC) granted Grain Belt Express’ application to operate as a public utility in Indiana.

On November 12, 2015, the Illinois Commerce Commission granted a Certificate of Public Convenience and Necessity to Grain Belt Express (Docket 15-0277). On March 13, 2018, the Fifth District Appellate Court of Illinois reversed the Illinois Commerce Commission’s Order, finding the ICC lacked the authority to grant a nonpublic utility a CPCN under the expedited review process set forth in the Illinois Public Utilities Act. Grain Belt Express will be required to own utility plant, property, or equipment prior to refiling for a Certificate in Illinois.

On August 30, 2016, Grain Belt Express filed an application for a Certificate of Convenience and Necessity (“CCN”) with the Missouri Public Service Corporation (“PSC”) requesting approval of the Project. On August 16, 2017, the PSC found the Grain Belt Express Project to be in the public interest, but declined to issue a CCN due to a decision on an unrelated project regarding county road crossing assents. On appeal, the Eastern District Appellate Court of Missouri ruled that the PSC erred in denying Grain Belt Express’ application for a CCN, and transferred the case to the Missouri Supreme Court. On July 17, 2018 the Missouri Supreme Court issued a unanimous per curiam opinion that reversed the PSC’s order denying Grain Belt Express’ CCN application. The

opinion also stated that the decision on the unrelated project regarding county road crossing assents that the PSC relied upon in denying Grain Belt Express' application for a CCN should no longer be followed. On August 21, 2018 the Supreme Court denied motions to rehear and to modify the decision. In an order issued September 24, 2018 the Supreme Court ordered that Grain Belt Express be restored to all things to which it has lost by reason of the PSC decision and remanded the case to the PSC for further proceedings in conformity with the opinion of the Supreme Court. Subsequently, on October 24, 2018, the MPSC issued the *Order Setting Supplemental Procedural Schedule and other Procedural Requirements* pursuant to which Grain Belt Express and other parties filed supplemental testimony, an evidentiary hearing was held, and briefs were submitted. On March 20, 2019, the MPSC issued the *Report and Order on Remand* granting Grain Belt the Certificate of Convenience and Necessity with an effective date of April 19, 2019.

### **Pending Acquisition**

On November 9, 2018, Grain Belt Express Holding LLC, the owner of Grain Belt Express, entered into a Membership Interest Purchase Agreement ("MIPA") with Invenergy under which Invenergy will acquire a 100% interest in Grain Belt Express pending satisfaction of a number of conditions precedent including review and approval by the KCC (the "Transaction"). On the same date, the parties also entered into a Development Management Agreement ("DMA"), through which Invenergy is managing the business and affairs of the Grain Belt Express Project, and all activities incidental thereto, in addition to performing all services related to the development, ownership and maintenance of the Project during the pendency of the acquisition process. On December 28, 2018, the related parties filed a Joint Application for Transaction Approval and Expedited Treatment before the Commission seeking approval of the Transaction in the 19-253 Docket. Following the submission of the Application, the parties engaged in settlement negotiations with KCC Staff, which culminated in the filing of a Unanimous Settlement Agreement on May 2, 2019. As noted above, on June 18, 2019, the KCC issued its *Order Approving Unanimous Settlement Agreement*, approving the transaction with certain conditions.

Additionally, on February 1, 2019, Invenergy, Grain Belt Express and related companies filed a joint application asking the MPSC to approve the acquisition by Invenergy of Grain Belt Express. On March 6, 2019, the MPSC issued an *Order Adopting Procedural Schedule*, as a result of which an

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evidentiary hearing was held on April 23, 2019. On June 5, 2019, the MPSC issued its *Report and Order* approving the transaction, with an effective date of June 30, 2019. On September 11, 2019, the MPSC issued its *Amended Report and Order* to clarify that the conditions apply directly to Grain Belt Express and only indirectly to Invenergy, as the new parent company of Grain Belt Express. The *Amended Report and Order* was effective as of September 21, 2019.

Finally, on September 18, 2019, Grain Belt Express and Invenergy filed a Joint Petition requesting an approval by the IURC of the acquisition, ownership, and operation of Grain Belt Express by Invenergy and also requesting other related determinations. The Joint Petition is currently pending.

### **Project Need**

Pursuant to the Federal Energy Regulatory Commission's ("FERC") Order as described below, on January 21, 2015, Grain Belt Express issued notice of an open solicitation process to allocate capacity on the Grain Belt Express Project. On March 30, 2015, Grain Belt Express announced the results of this process showing a strong demand for the Grain Belt Express Project. Grain Belt Express received requests for more than 20,000 megawatts of transmission service on the Project, representing more than four and a half times the available capacity of the transmission line. On June 2, 2016, Grain Belt Express entered into a Transmission Service Agreement ("TSA") with the Missouri Joint Municipal Electric Utility Commission ("MJMEUC"), pursuant to which MJMEUC has agreed to purchase 225 MW of capacity from the Project, with an option for an additional 25 MW. MJMEUC now estimates that the current form of this agreement will save its members over \$10 million annually. On November 30, 2016, Grain Belt Express entered into a Transmission Service Agreement with Realgy, LLC ("Realgy"), pursuant to which Realgy has agreed to purchase up to 25 MW of capacity from Kansas into Missouri and up to 25 MW of capacity from Kansas into the PJM interconnection.

### **Amount Spent to Date**

As of September 30, 2019, Grain Belt Express has spent a total of approximately **\*\*\*[REDACTED]\*\*\*** on the development of the Grain Belt Express Project, which includes a

relevant portion of Clean Line Energy Partners LLC's estimated overhead through September 30, 2019.

Additionally, as of September 30, 2019, Invenergy has spent a total of approximately **\*\*\* [REDACTED] \*\*\*** on the development of the Grain Belt Express Project. This amount represents third-party costs incurred by the Project after the November 9, 2018, Effective Dates of the MIPA and DMA, and payable by Invenergy under the terms of the DMA, including easement payments to landowners as described below. This figure does not capture internal Invenergy overhead and expenses, invoiced amounts that have not yet been paid as of the date of this filing, or contracted amounts that have not yet been invoiced.

**Amount Expected to Have Been Spent to Date**

There is not a significant variance between the expected spend-to-date and the actual spend-to-date at this stage of development.

**Total Budget and Explanations for Increases/Decreases**

Below is the estimated budget for the Grain Belt Express Project through construction. These estimates are subject to change as the route, including mileage, is determined, preliminary engineering is conducted, and timing for construction and acquisition of materials is determined.

\*\*\*

[REDACTED]	
[REDACTED]	
[REDACTED]	
	[REDACTED]
	[REDACTED]
	[REDACTED]

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**SPP Agreements and/or Invoices**

On September 6, 2013, the Southwest Power Pool (“SPP”) Transmission Working Group approved the Criteria 3.5 studies inclusive of additional analysis that assessed the project at the tap of the Clark County to Spearville/Ironwood 345 kV line.

Following the completion of Criteria 3.5 studies, Grain Belt Express and ITC Great Plains LLC (“ITC”) entered into a Facilities Study Agreement on September 30, 2014. On March 19, 2015, ITC completed the Facilities Study. The Facilities Study identified the required attachment facilities, as well as about \$21 million of improvements needed to physically interconnect Grain Belt Express’ Kansas converter station to ITC’s 345 kV system in Ford County, Kansas. On October 17, 2016, an Interconnection Agreement was executed by ITC, SPP, and Grain Belt Express for the Project’s Kansas converter station to ITC’s 345 kV system in Ford County, Kansas. SPP filed the Interconnection Agreement with FERC on November 3, 2016 in Docket No. ER17-296-000 which was subsequently accepted by FERC on December 21, 2016.

**Agreements with Kansas Jurisdictional Public Utilities**

Grain Belt Express has no agreements with Kansas jurisdictional public utilities at this time.

**FERC filings since October 10, 2011**

On May 8, 2014, FERC granted Grain Belt Express negotiated rate authority. Receiving this approval will allow Grain Belt Express to sell transmission capacity to potential customers of the project, including utilities and other load serving entities or clean energy generators. In addition, Grain Belt Express was granted authorization to negotiate bilateral agreements for 100% of the line’s capacity. Generator interconnection to the Grain Belt Express Project will be subject to a FERC-approved Open Access Transmission Tariff (“OATT”) associated with the project.

**Land update**

As agreed to by Grain Belt Express in the Unanimous Settlement Agreement of May 2, 2019, and as incorporated into the *Order Approving Unanimous Settlement Agreement* of June 18, 2019 in the

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19-253 Docket,<sup>1</sup> Grain Belt Express also provides the following update on easement-related outreach and acquisition efforts.

As of September 30, 2019, Grain Belt Express has obtained \*\*\*[REDACTED]\*\*\* easements in Kansas, as well as a purchase option for a parcel for the Converter Station in Ford County. Significant landowner contacts in the third quarter of 2019 were limited to reaching out to the aforementioned easement grantors to provide a general Project update and arrange for making easement payments. Grain Belt Express is currently planning to initiate a broader landowner outreach campaign, including communications sent to Kansas landowners, after the close of the MIPA which is expected in the fourth quarter of 2019.

Significant outreach events in Kansas in the third quarter of 2019 included representatives of Invenergy, on behalf of Grain Belt Express, meeting with various state legislators and county officials to discuss the Project; additional, similar meetings are planned for the fourth quarter of 2019. Further, a representative of Invenergy presented at the Kansas Renewable Energy Conference, hosted by the Kansas Department of Commerce, on October 4, 2019 to discuss the Project.

Please feel free to contact me with any additional questions. Thank you.

Sincerely,

Michael Skelly  
Chairman  
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[mskelly@cleanlineenergy.com](mailto:mskelly@cleanlineenergy.com)

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<sup>1</sup> Paragraph 9(f) of the Unanimous Settlement Agreement approved by the Commission provides: In its quarterly reports to the Commission, in addition to the information already required, GBE shall provide: (i) the number of Kansas easements obtained; (ii) significant Kansas landowner contacts; (iii) significant outreach events in Kansas; and (iv) significant communications sent to Kansas landowners. Such reports shall continue to be considered confidential; however, a public version of the report shall be filed in the compliance docket.