2008.07.17 10:12:08 Kansas Corporation Commission /S/ Susan K. Duffy

BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

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In the Matter of the Application of Prairie Wind Wind Transmission, LLC for a Certificate of Public Convenience to transact the Business of an Electric Public Utility in Ford, Kiowa, Clark, Comanche, Barber, Pratt, Harper, Kingman, Sumner and Sedgwick Counties, Kansas

Summ Taly 7 Docket Room

Docket No. 08-PWTE-1022-COC

<u>MOTION TO INTERVENE OF</u> <u>SUNFLOWER ELECTRIC POWER CORPORATION</u> <u>AND</u> <u>MID-KANSAS ELECTRIC COMPANY, LLC</u>

COMES NOW Sunflower Electric Power Corporation ("Sunflower") and Mid-Kansas Electric Company, LLC ("MKEC") and petition the State Corporation Commission of the State of Kansas ("Commission" or "KCC") for an order granting Sunflower and MKEC intervention in the above-captioned proceeding involving the application by Prairie Wind Transmission, LLC ("Prairie Wind"), for a certificate of public convenience ("Certificate") to transact business in Kansas as an electric transmission utility.

I. BACKGROUND

1. Sunflower is a consumer-owned corporation operated on a not-for-profit basis by six rural electric distribution cooperatives (Sunflower Members) that serve retail customers located in 34 western Kansas counties.¹ From inception, Sunflower has been principally financed by the United States Government, acting by and through the Administrator of the Rural Electrification Administration (REA) and its successor, the Rural Utilities Service (RUS). Sunflower is a public utility fully regulated by the Commission under K.S.A. 66-104.

¹ The Sunflower Member Cooperatives are Lane-Scott Electric Cooperative, Inc.; Pioneer Electric Cooperative, Inc.; Prairie Land Electric Cooperative, Inc.; The Victory Electric Cooperative Association, Inc.; The Western Cooperative Electric Association, Inc.; and Wheatland Electric Cooperative, Inc.

2. MKEC is a limited liability company operated on a not-for-profit basis that was formed by the Sunflower Members² to bid for the Kansas electric assets of Aquila, Inc. That transaction was approved by the Commission on February 23, 2007, in Docket No. 06-MKEE-524-ACQ and closed effective April 1, 2007. MKEC, like Sunflower, is a public utility fully regulated by the Commission under K.S.A. 66-104.

3. On May 19, 2008, Prairie Wind filed an application in the above-captioned proceeding requesting a Certificate under K.S.A. 66-131 to site, construct, own, operate and maintain bulk electric transmission facilities in the State of Kansas ("Application").

4. Prairie Wind is a Delaware limited liability company authorized to do business in Kansas. Westar Energy, Inc. ("Westar") and Electric Transmission America, LLC ("ETA") each own a 50% membership interest in Prairie Wind. Application, at ¶1. ETA is a joint venture between AEP Transmission Holding Company, LLC ("ATHC"), a wholly owned subsidiary of American Electric Power Company, Inc. ("AEP") and MEHC America Transco, LOLC ("MAT"), a wholly owned subsidiary of MidAmerican Energy Holdings Company ("MEHC"). *Id.*

5. Prairie Wind proposes to construct a new 765 kV transmission system which consists of two (2) segments. One segment is estimated to run from a new or existing substation belonging to Westar or its subsidiary, Kansas Gas and Electric Company, near Wichita, Kansas, to a new 765 kV substation near Medicine Lodge, Kansas, and continuing to a new or existing substation near Spearville, Kansas. The other segment is estimated to run from the new 765 kV substation near Medicine Lodge, Kansas-Oklahoma border. *Id.* at ¶2.

² The members of MKEC are the same as the Sunflower Members with the exception of Southern Pioneer Electric Company which is a wholly-owned subsidiary of Pioneer Electric Cooperative, Inc.

6. Interconnections from the 765 kV transmission systems to existing lower voltage transmission will be required. The project will connect to facilities owned by Sunflower near Spearville and to facilities owned by MKEC near Medicine Lodge. *Id.* at ¶3.

7. Prairie Wind proposes to own, operate and maintain the 765 kV facilities and to become a member of the Southwest Power Pool ("SPP"). Upon energization, the proposed 765 kV facilities would be under the functional control of the SPP and available for service under SPP's Open Access Transmission Tariff ("OATT"). *Id.* at ¶19.

II. Motion to Intervene

8. Sunflower and MKEC both have direct interests in the above-captioned proceedings as potential builders, owners and operators of new transmission facilities in the state of Kansas. Prairie Wind, which proposes to become a new independent transmission owner in Kansas, is therefore like ITC Great Plains, LLC, whose entry into Kansas is governed by the Stipulation and Agreement approved by the Commission in Docket No. 07-ITCE-380-COC (the "Stipulation"). Sunflower and MKEC assume that Prairie Wind will be treated comparably and if so, then Sunflower and MKEC would be "Affected Incumbent Transmission Owners" (as defined in the Stipulation) with prior rights to construct a majority of the facilities Prairie Wind proposes to construct.

9. Sunflower and MKEC currently own, operate and maintain transmission and provide and use transmission service in the state of Kansas. Sunflower and MKEC also desire to continue providing such services through upgrades to their existing facilities and the construction of new facilities to service its load requirements, to reduce congestion, to facilitate the economical purchase and sale of electric power and energy and to help facilitate an effective and competitive electric market in Kansas and the SPP region.

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10. As previously stated, the proposed 765 kV transmission facilities would interconnect to transmission facilities owned by Sunflower and MKEC. A vast majority of the proposed 765 kV transmission facilities would be located in MKEC's "footprint," the certified service territory of MKEC and the area where MKEC is the transmission owner whose facilities provide service for its and others' wholesale delivery points. A minority of the proposed 765 kV transmission facilities would be located in Westar's footprint. Therefore, the operation of the proposed 765 kV transmission facilities would have a direct impact on the operations of Sunflower and MKEC.

11. Sunflower and MKEC are "Transmission Owners" and Members of SPP, as is Westar. Prairie Wind is not. As Transmission Owner Members of SPP, their transmission facilities are governed by SPP's OATT. SPP's OATT sets forth the procedure by which SPP will designate the Transmission Owner(s) responsible for a new project:

After a new transmission project has been approved for construction in the SPP Transmission Expansion Plan, required pursuant to a Service Agreement, or required pursuant to an interconnection agreement, the Transmission Provider will authorize the appropriate Transmission Owners to begin implementation of the project for which financial commitment is required prior to the approval of the next update of the SPP Transmission Expansion Plan. If the project forms a connection between facilities of a single Transmission Owner, that Owner will be designated to provide the new facilities. If the project forms a connection between facilities of a Transmission Owner, both entities will be designated to provide the new facilities will agree between themselves how much of the project will be provided by each entity. If agreement cannot be reached, the Transmission Provider will facilitate the ownership determination process.

SPP OATT, Attachment O, Section IX.4, Original Sheet No. 300K.

If the proposed project interconnects with Sunflower's Spearville Substation, it would be one of the Transmission Owners designated by SPP to construct the facilities. If the proposed project interconnects with MKEC facilities, MKEC would also be designated. Westar, as owner of the

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interconnection point in Wichita would be the other Transmission Owner designated by SPP. Thus, Sunflower and MKEC have certain rights and obligations with respect to the proposed project.

12. For the aforementioned reasons, the interests of Sunflower and MKEC would be substantially affected by the outcome of this proceeding. Furthermore, the interests of justice and the orderly and prompt conduct of the proceedings will not be impaired by allowing the intervention of Sunflower and MKEC. Therefore, Sunflower and MKEC ask that the Commission grant their request to intervene and fully participate as interested parties in these dockets.

WHEREFORE, Sunflower and MKEC respectfully request that the Commission allow Sunflower and MKEC to intervene in the above-captioned proceedings and consider their comments and responses.

Respectfully submitted,

ward

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VERIFICATION

STATE OF KANSAS) ss: COUNTY OF BARTON

Lindsay A. Shepard of lawful age, being first duly sworn on oath states:

That she is the attorney for Sunflower Electric Power Corporation and Mid-Kansas Electric Company, LLC, named in the foregoing Motion to Intervene; that she has read the foregoing Motion, and knows the contents thereof; and that the facts therein are true and correct to the best of her knowledge, information and belief.

Lindsay A. Shepard

SUBSCRIBED AND SWORN to before me this 11th day of July, 2008.

Alicola M. Marnensta Notary Public

My commission expires: دامدایا

Nicole M. Pfannenstiel Notary Public - State of Kansas My Appl. Expires 6/12/2010

CERTIFICATE OF SERVICE

I, Lindsay A. Shepard, hereby certify that on this 11th day of July, 2008, a true and correct

copy of the above foregoing was deposited in the United States mail, first class postage prepaid,

properly address to:

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