

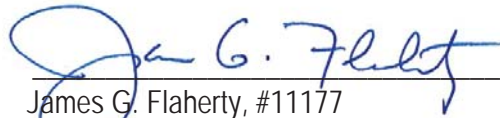
4. Consistent with that procedural Order, all of the parties to the proceeding met at the Commission's offices on July 9, 2019 to discuss possible resolution of the issues in this docket. All parties to

the proceeding participated in the discussions and as a result of extensive collaboration the Joint Movants were able to reach an agreement of all issues in this matter. Westar has indicated that it does not oppose the Agreement.

5. Joint Movants believe approval of the Agreement is in the public interest.

6. The Joint Movants agree that unless otherwise determined by the Commission, approval of the Agreement can be considered and determined on an administrative basis and without the need for a hearing and the remaining portion of the procedural schedule cancelled.

WHEREFORE, Joint Movants respectfully request the Commission issue an order granting this motion, thereby approving the attached Agreement, and for any such further relief the Commission deems just and reasonable.



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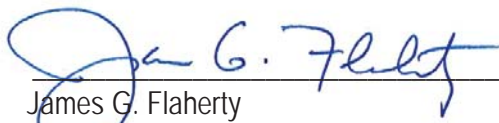


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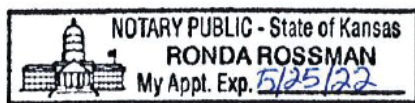
VERIFICATION

STATE OF KANSAS, COUNTY OF FRANKLIN, ss:

James G. Flaherty, of lawful age, being first duly sworn on oath, deposes and says he is attorney for Gridliance HP above named; that he has read the above and foregoing Joint Motion for Approval of Settlement Agreement; and the statements contained therein are true.


James G. Flaherty

SUBSCRIBED AND SWORN to before me this 17th day of July, 2019.





Notary Public

Appointment/Commission Expires:

CERTIFICATE OF SERVICE

I hereby certify that a copy of the above and foregoing was sent via U. S. Mail, postage prepaid, hand-delivery, or electronically, this 18th day of July, 2019, addressed to:

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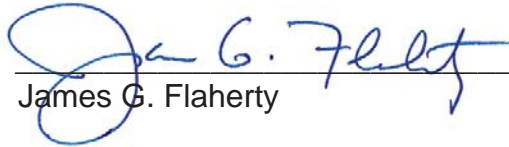
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James G. Flaherty

BEFORE THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

In the Matter of the Joint Application of GridLiance High Plains LLC (GridLiance HP), The City of Winfield, Kansas (Winfield) and the Kansas Power Pool (KPP) for Approval of GridLiance HP to Acquire Majority Interest in Electric Transmission Facilities Owned and Operated By Winfield Located in Cowley County, Kansas (Transmission Facilities) (Transaction); Issuance of a Certificate of Convenience and Authority to GridLiance HP Relating to the Transmission Facilities; and Issuance of a Certificate of Convenience and Authority to GridLiance HP Relating to the Upgrade of Those Transmission Facilities (NTC Project) and for Other Related Relief.

Docket No. 19-GLPE-338-ACQ

SETTLEMENT AGREEMENT

GridLiance High Plains LLC (GridLiance HP), the City of Winfield, Kansas (Winfield), the Kansas Power Pool (KPP), and the Staff of the State Corporation Commission (Staff), (referred to collectively as the Signatories), pursuant to K.A.R. 82-1-230a, hereby submit to the State Corporation Commission of the State of Kansas (Commission or KCC) for its consideration and approval the following Settlement Agreement (Agreement).

I. BACKGROUND

1. On February 20, 2019, GridLiance HP, Winfield and KPP filed a Joint Application pursuant to K.S.A. 66-101, 66-131, 66-136, and 12-885 through 12-8,111, and other applicable statutes requesting the Commission issue an order (1) approving the purchase by GridLiance HP of an undivided 65% interest in Winfield's existing electric transmission facilities located in Cowley County, Kansas (Transmission Facilities) as fully described in the Confidential Asset Purchase Agreement (APA) and exhibits and schedules thereto attached to the Joint Application as **Appendix A** (the Transaction); (2) issuing GridLiance HP a Certificate of Convenience and Authority (COC) relating to the Transmission Facilities; (3) issuing GridLiance HP a COC relating to the construction of an upgrade of those Transmission Facilities pursuant to the Southwest Power

Pool, Inc. (SPP) Notification to Construct (NTC) dated February 27, 2018, Project ID No. 51249, issued to KPP, as more fully described in the Joint Application and testimony submitted in support of the Joint Application (NTC Project); and (4) for such other relief necessary to complete the Transaction and NTC Project.

2. On March 8, 2019, Westar filed a petition to intervene, which was granted by the Commission on March 26, 2019. There were no other petitions to intervene filed in the docket.

3. On April 16, 2019, the Commission issued a Procedural Order (Procedural Order) in this docket.

4. Pursuant to the Procedural Order, the Staff filed testimony on June 20, 2019, and GridLiance HP, Winfield and KPP filed rebuttal testimony on July 8, 2019. On July 9, 2019, all of the Parties to this docket met at the Commission's offices for a settlement conference. As a result of the settlement conference, the Signatories have reached the following Agreement. Westar has indicated that it does not oppose the Agreement.

II. SETTLEMENT AGREEMENT

A. APPROVAL OF TRANSACTION

5. The Signatories agree that the Commission should approve the following (the Transaction) pursuant to K.S.A. 66-136 as in the public interest:

- a. the purchase from Winfield by GridLiance HP of an undivided 65% interest in the Transmission Facilities and other Assets as fully described in the APA and exhibits and schedules thereto attached to the Joint Application as ***Appendix A***;
- b. the Assignment Agreement between GridLiance HP and KPP attached to the Joint Application as ***Appendix E*** and GridLiance HP's ownership of an undivided 65% interest in the construction of the NTC Project; and
- c. all agreements relating to the Transaction as described in the Joint Application.

B. GRANT TRANSMISSION RIGHTS ONLY (TRO) CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN)

6. The Signatories agree that the Commission should issue a TRO CCN to GridLiance HP for each of the following, with the finding that each is in the public interest and promotes the public convenience and necessity:

- a. the TRO CCN will certificate a 150-foot wide corridor centered on the existing Transmission Facilities as described in the Joint Application. The Agreement will allow a new 150-foot corridor for the NTC Project should the NTC require relocation from the path of the existing transmission facilities.
- b. upon completion of the NTC Project, GridLiance will file in this Docket the metes and bounds description of the 150 foot corridor centered on all transmission facilities that are the subject of this Agreement., The Transmission Facilities are described in paragraph 6 of the Joint Application and are shown on the map attached to the Joint Application as ***Appendix C***;
- c. the NTC Project is described in the Joint Application and the testimony filed in support of the Joint Application. The NTC Project is described in paragraph 10 of the Joint Application and shown on the map attached to the Joint Application as ***Appendix D***, and
- d. the grant of each certificate shall expressly include permission to conduct maintenance, upgrade, or replacement of any of the Transmission Facilities or Assets as fully described in the APA or the NTC Project, provided that such maintenance, upgrade, or replacement does not result in the relocation of the lines outside the metes and bounds descriptions contained in the Joint Application and referred to in paragraphs 6a and 6b herein.

C. FUTURE APPLICATIONS FOR TRO CCNS

7. The Signatories agree that GridLiance HP shall comply with K.S.A. 66-131, and if applicable, K.S.A. 66-1,177, *et seq.* for any future proposal to extend or relocate an existing transmission line or construct a new transmission project (Project).

8. In addition to including other factors GridLiance HP determines to be relevant to show the issuance of a future TRO CCN is in the public interest and promotes the public convenience and necessity, and for purposes of identifying and clarifying the type of information the Staff intends to review in determining whether any future TRO CCN application filed by GridLiance HP is in the public interest, the Signatories agree that GridLiance HP shall include with any future TRO CCN application, if applicable, the following information:

- a. a copy of GridLiance HP's local planning process (LPP) plan (the Plan) if the Project that is the subject matter of the TRO CCN application is included in the Plan;
- b. to the extent not otherwise addressed in the Plan, and provided that such is applicable to the Project or requested by Staff, GridLiance HP agrees to address the following in its application:
 - 1. justification for the Project, which shall include, if applicable, (a) a description of the criteria used to determine that the Project is necessary; (b) a discussion of the condition and/or capacity of the existing facilities in the area of the Project and why the condition and/or capacity of those existing facilities is inadequate to serve the current needs of the area; and (c) any other information that supports the justification for the Project, this could include evaluations performed by GridLiance HP relating to the Project's cost, economics, impact on reliability, impact on environment, and other

considerations;

2. explanation of and support for how the Project avoids imposing unreasonable costs on the Transmission Provider and transmission users; and
3. inclusion of any studies conducted by GridLiance HP relating to the Project and identification of any alternative or proposed solutions offered by affected stakeholders.

- c. If the Project is the result of an SPP NTC, then GridLiance HP shall include with its application information pertaining to the SPP NTC including any and all correspondence between GridLiance HP and SPP related to the project addressed by the NTC.
- d. The Signatories agree that the above-mentioned filing requirements may not be necessary for some Projects. To the extent GridLiance HP determines that any of the above information is inapplicable or not necessary with respect to a Project, it agrees to include in its application an explanation as to why such information is not applicable or is unnecessary. GridLiance HP shall confer and work with Staff to determine if GridLiance HP has provided sufficient information to allow Staff to conduct its review of any future application.

D. EFFECTIVE DATE

9. This Agreement shall be deemed to become effective as of the date of the Commission order approving this Agreement.

E. OTHER TERMS

10. This Agreement represents a negotiated settlement which fully resolves the issues addressed

in this docket.

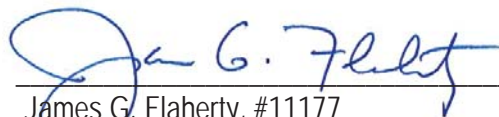
11. The Signatories represent that the terms of this Agreement constitute a fair and reasonable resolution of the issues raised in this docket.

12. Except as specified in this Agreement, the Signatories shall not be prejudiced, bound by, or in any way affected by the terms of this Agreement: (a) in any future proceeding; (b) in any proceeding currently pending under a separate docket; and/or (c) in this proceeding should the Commission decide not to approve this Agreement in this docket.

13. If the Commission accepts this Agreement in its entirety and incorporates the same into a final order without material modification, the Signatories agree to be bound by its terms and the Commission's order incorporating its terms as to all issues addressed in this Agreement and will not appeal the Commission's order on those issues.

14. The provisions in this Agreement have resulted from negotiations among the Signatories and are interdependent. In the event the Commission does not approve and adopt the terms in this Agreement in total, it shall be voidable by any Signatory. If this Agreement is terminated or voided, no Signatory shall be bound, prejudiced, or in any way affected by any of the agreements or provisions in this Agreement.

IN WITNESS WHEREOF, the Signatories have executed and approved this Settlement Agreement, effective as of the 17th day of July, 2019, by subscribing their signatures below.



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