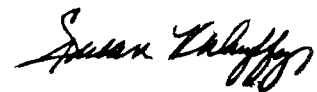


IN THE MATTER OF THE APPLICATION)
OF ITC GREAT PLAINS, LLC FOR A SITING)
PERMIT FOR THE CONSTRUCTION OF A)
345-kV TRANSMISSION LINE IN ELLIS,)
ROOKS, OSBORNE AND SMITH COUNTIES,)
KANSAS.)

DOCKET NO.
10-ITCE-557-MIS

STATE CORPORATION COMMISSION

APR 08 2010



DIRECT TESTIMONY

PERPARED BY

MICHAEL J. WEGNER, PE

UTILITIES DIVISION

KANSAS CORPORATION COMMISSION STAFF

1 Q. **Please state your name and business address.**

2 A. My name is Michael J. Wegner. My business address is 1500 SW Arrowhead
3 Road, Topeka, Kansas, 66604-4027.

4 Q. **By whom and in what capacity are you employed?**

5 A. I am employed by the Kansas Corporation Commission (“KCC” or “Commission”)
6 as the Chief of Energy Operations.

7 Q. **Please describe your educational background and professional experience.**

8 A. I received a Bachelor of Science degree in Electrical Engineering with an emphasis
9 on Power Engineering from North Dakota State University (Fargo, North Dakota)
10 in 1993. I am a registered professional engineer in the State of Kansas, PE # 14968.
11 My professional experience started with Black and Veatch in Overland Park in
12 1993 where I worked on power plant projects designing cathodic protection,
13 grounding, and lightning protection systems. In 1999, I shifted from design work to
14 customer interaction with Kansas City Power & Light Company (“KCP&L”),
15 where I was assigned to the Education Segment as an Account Service Engineer. I
16 was responsible for working with the largest education customers in the Kansas
17 City metro area. Specifically, I was responsible for project management of
18 improvements to KCP&L’s distribution system that resulted from the growth and
19 additional energy demand requests from my assigned customers. I also worked
20 with KCP&L’s largest telecommunications customers. In 2006, I started a
21 consulting firm, and performed contract work for Cricket Communications. In
22 2010, I began work with the KCC in my current position as Chief of Energy
23 Operations.

1 Q. **Have you previously provided testimony before the Commission?**

2 A. No.

3 Q. **What is the purpose of your testimony in this proceeding?**

4 A. My testimony will address the "reasonableness" of the location of a preferred
5 345,000 volt (345 kV) transmission line from the new Post Rock Substation north
6 of Hays, Kansas to the Kansas-Nebraska state line, in Smith County, Kansas
7 ("Phase II of the Spearville-Knoll-Axtell Project [SKA Project]"), consistent with
8 the "Electric Transmission Line Siting Act", K.S.A. 66-1,177 et seq.

9 My testimony will only consider the reasonableness of the preferred route as
10 filed. Staff member Tom DeBaun will provide testimony to address the necessity
11 of the line.

12 Q. **Are you sponsoring exhibits in this testimony?**

13 A. No. I will reference Exhibit 3 in the Direct Testimony of Salvatore Falcone which
14 is part of the ITC Great Plains, LLC (" ITC") Application. Exhibit 3 illustrates the
15 overall route designated as the "preferred route" and is defined by a red line. Staff's
16 testimony will frequently refer to Exhibit 3 as well as Exhibit 1. Exhibit 1 of Mr.
17 Falcone's testimony, which is the Route Selection Study for the 345 kV
18 Transmission Line Project Phase II, was prepared by Black & Veatch Corporation
19 ("B&V") of Overland Park, Kansas, for ITC, March 2010 and will be referred to as
20 the "Route Selection Study" throughout my testimony.

21 The Commission may note the Application, including the Route Selection
22 Study, reflects commentary and analysis as of the end of February 2010. The
23 Commission and ITC have continued to receive additional public input since the
24 Application was filed on March 2, 2010.

1 Q. **What is reasonableness?**

2 A. In considering a possible route for an electric transmission line, what is desirable
3 depends largely on the point of view of the individual, group, or organization
4 making the determination. Exhibit 1, Table 4-3.1, Assigned Values for Types of
5 Land Use and Technical Issues, and Table 4-3.2, Comparative Resource Inventory
6 in the Route Selection Study, illustrate the complexity of determining
7 reasonableness. When reviewing reasonableness a significant factor considered by
8 Staff is the length of the line. As the length of the line increases, so do the line-
9 losses, exposure to the elements which increases reliability concerns, and most
10 importantly costs increase. It is important for Staff to review line length because
11 other parties may not view it as a critical factor.

12 Others, such as government agencies and private environmental
13 organizations might have less interest in proximity to residences or the length of the
14 line, but may be more sensitive to stream or wetland crossings, highway crossings,
15 or historical sites, depending on their respective charges. There is no universally
16 ideal route, but the Commission may decide that the route selected in the
17 instant docket is the most acceptable solution in terms of providing the necessary
18 transmission service in the least offensive manner with respect to the public and
19 private interests while not incurring unwarranted costs, and therefore, is reasonable.

20 Q. **Is ITC's preferred route reasonable?**

21 A. Yes.

22 Q. **On what do you base your opinion that the preferred route is reasonable?**

23 A. I base that opinion on the Route Selection Study, the Testimony of Mr. Salvatore
24 Falcone, ITC responses to data requests, and Staff reconnaissance of the selected

1 route. My testimony will address the reasonableness of the selected route in the
2 following order:

- 3 • ITC's route selection methodology
- 4 • Staff's review of the preferred route
- 5 • Other considerations and public comment
- 6 • Conclusion

7 **ITC's ROUTE SELECTION METHODOLOGY**

8 **Q. What did Staff look for in ITC's Application?**

9 A. Staff reviewed the Application to confirm the Applicant had considered and
10 included in its filing the following:

- 11 1. Established valid criteria to evaluate the different proposed routes.
- 12 2. Carefully considered the impact of routes upon sensitive resources, which
13 include houses, irrigation, oil and natural gas related equipment and storage,
14 general farm use, environmental and archeological aspects and other
15 resources.
- 16 3. Construction issues.
- 17 4. Solicited public input early in its route study.

18 **Q. Did ITC contract support for the routing of this line?**

19 A. Yes. Black and Veatch was the contract organization that provided routing
20 assistance. Mr. Salvatore Falcone is the primary point of contact.

21 **Q. How did ITC select the preliminary routes?**

22 A. ITC identified 6 criteria to use when developing the preliminary routes. In an effort
23 to develop alternatives that would provide economical routes and minimize the
24 adverse social and environmental impacts, the following criteria were used:

- 1 1. Distancing the line from homes, businesses and public facilities.
- 2 2. Distancing the line from center pivot irrigation systems.
- 3 3. Routing parallel to existing utilities, roads, or railroads when practical.
- 4 4. Avoiding wetlands, riparian areas and conservation lands.
- 5 5. Maintaining some distance between the line and oil wells and tanks.
- 6 6. Designing to get the shortest and straightest line possible

7 Q. **How did ITC establish valid criteria to evaluate different proposed routes?**

8 A. The Route Selection Study used specific subjects that were assigned a weighting
9 factor based on the consultant's experience with transmission line projects across
10 the country. The weighted scores were applied to each route which produced a
11 composite score (Exhibit 1, Table 4-3.2, Route Selection Study).

12 Q. **What types of land use ranked as most important and least important?**

13 A. The Route Selection Study sited Open Water, Emergent Herbaceous Wetlands,
14 Woody Wetlands, and River Crossings as the 4 areas to avoid; while Barren Land,
15 Grassland/Herbaceous, and Sited Wind Turbines within 500 Feet were given the
16 highest preference as land to site transmission towers on or near. A complete list of
17 details can be found in Exhibit 1, Table 4-3.1 of the Route Selection Study.

18 Q. **Were construction issues weighted in the composite score?**

19 A. Yes. The Route Selection Study took into consideration the types and number of
20 angle structures, the number of high voltage transmission line crossings, highway
21 crossings, railroad and river crossings. All of which will require coordination
22 during construction.

23 Q. **How were the impacts of each route weighted?**

24 A. The selection of the preferred route was a rigorous undertaking which seems to

1 have successfully considered both technical requirements and subjective personal
2 preferences. Staff views the route selection methodology as logical and thorough.
3 Section 4 of the Route Selection Study explains the alternate routes and the results
4 of the evaluation process in depth.

5 Q. **What did ITC do to solicit public input early?**

6 A. ITC and B&V sought public input during two public workshops on November 30,
7 2009 in Plainville, Kansas and on December 01, 2009 in Smith Center, Kansas.
8 The project routing details were presented to landowners and other interested
9 parties to obtain individual perspectives on proposed line routes. In addition to the
10 public workshops, ITC organized a Community Action Group to represent a
11 cross-section of the community.

12 Q. **How was the "preferred route" in ITC's Application determined?**

13 A. Using the new Post Rock substation as an endpoint and working with Nebraska
14 Public Power District to determine a reasonable location at the Kansas-Nebraska
15 state line to interface, ITC and B&V defined a study area for possible transmission
16 routes that is shown in Figure 1-1 of the Route Selection Study. Initially, 3 routes
17 were selected in this area. Additionally, two alternative segments were reviewed.
18 B&V established evaluation criteria and assigned a value to each type of land in
19 order to compute a composite score.

20 Q. **Was the route selection process reasonable?**

21 A. In the SKA Project Phase I siting case, the Commission's order described ITC's
22 initial routing process in detail. In that case, Staff testified the initial routing
23 process was reasonable. In this case, Mr. Falcone testified that ITC and B&V
24 established refined criteria for evaluating routing alternatives during the Phase I

1 process and they used the same methodology for Phase II (Falcone direct, pg 6).

2 Therefore, in Staff's opinion, the process described in Mr. Falcone's testimony and
3 Exhibits is reasonable and, so far, results in a reasonable location of the preferred
4 line.

5 **STAFF'S REVIEW OF THE PREFERRED ROUTE**

6 **Q. Has Staff conducted a visual inspection of the preferred transmission route as**
7 **filed in ITC's siting Application?**

8 A. Yes. Mr. Andrew Fry, Energy Engineer, and I observed the route and areas adjacent
9 to the route on March 16 and 17, 2010, to the extent possible on a two-day route
10 inspection.

11 Some portions were in areas that were not able to be viewed from public
12 access roadways. These inaccessible areas were reviewed via Google Earth, an
13 aerial photography tool.

14 In examining the route, Staff was interested in observing land use, proximity
15 to residences, the position of the home with respect to the line and any groves
16 separating homes from the preferred route, cemeteries, terrain features, public parks
17 and recreation areas, areas that appeared to be sensitive to wildlife and prairie
18 vegetation native to the area woodlands, windbreaks, line construction challenges
19 and impacts in the segments of new Right of Way ("ROW").

20 The route will require new easements in the form of a 150-foot ROW.

21 **Q. Were land owners interviewed during your field investigation?**

22 A. No. Land owners were not interviewed during Staff's visual inspection. The
23 purpose of the route inspection was to drive the entire route and observe the use of
24 the land and structural developments.

1 Q. **What observations do you have to share with the Commission?**

2 A. The following are Staff's observations related to the preferred route: During the
3 two-day route inspection, Staff observed potential ROW conflicts along the route of
4 the preferred line. These potential conflicts included a telecommunications tower,
5 oil pumps and storage tanks, rugged terrain, river/creek crossings, highway
6 crossings, railroad crossings, transmission line crossings, a pivot point irrigator, and
7 a church. Potential conflicts such as these will be present in any route. Staff's
8 purpose was to make sure these potential conflicts were accounted for in ITC's
9 route selection methodology. After further review of the Comparative Resource
10 Inventory table and construction factors shown on Table 4-3.2 in Exhibit 1, Staff is
11 of the opinion that the information and data is consistent with our field
12 observations.

13 **OTHER CONSIDERATIONS AND PUBLIC COMMENT**

14 Q. **Are there other considerations that Staff uses when determining the**
15 **reasonableness of ITC's preferred route for the transmission lines proposed in**
16 **its Application?**

17 A. Yes. In Staff's opinion the following are important considerations.

- 18 1. In electrical terms, and everything else being equal, a straight line from
19 point A to point B is ideal because line losses are the absolute minimum,
20 while available transmission capacity would be maximized. Routing maps
21 were reviewed and are consistent with the straight line considerations.
- 22 2. In terms of physical construction, and everything else being equal, a
23 straight line from point A to point B is ideal because the materials and labor
24 would be the absolute minimum, which keeps financial and environmental

1 (as related to the quantity of material required) costs to a minimum.

2 3. The basis for the selection of the preferred route over alternative routes
3 must be considered.

4 4. Public feedback must be considered. ITC has solicited public feedback
5 from the public workshops.

6 Additional comments that arise at the public hearing in Stockton, Kansas on April
7 12, 2010 will certainly need to be considered by the Commission.

8 **Q. Is Commission determination regarding the reasonableness of the selected**
9 **route the only determinant of whether the proposed line can be built?**

10 **A.** No. The Commission's determination is definitive from the standpoint of
11 jurisdictional matters such as location of the proposed line, and with respect to
12 Commission responsibility for the enforcement of National Electrical Safety Code.
13 If the preferred transmission route is approved by the Commission, ITC will still
14 have to obtain additional permits, endorsements, or may have additional studies to
15 complete for other agencies.

16 **Q. What is Staff's opinion regarding the importance of public input?**

17 **A.** It is important for the public and specifically landowners that are effected by the
18 route to be able to provide input in the decision making process. It is important for
19 ITC to understand how the land is used. Engineers, surveyors, and biologists can
20 exhaustively analyze routes, properties, and issues. But when the land owners
21 provide input, the project decision makers can really understand what is happening
22 with a property, because the majority of landowners actually live on the land and in
23 many cases produce revenue from the land. So, hosting public workshops early in
24 the process is essential to the process of determining the preferred route.

1 Q. **Were the public information meetings, or public workshops, you have referred**
2 **to required by Kansas Statute?**

3 A. No. Informational meetings (public workshops) or solicitation of public comment
4 prior to filing an application for transmission siting with the Commission are not
5 required by Kansas statute. However, Staff's experience strongly suggests that
6 communication and solicitation of public comment is highly desirable prior to filing
7 an application for transmission line siting of a specific route. Staff includes in the
8 phrase "public comment" solicited or voluntarily contributed input from any
9 "person" meaning generally any individual, partnership, corporation, unit of
10 government, or other interested parties including non-governmental organizations.
11 The statutory requirement for a Commission public hearing after a transmission
12 routing application has been filed appears in K.S.A 66-1,178 and will be met with a
13 public hearing scheduled by the Commission for April 12, 2010 in Stockton,
14 Kansas.

15 Q. **What can you tell the Commission regarding ITC's responsiveness to public**
16 **comments?**

17 A. Staff has reviewed the comments received from the public by ITC. Some of the
18 comments to ITC were made in the public workshops and some were made at other
19 times, sent to ITC via email, fax or letter. These are primarily comments from
20 individuals on the preferred and alternate routes proposed in the public workshops.
21 ITC has worked toward resolving the issues presented through public feedback as
22 the preferred route was finalized for the Application. Having compared maps that
23 ITC used in the public workshops against the maps for the preferred route
24 submitted in the Application, and having identified sections of land owned by those

1 who submitted comments to ITC, it is Staff's opinion that ITC is working with the
2 public and has made small adjustments to the route presented to the public at the
3 public workshops which are included in the preferred route submitted in the
4 Application.

5 Certainly, the Commission will need to consider all comments received in
6 this docket, including those from the April 12, 2010 public hearing which follows
7 the filing of testimony.

8 Staff acknowledges the efforts of ITC and its consultant in producing
9 valuable information regarding public feedback on matters pertaining to
10 reasonableness of the route.

11 **CONCLUSION**

12 **Q. Are there limitations the Commission should be aware of regarding your**
13 **testimony and the conclusions you present?**

14 **A.** Yes. By Kansas Statute, the time allotted for Commission response to any
15 transmission siting application is very brief. After Staff's filing, other state and
16 federal agencies, non-governmental organizations, and the public will have the
17 opportunity to present additional evidence to the Commission. In the instant docket,
18 ITC has had a year or more to develop its line siting Application, while Staff has
19 had approximately six-weeks to evaluate the aspects of "necessity" and
20 "reasonableness of route."

21 Given that time frame, Staff has attempted to evaluate the Application and
22 routing process and address landowner concerns, as well as, geographic,
23 environmental, and other matters based upon observation of the route, public input
24 prior to the date of Staff's filing, and the content of ITC's Application. Other

1 concerns may come to light after Staff's filing of testimony and may need to be
2 addressed in supplemental filings.

3 Q. **What are your conclusions or recommendations regarding this filing?**

4 A. Based on an examination of the Application and information available to Staff, at
5 this point, it is Staff's opinion that ITC's study of the possible routes is
6 comprehensive and the preferred route proposed in the Application is reasonable.

7 This recommendation of reasonableness is a balancing of the public interest.
8 Generally, some inconvenience will result with respect to some individual
9 interests along the route of any proposed transmission line. The interests of
10 those inconvenienced along that proposed line must be balanced against the benefits
11 of the route pertaining to all other stakeholders along the line and others benefiting
12 from its construction.

13 Q. **Does this conclude your testimony?**

14 A. Yes.

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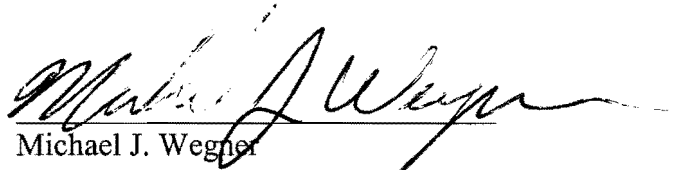
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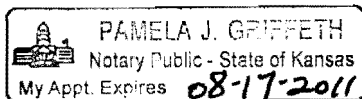
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COUNTY OF SHAWNEE)

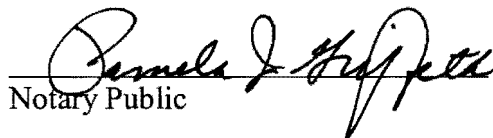
VERIFICATION

Michael J. Wegner, being duly sworn upon his oath deposes and says that he is Chief of Energy Operations in the Utilities Division of the Kansas Corporation Commission; that he has read and is familiar with the foregoing *Direct Testimony*, and that the statements therein are true to the best of his knowledge, information and belief.


Michael J. Wegner
Chief of Energy Operations
State Corporation Commission of the
State of Kansas

Subscribed and sworn to before me this 8th day of April, 2010.




Notary Public

My Appointment Expires: August 17, 2011

CERTIFICATE OF SERVICE

10-ITCE-557-MIS

I, the undersigned, hereby certify that a true and correct copy of the above and foregoing Direct Testimony was served by electronic mail this 8th day of April, 2010, to the following parties who have waived receipt of follow-up hard copies:

NIKI CHRISTOPHER, ATTORNEY
CITIZENS' UTILITY RATEPAYER BOARD
1500 SW ARROWHEAD ROAD
TOPEKA, KS 66604
Fax: 785-271-3116
n.christopher@curb.kansas.gov
**** Hand Deliver ****

C. STEVEN RARRICK, ATTORNEY
CITIZENS' UTILITY RATEPAYER BOARD
1500 SW ARROWHEAD ROAD
TOPEKA, KS 66604
Fax: 785-271-3116
s.rarrick@curb.kansas.gov
**** Hand Deliver ****

DELLA SMITH
CITIZENS' UTILITY RATEPAYER BOARD
1500 SW ARROWHEAD ROAD
TOPEKA, KS 66604
Fax: 785-271-3116
d.smith@curb.kansas.gov
**** Hand Deliver ****

SHONDA SMITH
CITIZENS' UTILITY RATEPAYER BOARD
1500 SW ARROWHEAD ROAD
TOPEKA, KS 66604
Fax: 785-271-3116
sd.smith@curb.kansas.gov
**** Hand Deliver ****

DAVID SPRINGE, CONSUMER COUNSEL
CITIZENS' UTILITY RATEPAYER BOARD
1500 SW ARROWHEAD ROAD
TOPEKA, KS 66604
Fax: 785-271-3116
d.springe@curb.kansas.gov
**** Hand Deliver ****

CARL A. HUSLIG, PRESIDENT
ITC GREAT PLAINS, LLC
1100 SW WANAMAKER ROAD, SUITE 103
TOPEKA, KS 66604
Fax: 783-2230
chuslig@itcgreatplains.com

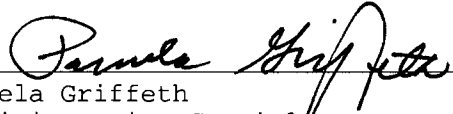
BRETT D LEOPOLD, SENIOR ATTORNEY
ITC GREAT PLAINS, LLC
1100 SW WANAMAKER ROAD, SUITE 103
TOPEKA, KS 66604
bleopold@itctransco.com

ALAN K. MYERS, VICE PRESIDENT-TECHNICAL
ITC GREAT PLAINS, LLC
1100 SW WANAMAKER ROAD, SUITE 103
TOPEKA, KS 66604
amyers@itctransco.com

SUSAN B CUNNINGHAM, ATTORNEY
SONNENSCHN NATH & ROSENTHAL LLP
7028 SW 69TH ST
AUBURN, KS 66402-9421
Fax: 816-531-7545
scunningham@sonnenschein.com

ROGER W. STEINER, ATTORNEY
SONNENSCHN NATH & ROSENTHAL LLP
4520 MAIN STREET
SUITE 1100
KANSAS CITY, MO 64111
Fax: 816-531-7545
rsteiner@sonnenschein.com

KARL ZOBRIST, ATTORNEY
SONNENSCHN NATH & ROSENTHAL LLP
4520 MAIN STREET
SUITE 1100
KANSAS CITY, MO 64111
Fax: 816-531-7545
kzobrist@sonnenschein.com


Pamela Griffeth
Administrative Specialist