

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

DIRECT TESTIMONY

OF

JIM USELDINGER

ON BEHALF OF JOINT APPLICANTS

February 20, 2019

1 I. INTRODUCTION AND PURPOSE OF TESTIMONY

2 Q. PLEASE STATE YOUR NAME, POSITION AND BUSINESS ADDRESS.

3 A. My name is James (Jim) E. Useldinger. I am the Vice President of Operations & Maintenance for
4 GridLiance High Plains LLC (GridLiance HP), a wholly owned transmission-only company (Transco)
5 subsidiary of GridLiance Holdco, LP (GridLiance Holdco). My business address is 201 E. John
6 Carpenter Freeway, Suite 900, Irving, Texas 75062.

7 Q. ON WHOSE BEHALF ARE YOU TESTIFYING IN THIS PROCEEDING?

8 A. I am testifying on behalf of GridLiance HP, one of the Joint Applicants in this proceeding.

9 Q. PLEASE DESCRIBE YOUR JOB RESPONSIBILITIES, WORK EXPERIENCE, AND
10 EDUCATIONAL BACKGROUND?

11 A. As Vice President of Operations for GridLiance HP, I coordinate and supervise operations and
12 maintenance on GridLiance HP's facilities in the Southwest Power Pool, Inc. (SPP) region. I have
13 over 30 years of electric industry experience including hands-on knowledge of power system planning,
14 grid operations, energy management systems, interchange transaction scheduling, transmission
15 service arrangements, and North American Electric Reliability Corporation (NERC) compliance.

16 I graduated from Wichita State University in 1983 with a Bachelor of Science in Electrical
17 Engineering in Power Systems. I am a registered Professional Engineer in the state of Kansas. In
18 addition, I am a NERC Certified System Operator.

19 Q. HAVE YOU SUBMITTED TESTIMONY PREVIOUSLY BEFORE THE FEDERAL ENERGY
20 REGULATORY COMMISSION (FERC) OR ANY OTHER UTILITY REGULATION COMMISSION?

21 A. I have submitted testimony to FERC, the Missouri Public Service Commission, and the Illinois
22 Commerce Commission. This is the first time I have presented testimony to the Kansas Corporation

Commission (KCC or Commission).

II. SCOPE OF TESTIMONY

Q. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY?

A. GridLiance HP is seeking approval from the Commission to (1) acquire and jointly own and operate with the City of Winfield, Kansas (Winfield) certain existing electric transmission facilities (Winfield Transmission Facilities) and (2) to jointly own with Winfield a Notification to Construct Project (NTC Project) assigned by the Southwest Power Pool, Inc. (SPP) to Winfield's agent in SPP, Kansas Power Pool (KPP), which consists of reconductoring a segment of the Winfield Transmission Facilities in order to improve reliability. My testimony discusses GridLiance HP's technical expertise and operational capabilities, which qualify it to jointly own and operate the Winfield Transmission Facilities.

III. GRIDLIANCE HP'S TECHNICAL AND OPERATIONAL CAPABILITIES

Q. PLEASE DESCRIBE GRIDLIANCE HP'S OPERATIONS AND ENGINEERING LEADERSHIP.

A. GridLiance HP's operations team is led by Mr. Noman Williams, Senior Vice President of Operations for GridLiance HP. Mr. Williams has more than 30 years of experience in the electric industry during which he has held various executive, operations, and maintenance, system operations, leadership, and management positions. A summary of his biography is shown in *Exhibit No. JBH-1*, attached to Mr. Hooton's direct testimony.

Q. DOES GRIDLIANCE HP POSSESS THE NECESSARY TECHNICAL EXPERTISE TO OPERATE AND MAINTAIN THE TRANSMISSION FACILITIES?

A. Yes. GridLiance HP has operated transmission facilities in the SPP region since it closed on its first acquisition in April 2016. As Mr. J. Brett Hooton discusses in his direct testimony, GridLiance HP owns and operates approximately 410 miles of transmission lines and related facilities in the

1 Oklahoma Panhandle region (Oklahoma Panhandle Assets) and approximately 10 miles of
2 transmission lines and related facilities in Southwest Missouri (Southwest Missouri Assets).
3 GridLiance HP is also in the process of acquiring approximately 55 miles of transmission lines and
4 related facilities in East Central Oklahoma.

5 GridLiance HP's operations and engineering employees are highly qualified with many years
6 of experience in transmission utility operations and maintenance. GridLiance HP shares the same
7 operations and engineering team with its sister Transcos in the California Independent System
8 Operator (CAISO), the Midcontinent Independent System Operator, Inc. (MISO), PJM Interconnection
9 LLC (PJM) and the Electric Reliability Council of Texas (ERCOT). GridLiance HP's sister Transco in
10 CAISO currently owns and operates public utility assets and its sister Transco in MISO is in the
11 process of acquiring public utility assets. All of GridLiance HP's sister Transcos are qualified by their
12 respective independent system operators (ISOs) or regional transmission organizations (RTOs) to bid
13 on, construct, own, and operate FERC Order No. 1000 competitive projects.

14 Additionally, GridLiance HP retains highly qualified experts as its contractors. GridLiance HP
15 has been approved by SPP as a Qualified RFP Participant to construct, own, and operate
16 competitively-bid transmission projects under the FERC Order No. 1000, based on SPP's review of
17 GridLiance HP's operational and engineering capabilities.

18 **Q. PLEASE DESCRIBE GRIDLIANCE HP'S OPERATIONS & MAINTENANCE CAPABILITIES.**

19 A. The GridLiance HP business model is to utilize our utility partners' experience and knowledge by using
20 their existing operations and maintenance (O&M) personnel to the extent we can to operate and
21 maintain our assets. This allows our partners to retain their personnel and optimize staffing and
22 supporting equipment. For example, GridLiance HP has entered into an O&M Agreement with

1 Tri-County Electric Cooperative, Inc. (TCEC) – the entity from whom GridLiance HP acquired its
2 Oklahoma Panhandle Assets – in which TCEC provides routine O&M services to GridLiance HP on the
3 assets and GridLiance HP contracts with third parties for services that are beyond the scope of the
4 TCEC’s capabilities. Similarly, GridLiance HP has entered into a Master Services Agreement with the
5 City of Nixa, Missouri (Nixa) – the entity from whom GridLiance HP acquired its Southwest Missouri
6 Assets – in which Nixa provides various O&M services and GridLiance HP contracts with third parties
7 for O&M services that are outside the scope of the Master Services Agreement. GridLiance HP
8 contemplates a similar arrangement with Winfield. We will supplement the local O&M with
9 nationally-recognized contractor support as needed.

10 **IV. GRIDLIANCE HP'S OPERATION OF THE ASSETS BEING ACQUIRED FROM WINFIELD**

11 **Q. PLEASE DESCRIBE THE WINFIELD TRANSMISSION FACILITIES.**

12 A. The Winfield Transmission Facilities consist of approximately 29 miles of 69 kV transmission lines and
13 five substation facilities, including terminal equipment and the real estate interests held by Winfield for
14 the Winfield Transmission Facilities.

15 **Q. HOW WILL GRIDLIANCE HP OVERSEE O&M ON THE WINFIELD TRANSMISSION FACILITIES?**

16 A. Under the Transaction, GridLiance HP will enter into an O&M Agreement with Winfield whereby
17 Winfield will continue to provide the labor necessary to operate and maintain the Winfield
18 Transmission Facilities and GridLiance HP will supplement the existing O&M arrangement with highly
19 qualified third-party contractors, as needed, and will supplement Winfield’s robust O&M capabilities
20 with the technical expertise of GridLiance HP’s personnel to ensure that customers served by the
21 Winfield Transmission Facilities continue to receive reliable and efficient transmission service.

1 Q. DOES THAT CONCLUDE YOUR TESTIMONY?

2 A. Yes.

VERIFICATION OF JIM USELDINGER

STATE OF Texas)
)ss:
COUNTY OF Dallas)

I, Jim Useldinger, being first duly sworn on oath, depose and state that I am the witness identified in the foregoing Direct Testimony of Jim Useldinger; that I have read the testimony and am familiar with its contents; and that the facts set forth therein are true and correct.

Jim Useldinger
Jim Useldinger

SUBSCRIBED AND SWORN to before me this 14th day of February, 2019.

Janet M. Virga
Notary Public

Appointment/Commission Expires: February 9, 2023

