

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

Before Commissioners:                   Mark Sievers, Chairman  
  Thomas E. Wright  
  Shari Feist Albrecht

In the Matter of the Application of ITC Great            )  
Plains, LLC and Mid-Kansas Electric Company,        )  
LLC for a Siting Permit for the Construction of a        )        Docket No. 13-ITCE-677-MIS  
345 kV Transmission Line in Cloud and Ottawa         )  
Counties, Kansas.    )

**ORDER GRANTING SITING PERMIT**

This matter comes before the State Corporation Commission of the State of Kansas (Commission) for consideration and decision. Having examined its files and records, the Commission finds and concludes as follows:

1.       On May 3, 2013, ITC Great Plains, LLC (ITC) and Mid-Kansas Electric Company, LLC (Mid-Kansas) (collectively, the Applicants) filed their Joint Application for a siting permit to construct their portion of a 345 kV transmission line from ITC's Elm Creek Substation near Concordia, Kansas, south to interconnect with Westar Energy, Inc.'s (Westar) facilities at approximately 220<sup>th</sup> and Justice Roads near Wells, Kansas. The line continues from the point of interconnection with Westar to Westar's Summit Substation near Salina, Kansas (Elm Creek-Summit line).<sup>1</sup> The line proposed by ITC and Mid-Kansas will go through Cloud and Ottawa Counties in Kansas.

2.       The Joint Application was filed pursuant to the Kansas Electric Transmission Siting Act (Siting Act).<sup>2</sup> The Commission has jurisdiction over the Joint Application under the Siting Act. The Commission has full power, authority and jurisdiction to supervise and control

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<sup>1</sup> See Joint Application for Line Siting Permit (Joint Application), May 3, 2013, p. 8.

<sup>2</sup> K.S.A. 66-1,177, *et seq.*

electric public utilities, doing business in Kansas and is empowered to do all things necessary and convenient for the exercise of such power, authority and jurisdiction.<sup>3</sup>

3. The Citizens' Utility Ratepayer Board (CURB) and the Southwest Power Pool, Inc. (SPP) were granted intervention in this docket.

4. In issuing or withholding a siting permit, the Commission must decide the necessity and reasonableness of the location of the proposed electric transmission line, taking into consideration the benefit to consumers in and outside Kansas as well as economic development benefits in Kansas. The Commission may condition the permit as it deems just and reasonable and to best protect the rights of all interested parties and general public.<sup>4</sup>

5. On January 31, 2012, the SPP Board of Directors approved the Elm Creek to Summit line as part of the SPP 2012 Integrated Transmission Planning 10-Year (ITP10) Plan and as part of the 2012 SPP Transmission Expansion Plan.<sup>5</sup> In addition to improving the reliability of the grid for north central Kansas, the line will support future SPP energy markets and promote more efficient use of existing generation resources, and provide other societal and economic benefits.<sup>6</sup>

6. On March 18, 2013, SPP issued its Notification to Construct directing ITC to build a new 345 kV line from ITC's Elm Creek Substation to Westar's Summit Substation, and to install additional facilities needed to address certain voltage issues, including a new 345/230 kV transformer, and other associated network upgrades.

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<sup>3</sup> K.S.A. 66-101; K.S.A. 66-101a; K.S.A. 66-104.

<sup>4</sup> K.S.A. 66-1,180.

<sup>5</sup> Joint Application at ¶ 12; Direct Testimony of Kristine M. Schmidt (Schmidt Direct), May 3, 2013, p. 4; Direct Testimony of Alan K. Myers (Myers Direct), May 3, 2013, p. 3; *see also* Direct Testimony of Thomas B. DeBaun (DeBaun Direct), June 3, 2013, pp. 8-10; Direct Testimony of Katherine Prewitt (Prewitt Direct), June 3, 2013, pp. 5-6.

<sup>6</sup> Joint Application at ¶ 11; Schmidt Direct pp. 3, 6-7; Myers Direct pp. 2-3; *see also* DeBaun Direct p. 9; Prewitt Direct p. 11.

7. The cost of the 345 kV facilities associated with the Elm Creek-Summit line will be allocated regionally among SPP's customers pursuant to SPP's cost allocation method commonly referred to as Highway-Byway. The costs of the 345/230 kV transformer and 230 kV facilities will be allocated two-thirds to the Mid-Kansas zone (Byway) and one-third to the remainder of the SPP footprint (Highway). ITC's and Mid-Kansas's formula rates will generate an annual transmission revenue requirement recovered through the SPP tariff.<sup>7</sup> The estimated cost of the line is approximately \$46.8 million.<sup>8</sup> The Applicants estimate the cost to a Mid-Kansas residential customer using 1,000 kWh per month is approximately \$0.37 per month, or \$4.46 per year.<sup>9</sup>

8. ITC employed Black & Veatch to assist in selecting a preferred route. After initial mapping, inspection, a series of open houses to receive input from landowners and residents in the areas along potential routes, and input from state and federal agencies and public interest groups, the Applicants identified the preferred route. All of the information received was used to identify a route that minimizes adverse social and environmental impacts of the line.<sup>10</sup>

9. The Applicants' portion of the Elm Creek-Summit line will be a 345 kV line, which requires a 200-foot nominal right-of-way,<sup>11</sup> but may vary in specific areas depending on span length, conductor sag, wind characteristics and adjacent vegetation.<sup>12</sup> Landowners may use the right-of-way for any agricultural purpose, but may not conduct business which would be hazardous to the landowner, the line or to the general public, and no foreign structures will be permitted in any part of the right-of-way. Trees and brush in the right-of-way that intrude into

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<sup>7</sup>Joint Application at ¶ 12; Myers Direct p. 4; Direct Testimony of Noman L. Williams, May 3, 2013, pp. 8-9.

<sup>8</sup> Joint Application at ¶ 16.

<sup>9</sup> DeBaun Direct, p. 7.

<sup>10</sup> Joint Application at ¶ 17.

<sup>11</sup> Joint Application at ¶¶ 20, 28; Myers Direct, p. 6.

<sup>12</sup> Joint Application at ¶ 28.

the clearance areas will be cut back, and herbicides will be used to control weeds around poles unless the landowner objects.<sup>13</sup>

10. The line will be constructed primarily with single-circuit steel monopole structures with a mixture of direct-imbedded and drilled concrete pier foundations. The structures will range from 120 and 160 feet in height, depending on terrain, clearances to ground, objects under the line and structure spacing, with span lengths between structures of approximately 800 to 1,500 feet, with an average span of 900 feet.<sup>14</sup> Structure placement and span lengths will be adjusted, when possible, in cultivated fields to minimize interference with the operation of center pivot irrigation systems.<sup>15</sup> Two overhead shield wires will be located at the top of the structure to protect the conductors from a lightning strike.<sup>16</sup>

11. Wire fences, metal gates and other permanent metallic objects within or near the transmission line right-of-way will be grounded, as required, to limit the electromagnetically induced levels of static charges to safe levels.<sup>17</sup> The minimum conductor to ground clearance will be established in accordance with the requirements of the National Electrical Safety Code.<sup>18</sup>

12. Easements will be procured from landowners prior to construction. Landowners will be compensated for all damages, including crop losses, directly attributable to construction or maintenance of the transmission facilities.<sup>19</sup> SPP requires completion of the Elm Creek-Summit line by March 1, 2018; however, the Applicants estimate an in-service date of 2016.

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<sup>13</sup> *Id.* at ¶ 29.

<sup>14</sup> *Id.* at ¶ 21.

<sup>15</sup> *Id.*

<sup>16</sup> *Id.*

<sup>17</sup> *Id.* at ¶ 24.

<sup>18</sup> *Id.*

<sup>19</sup> *Id.* at ¶ 30.

Upon approval of this Joint Application, the Applicants anticipate starting the project in mid-to-late 2013 and continuing until spring 2014.<sup>20</sup>

13. ITC and Mid-Kansas prefiled direct testimony with their Joint Application from four witnesses, Staff filed direct testimony from two witnesses, and SPP filed direct testimony from one witness.

14. With their Joint Application, the Applicants submitted a list of landowners of record whose land or interest therein was: (1) proposed to be acquired to construct the proposed line, or (2) located within 1,000 feet of the center line of the easement where the line is proposed to be located, exceeding the 660-foot statutory requirement.<sup>21</sup>

15. On June 3, 2013, the Commission conducted a public hearing in this docket in Minneapolis, located in Ottawa County, Kansas, as required by K.S.A. 66-1,178(b). In response to comments made at the public hearing, Staff filed testimony addressing route modifications proposed by three affected landowners. Staff recommended the Applicants seek abandonment of 200<sup>th</sup> and 220<sup>th</sup> Roads to accommodate two of the landowners' reroute requests.<sup>22</sup>

16. In an affidavit filed June 3, 2013, the Applicants explained they delivered by certified mail, return receipt requested, to owners of record of property located within 1,000 feet of the center line of ITC's and Mid-Kansas's segment of the proposed Elm Creek-Summit transmission line: (1) a Notice of Public Hearing and Public Comment Period, (2) a copy of the Joint Application filed in this docket, and (3) maps of the proposed route.<sup>23</sup> Legal notices were placed in newspapers of general circulation in Cloud and Ottawa Counties.<sup>24</sup> Additionally,

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<sup>20</sup> *Id.* at ¶ 31.

<sup>21</sup> *Id.* at ¶ 33 and Exhibit 6 (landowner list).

<sup>22</sup> See Testimony of Michael J. Wegner, P.E., in Response to Comments at June 3, 2013 Public Hearing (Wegner Response to Comments), July 9, 2013.

<sup>23</sup> Affidavit of Publication and Notice to Landowners at ¶ 2.

<sup>24</sup> *Id.* at ¶ 3. Specifically, notice was published in the Clyde Republican, Concordia Blade Empire, Miltonvale Record and Minneapolis Messenger on May 16, 2013. Notice was also published in the Salina Journal on June 2

announcements of the June 3, 2013 public hearing were broadcast on KSAL, a Salina news radio station, on June 1-3, 2013.<sup>25</sup>

17. At the public hearing, Staff advised the Commission of an irregularity in the publication portion of the notice requirement, which is required to be made once each week for two consecutive weeks, with the last publication date not less than five days before the public hearing date. The Applicants' contractor made the first publication as required, but the actual print date of the second publication occurred between May 31 and June 3, 2013, falling short of the five-day prior notice requirement. In response to the error, the Applicants provided evidence that it had circulated the notice an additional time in newspapers in both Cloud and Ottawa Counties. Based on the Applicants' efforts and its review of case law, Staff recommended the Commission find that the Applicants substantially complied with the notice provisions.<sup>26</sup>

18. Based on Staff's recommendation, the Commission finds the Applicants complied with the requirement to send notice to all landowners of record whose land or interest therein is proposed to be acquired in connection with the construction of the line.<sup>27</sup> The Applicants exceeded the requirements of K.S.A. 66-1,178(a)(2) by including landowners within 1,000 feet of the center line of the easement of the proposed line. The Commission finds the Applicants substantially complied with the publication notice requirement and agrees with Staff's assessment that the steps taken by the Applicants to remediate the second publication error provided adequate notice to landowners.

19. The Commission held an evidentiary hearing on August 6, 2013. ITC, Staff, SPP, and CURB appeared by counsel. Six witnesses appeared at the hearing, four on behalf of the

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and 3, 2013, the Concordia Blade Empire on June 3, 2013 and the Minneapolis Messenger website, <http://www.mymessengerks.com>, on May 31, and June 1-3, 2013.

<sup>25</sup> *Id.* at ¶ 5.

<sup>26</sup> *See* Public Hearing Transcript, June 3, 2013, pp. 5-6.

<sup>27</sup> K.S.A. 66-1,179.

Applicants and two on behalf of Staff. Testimony of one SPP witness was admitted into the record without objection.<sup>28</sup> CURB did not present any witnesses.

### **Necessity of the Proposed Line**

20. In issuing a siting permit, the Commission must determine the necessity of the proposed transmission line. In deciding necessity, the Commission considers “the benefit to both consumers in Kansas and consumers outside the state and economic development benefits in Kansas.”<sup>29</sup> The Commission is required to “issue or withhold the permit applied for and may condition such permit as the commission may deem just and reasonable and as may, in its judgment, best protect the rights of all interested parties and those of the general public.”<sup>30</sup>

21. While the Kansas Legislature did not define the criteria to determine necessity of a proposed electric transmission line, the Commission considers whether the line promotes the public interest.<sup>31</sup>

22. The Applicants stated the purpose of the line is to address reliability issues for north central Kansas, to support future SPP energy markets and to promote more efficient use of existing generation resources, in addition to other societal and economic benefits.<sup>32</sup>

23. The Commission transferred authority for transmission planning to SPP in Docket No. 06-SPPE-202-COC, finding it would benefit Kansas retail electricity customers and was in the public interest.<sup>33</sup> SPP’s approval of the Elm Creek-Summit line pursuant to the 2012 ITP10 Assessment supports a finding the line is necessary. ITP10 is an 18-month planning cycle that

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<sup>28</sup> Evidentiary Hearing Transcript, (Tr.), Aug. 6, 2013, p. 50.

<sup>29</sup> K.S.A. 66-1,180.

<sup>30</sup> *Id.*

<sup>31</sup> See Order Granting Siting Permit, Docket No. 09-ITCE-729-MIS, July 13, 2009, ¶ 39.

<sup>32</sup> Joint Application at ¶ 11; Schmidt Direct, p. 3; Myers Direct, pp. 2-3; see also DeBaun Direct, p. 9; Prewitt Direct, p. 11.

<sup>33</sup> Order Adopting Stipulation and Agreement and Granting Application, Docket No. 06-SPPE-202-COC, Sept. 19, 2006, ¶ 40.

assesses policy, economic and reliability needs for a 10-year horizon.<sup>34</sup> The Elm Creek-Summit project was identified to address voltage criteria at Elm Creek for the loss of the Elm Creek-Northwest Manhattan 230 kV transmission line. Voltage violation occurred during evaluation under certain contingency scenarios, resulting in system collapse. In short, SPP believes the Elm Creek-Summit line is necessary for the reliability of the transmission system.<sup>35</sup>

24. After reviewing the record, the Commission finds substantial evidence in the record as a whole to support a finding of necessity to build the Applicants' proposed 345 kV transmission line. The Commission finds that the evidence in the record establishes the need for this line to address reliability issues in north central Kansas. Without this project, customers will be subject to a reduction in system reliability affecting the availability and quality of the power supply. This project will also further facilitate competition in the future SPP energy markets, provide for wide-ranging dispatch saving, lower reliability margins, improve dynamic performance and grid stability during extreme events and provide additional societal and economic benefits. In addition to addressing known voltage issues, providing grid stability and utilizing existing facilities more efficiently to benefit the state and the SPP region, the Commission finds that this project will have significant economic development benefits for the state of Kansas, both in terms of the short-term employment boost, and the long-term stability and reliability of the portion of the electric grid located in Kansas and the SPP region.

25. There will be short-term economic development benefits in Kansas during the construction phase of the project. ITC Holdings Corp. conducted a study assessing the economic activity the Elm Creek-Summit line is expected to create. The analysis found that of the \$46.8 million of investment attributed to the transmission line project, at least \$13 million will be spent

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<sup>34</sup> Prewitt Direct, p. 5.

<sup>35</sup> *Id.* at 14.



directly within the state of Kansas, resulting in an estimated \$34.7 million increase to the GDP of Kansas, and approximately 328 jobs.<sup>36</sup> This analysis is consistent with that performed by the Brattle Group, which found every \$1 billion in U.S. transmission investment directly and indirectly supports 13,000 full-time-equivalent years and \$2.4 billion in total economic activity.<sup>37</sup>

26. A robust transmission infrastructure supports economic growth and development in the same way that investments in highways and other infrastructures do. Business decisions on whether to locate in a particular region or to expand existing operations may be based on whether there is a reasonable assurance of access to an adequate supply of electricity.<sup>38</sup> Staff agreed with this analysis.<sup>39</sup> While investing money is likely to produce economic development, Staff noted such analyses are of secondary value for determining the necessity of a specific transmission system upgrade, particularly in a project like the Elm Creek-Summit line where operational reliability is the primary benefit to the state and the region.<sup>40</sup>

27. The Commission finds and concludes that the proposed transmission line provides benefits to electric customers both inside and outside of Kansas and economic development benefits in Kansas. The Kansas economy will benefit from construction activities which will require food, fuel, lodging and other local supplies and services. In addition, the line will have the long-term lasting impact of greater stability and reliability for the regional grid system.

### **Reasonableness of the Line's Route**

28. In determining whether to issue a siting permit, the Commission must also determine the reasonableness of the location of the proposed electric transmission line.<sup>41</sup> The

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<sup>36</sup> Schmidt Direct, p. 11.

<sup>37</sup> *Id.* at 11-12.

<sup>38</sup> *Id.* at 14.

<sup>39</sup> DeBaun Direct, p. 11.

<sup>40</sup> *Id.* at 10-11.

<sup>41</sup> K.S.A. 66-1,180.

Commission may condition a siting permit as it “may deem just and reasonable, and as may, in its judgment, best protect the rights of all interested parties and those of the general public.”<sup>42</sup> Kansas courts have held that a condition is reasonable if it is based on substantial, competent evidence.<sup>43</sup>

29. The following objectives were used to develop the proposed route: (1) avoid proximity of the line to residences, businesses and public facilities; (2) avoid crossing over center pivot irrigation systems; (3) parallel existing utilities, roads or railroads when practical; (4) avoid wetlands, riparian areas and conservation lands; (5) avoid placing the line directly over tanks and oil, gas or water wells; and (6) maintain reasonable length using as few angles as possible to minimize costs.<sup>44</sup>

30. Route alternatives were offered to the public for comment at public open houses in Miltonvale, Bennington and Salina. Information from landowners identified issues not previously identified through the field reconnaissance, agency contacts and aerial mapping. As a result of the public input, and information received from state and federal agencies and public interest groups, Black & Veatch refined the routing options for the Elm Creek-Summit line.<sup>45</sup> All of the information received from those contacts was used to identify routes that minimize adverse social and environmental impacts of the lines. Staff reviewed the Applicants’ process to route the line and found both the process utilized and the preferred route to be reasonable.<sup>46</sup> Staff based its determination of reasonableness on both the Route Selection Study and Staff’s own reconnaissance of the proposed route.<sup>47</sup>

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<sup>42</sup> *Id.*

<sup>43</sup> *See Kansas Electric Power Coop., Inc. v. State Corporation Comm’n*, 235 Kan. 661, 665, 683 (1984).

<sup>44</sup> Direct Testimony of Salvatore Falcone (Falcone Direct), May 3, 2013, pp. 3-4.

<sup>45</sup> *Id.* at 5.

<sup>46</sup> Direct Testimony of Michael J. Wegner, P.E., (Wegner Direct), June 3, 2013, pp. 6-7.

<sup>47</sup> *Id.* at 5.

31. The Commission finds and concludes the process to determine the route of their portion of the Elm Creek-Summit line and the route proposed by the Applicants are reasonable.

### **Modifications to the Route**

32. Three route modifications were proposed based on requests from: (1) Bruce Laffitte to move the line closer to 200<sup>th</sup> Road;<sup>48</sup> (2) Theodore Schur to move the line west towards 220<sup>th</sup> Road; and (3) Barbara Harzman to move the line so it is not directly above her pond.

33. In response to Mr. Laffitte, the Applicants proposed moving the line approximately 58 feet west towards 200<sup>th</sup> Road. This modification adds \$80,000 to the cost of the line. No substantive length is added to the line but four additional light angle structures are required. No additional landowners are impacted by the modification.<sup>49</sup> Staff recommended the Applicants work with the county to abandon the road easement and then route the line on the property boundary between these two sections.<sup>50</sup> The Applicants testified that only landowners have standing to seek road abandonment and expressed concerns that the Commission should not order the Applicants to build the line on a route based on possible, future action by a county.

34. In response to Mr. Schur, Staff recommended the Applicants review the potential abandonment of 220<sup>th</sup> Road near Justice Road.<sup>51</sup> The Applicants explained they lack legal standing to seek abandonment of 220<sup>th</sup> Road, but offered to support the landowners' efforts and make further adjustments to the route should the landowners successfully petition the county for

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<sup>48</sup> As proposed in the Joint Application, the line runs approximately 158 feet onto Laffitte's property.

<sup>49</sup> Testimony of Alan K. Myers In Response to Public Hearing and Written Comments (Myers Response to Comments), June 28, 2013, p. 2.

<sup>50</sup> Wegner Response to Comments, p. 4.

<sup>51</sup> *Id.* at 6.

road abandonment.<sup>52</sup> There is no additional cost to move the line west to the section boundary to accommodate Schur. Further, no unnoticed landowners are impacted by this modification.<sup>53</sup>

35. In response to Ms. Harzman, a route modification was developed, which adds \$40,000 to the cost of the line. No length is added to the line but two additional light angle structures are required. Two additional landowners are impacted by this modification. When the two landowners received notice of the siting application as required by statute, the filed route did not impact their property. While the poles will remain on Harzman's property, the modification nonetheless will require ITC to obtain an easement from them.<sup>54</sup> Staff recommended the Applicants work with Harzman to determine the best location for towers on her property.<sup>55</sup>

36. At the evidentiary hearing, Staff agreed with the Applicants' proposal to move the line to the center of 200<sup>th</sup> Road if landowners obtain a permit from the county to abandon the road. Staff also recommended the Commission: (1) give landowners up to 90 days or until the time ITC seeks easements, whichever is longer, to petition the county successfully for road abandonment and (2) require ITC provide the survey to the landowners to facilitate the abandonment of the roads.<sup>56</sup> The Applicants did not oppose Staff's two recommendations.

37. In deciding whether an alternative route is reasonable, the Commission has traditionally considered the additional cost directly attributable to the alternative route. However, the mere fact that an alternative route is estimated to cost more than the filed route does not preclude a finding that an alternative route is reasonable and should be adopted. Other

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<sup>52</sup> Myers Response to Comments, p. 4.

<sup>53</sup> *Id.* at 5.

<sup>54</sup> *Id.* at 10.

<sup>55</sup> Wegner Response to Comments, p. 7.

<sup>56</sup> Tr., pp. 46-47.

factors to consider include benefits gained by choosing the alternative route and the harm avoided by moving the filed route.<sup>57</sup>

38. With either of the Laffitte route modifications, the additional cost is *de minimis* relative to the total cost of the line. Granting either modification accommodates Laffitte's use and enjoyment of his property without impacting other, unnoticed landowners. The Commission finds both alternatives (moving the line 58 feet to the west of the filed route or moving the line to the center of 200<sup>th</sup> Road) are reasonable. If Laffitte or other adjacent landowner obtains a permit to abandon 200<sup>th</sup> Road, the Commission approves the route modification to move the line to the center of 200<sup>th</sup> Road. The Commission also approves Staff's recommendation giving the landowners up to 90 days or until the time ITC seeks easements, whichever is longer, after the siting order is issued to complete the process of road abandonment with the county. Finally, the Commission approves Staff's recommendation requiring ITC to provide the survey to the landowners to facilitate the abandonment of the road. If Laffitte or other adjacent landowner elects not to petition the county for road abandonment or the process is not completed in the later of 90 days or until ITC seeks easements, the Applicants are not obligated to move the line to the center of 200<sup>th</sup> Road.

39. Given there is no additional cost and no unnoticed landowners are impacted by the Schur route modification, the Commission finds the alternative which would move the line west to the section boundary of 220<sup>th</sup> Road is reasonable. If Schur or other adjacent landowner is successful in obtaining a permit to abandon 220<sup>th</sup> Road, the Commission approves the route modification moving the line to the section boundary of 220<sup>th</sup> Road. The Commission also approves Staff's recommendation giving landowners up to 90 days or until the time ITC seeks easements, whichever is longer, after the siting order is issued in this docket to complete the

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<sup>57</sup> See Order Granting Siting Permit, Docket No. 10-ITCE-557-MIS, June 30, 2010, ¶ 58.

process of road abandonment with the county. Finally, the Commission approves Staff's recommendation that the Commission require ITC to provide the survey to the landowners to facilitate the abandonment of the road. If Schur or other adjacent landowner elects not to petition the county for road abandonment or the process is not completed in the later of 90 days or until ITC seeks easements, the Applicants are not obligated to move the line to the section boundary of 220<sup>th</sup> Road.

40. The Commission finds Staff's recommendation that the Applicants work with Harzman to determine the best location to site the towers on her property to avoid the pond on her property is reasonable. Even though the Applicants may be required to obtain an easement from two landowners who received statutory notice of this proceeding but were not impacted by the filed route, the Commission finds the impact to these landowners is largely mitigated by the transmission facilities remaining on Harzman's property. Finally, the additional cost to move the line away from Harzman's pond is minimal relative to the total cost of the line. Therefore, the Commission approves the route modification proposed by the Applicants.

41. The Commission has evaluated each proposed route modification. The Commission has an obligation to balance the interests of landowners in minimizing the impact on their property with the costs associated with the project. As discussed above, Staff found the Applicants' proposed route to be reasonable, as well as several proposed route modifications.

42. The Commission finds the route proposed in the Joint Application is reasonable. After considering comments from landowners and the responses of the Applicants and Staff, the Commission finds the modifications to the proposed route spelled out in paragraphs 38-40 are also reasonable and are in the public interest.

43. Staff recommended the Commission continue to require quarterly transmission project status reports. Such reports would be general in nature and include adherence with construction schedule, expenditures to date, materials procurement, easement acquisition and changes in cost estimates. The reports would be required until the project is in service and the final engineering and construction costs are known and posted in rates. Staff approves of submitting these reports as “confidential”.<sup>58</sup> Staff also recommended the Commission request a final report after construction is complete, indicating the specific route with any modifications, the original cost estimate provided to the Commission and the final cost of the project.<sup>59</sup> The Applicants did not oppose Staff’s recommended reporting requirements.

44. The Commission finds quarterly reports on the status of the project, including information comparing actual expenditures with planned expenditures, and construction schedule deviation and milestones, are important in understanding the complete impact of an electric transmission line. Therefore, the Commission requires the Applicants to submit quarterly status reports and directs Staff to treat such information as confidential if so designated by the Applicants. The Applicants are also required to submit a final report to the Commission after line construction is complete.

45. As noted earlier, the SPP Board of Directors approved the Elm Creek-Summit line to be constructed as part of the 2012 ITP10 Assessment, with costs recovered as part of the Highway-Byway region-wide cost allocation method, which has been approved by the FERC.<sup>60</sup> Based on the Highway-Byway allocation method used to spread costs to both Kansas and the SPP region, the Commission finds that the funding mechanism is reasonable.

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<sup>58</sup> DeBaun Direct, p. 11.

<sup>59</sup> Wegner Response to Comments, p. 7.

<sup>60</sup> Myers Direct, p. 4; DeBaun Direct, pp. 6-7.

46. The Commission finds the Elm Creek-Summit line will address known voltage issues, provide grid stability, utilize existing facilities more efficiently to benefit the state and the SPP region, and will have significant economic development benefits for Kansas, both in terms of the short-term employment boost, and the long-term stability and reliability of the portion of the electric grid located in Kansas and the SPP region. Therefore, based upon a review of the record as a whole, the proposed electric transmission line is necessary and the proposed route is reasonable. The Commission approves certain route modifications as discussed above.

47. Approval of the siting permit is expressly conditioned on the Applicants' continued flexibility in working with all affected landowners. The Commission approves minor adjustments to the location of the line as necessary to minimize landowner impact but requires material, major adjustments, and any such adjustment for which landowners would not have received notice, be approved by the Commission before implementation.

48. Finally, the Commission emphasizes the duty of the Applicants to restore affected land to the condition which existed prior to the construction once construction of the line is complete, to the extent reasonably possible.<sup>61</sup>

**IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:**

A. The Commission finds the proposed electric transmission line is necessary and proposed route is reasonable. Certain modifications to the proposed route are also reasonable. The Commission grants the Applicants' Joint Application for a siting permit to construct an electric transmission line with certain proposed route modifications approved in this Order.

B. The Commission approves of minor adjustments to the location of the line as necessary to minimize landowner impact, but requires material, major adjustments, and any such

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<sup>61</sup> K.S.A. 66-1,183.



adjustment for which landowners would not have received notice, be approved by the Commission before implementation.

C. The Commission requires the Applicants to submit quarterly reports detailing the progress and costs of the project and a final report once construction is complete.

D. This Order will be served by electronic mail. Parties have 15 days from the date of service of this Order in which to petition the Commission for reconsideration.<sup>62</sup>

E. The Commission retains jurisdiction over the subject matter and the parties for the purpose of entering further orders as it deems necessary.

**BY THE COMMISSION IT IS SO ORDERED.**

Sievers, Chmn.; Wright, Com.; Albrecht, Com.

Dated:           **AUG 27 2013**          



**ORDER MAILED AUG 27 2013**

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Kim Christiansen  
Executive Director

BGF

<sup>62</sup> K.S.A. 66-118b; K.S.A. 77-529(a)(1).

**CERTIFICATE OF SERVICE**

13-ITCE-677-MIS

**AUG 27 2013**

I, the undersigned, hereby certify that a true and correct copy of the above and foregoing Order Granting Siting Permit was served by electronic mail this 27<sup>TH</sup> day of August, 2013, to the following parties who have waived receipt of follow-up hard copies:

NIKI CHRISTOPHER, ATTORNEY  
CITIZENS' UTILITY RATEPAYER BOARD  
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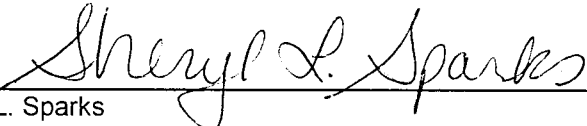
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