STATE OF ILLINOIS

ILLINOIS COMMERCE COMMISSION

Ameren Transmission Company of Illinois	**:**	
	:	
Petition for a Certificate of Public Convenience and Necessity, pursuant to Section 8-406.1 of the Illinois Public Utilities Act, and an Order pursuant to Section 8-503 of the Public Utilities Act, to Construct, Operate and Maintain a New High Voltage Electric Service Line and Related Facilities in the Counties of Adams, Brown, Cass, Champaign, Christian, Clark, Coles, Edgar, Fulton, Macon, Montgomery, Morgan, Moultrie, Pike, Sangamon, Schuyler, Scott and Shelby, Illinois.	**:**	**12-0598**

<u>ORDER</u>

DATED: August 20, 2013

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ORDER

By the Commission:

I. PROCEDURAL HISTORY

On November 7, 2012, Ameren Transmission Company of Illinois ("ATXI") filed with the Illinois Commerce Commission ("Commission") a petition seeking a Certificate of Public Convenience and Necessity pursuant to Section 8-406.1 of the Public Utilities Act ("Act"), 220 ILCS 5/1-101 et seq., authorizing ATXI to construct, operate, and maintain new 345 kilovolt ("kV") electric transmission lines running generally across Illinois from Missouri to Indiana. Pursuant to Section 8-406.1(i), ATXI also seeks an order authorizing or directing the construction of the transmission lines pursuant to Section 8-503 of the Act. Petitioners do not at this time seek authority to take property under Section 8-509 of the Act.

Two months after the filing of the petition, ATXI realized that the landowner list attached to its initial filing omitted over 100 landowners. ATXI submitted the list of missing landowners in a January 7, 2013 filing. The Administrative Law Judges ("ALJs") ruled that the filing of the petition was complete on January 7, 2013 and used that date as the filing date for purposes of calculating the deadline under the expedited treatment provisions of Section 8-406.1(g). On January 24, 2013, the Commission affirmed the ALJs' action and extended the deadline an additional 75 days as permitted under Section 8-406.1(g). With the action taken by the Commission on January 24, 2013, the deadline in this matter became August 20, 2013.

Due to the lengths of the proposed transmission lines, the Commission's Chief Clerk sent notices of this proceeding to approximately 8,436 potentially affected landowners. Numerous entities and individuals filed petitions for leave to intervene. Rather than list the 80 intervenors here, Appendix A to this Order contains an alphabetized list of parties and any abbreviations that they may be known by elsewhere in this Order. Commission Staff ("Staff") participated in this proceeding as well.

Pursuant to due notice, several status hearings were held in this matter before duly authorized ALJs of the Commission at its offices in Springfield on December 3, 2012, January 17, 2013, March 1, 2013, and May 8, 2013. Evidentiary hearings were held on May 13, 14, 15, 16, and 17, 2013. At the evidentiary hearings, appearances were entered by counsel on behalf of several parties, as reflected in the transcript for each day of the hearings. Several intervening landowners represented themselves on a pro se basis as well. The record was marked "Heard and Taken" on July 3, 2013.

ATXI offered the testimony of Maureen Borkowski, President and Chief Executive Officer of ATXI and Senior Vice President of Transmission at Ameren Services Company ("Ameren Services"),[1] Ronald Dyslin, a Senior Consultant with Environmental Resources Management ("ERM"),[2] James Dwyer, a Certified Wildlife Biologist with EDM International, Inc.,[3] Linda Erdreich, a Senior Managing Scientist at Exponent, Inc.,[4] Rodney Frame, an affiliate with Analysis Group, Inc.,[5] Jeffrey Hackman, Manager of Transmission Operations at Ameren Services, Darrell Hughes, a Supervisor of Valuation and Cost of Capital in the Corporate Finance Department of Ameren Services, Dennis Kramer, Manager of Transmission Policy and Planning at Ameren Services, Jerry Murbarger, a Transmission Design Specialist in the Transmission Lines Design Group for Ameren Services, Donell Murphy, a Partner with ERM, Julia Tims, Technical Director of Biodiversity and Ecosystem Services with ERM, and Rick Trelz, a Real Estate Supervisor for Ameren Services.

Staff submitted the testimony of Greg Rockrohr, a Senior Electrical Engineer in the Energy Engineering Program of the Safety and Reliability Division of the Commission's Bureau of Public Utilities. MISO offered the testimony of Jeffrey Webb, MISO's Senior Director of Expansion Planning. James Bates, the Business Manager for Local Union 51, IBEW, AFL-CIO, testified on behalf of IBEW. WOW called Michael Goggin, the Manager of Transmission Policy for the American Wind Energy Association, to testify.

Several intervening landowners and groups thereof offered testimony. Richard Ehrhart, part owner and Treasurer of N. Kohl Grocer ("NKG"), testified on its behalf. ACPO called the following landowners and tenant farmers to testify: Edward

[1] Ameren Services is the service company subsidiary of Ameren Corporation. Ameren Services provides various services to its affiliate Ameren operating utilities, including ATXI.
[2] ERM is a provider of environmental, health, safety, risk, and social consulting services.
[3] EDM International, Inc. is a consulting firm assisting electric utility companies.
[4] Exponent, Inc. is a scientific and engineering consulting firm.
[5] Analysis Group, Inc. is a firm that provides microeconomic, strategy, and financial analyses.

Behrensmeyer, Greg Edwards, Eleanor Flesner, Keith Flesner, Larry Groce, Alex House, Stuart Kaiser, David Lewis, Melvin Loos, Brent Mast, Marvin Miller, John Peters, and Katherine Thomure. Landowner Loren Wiese testified on behalf of Wiese Farms in Brown and Pike Counties. To address its concerns in Fulton and Brown Counties, TNC offered the testimony of Douglas Blodgett, the Director of River Conservation for the Illinois Chapter of TNC, Jeff Walk, the Director of Conservation Science for TNC's Illinois Chapter, and Michael Patrick Ward, an Assistant Professor in the Department of Natural Resources and Environmental Sciences at the University of Illinois at Urbana-Champaign. Gerald Korsmeyer testified for the Korsmeyer Trust in Schuyler County. Landowners Paul Bergschneider, Kelly Dodsworth, and Stephen Rhea testified on behalf of MSSCLPG. Andrew Robinette, a homeowner in Morgan County, testified on his own behalf. FutureGen called Kenneth Humphreys, its Chief Executive Officer, to testify. Sangamon County property owners Gregory and Theresa Pearce offered testimony on their own behalf. Leon Corzine, an owner of land in Macon and Shelby Counties, testified on his behalf. Gan Properties called its manager, Kenneth Skolnik, to testify. Landowners Larry and Ginger Durbin and landowner and Rose Township Supervisor Joseph Woodall offered testimony for Shelby LG. Moultrie PO called as witnesses James Dauphinais, a Managing Principle of Brubaker & Associates, Inc. ("BAI")[6], Robert Fischer, a First Officer for Corporate Aircraft Maintenance, Inc., Rudolph Reinecke, Vice President and Project Manager for the environmental consulting firm Integrated Environmental Solutions, LLC, and Greg Sanders, a landowner in Moultrie County. Mary Burns, a Piatt County landowner, Dave Hrupsa, owner of the Tuscola Airport, and Howard Kamm, a Douglas County landowner, testified on behalf of the PDM Coalition. Bruce Daily, a Coles County landowner, testified on behalf of Coles and Moultrie LI. Barbara File, a partner in Brock-Jones, offered testimony on behalf of the partnership. Mike Popham, Ron Popham, and Scott Weber, Coles County landowners, testified for Coles LO. Richard Copeland of Coles County testified on behalf of the Copeland Family. John Reed testified on his own behalf concerning his aerial application business in Coles County. Tarble, which consists of member companies Charleston Stone Company in Coles County, Quality Lime Company in Clark County, and Van Tarble & Sons, LLC in Clark County, offered the testimony of Jerald Tarble, President of Charleston Stone Company, President of Quality Lime Company, and Manager of Van Tarble & Sons, LLC. Donna Allen, a Clark County landowner, testified on her own behalf. Clark and Edgar CC called George Orin, a Clark County landowner, to testify. Paul Thrift, a landowner in Edgar County, testified on his own behalf. In addition, Paul Mixon, the Director of the Electrical Engineering Program at the College of Engineering at Arkansas State University, testified on behalf of Edgar Intervenors, John Thompson, and Paul Thrift. JDL offered the testimony of Lori Spangler, one of its co-owners in Clark County, and Charles Ellis, an electrical engineer with the consulting firm D.L. Markley & Associates. Stop Coalition offered the testimony of Perry Baird, co-trustee of a revocable land trust in Clark County, David Bush, professional engineer and land surveyor, and Peggy Dix Mills, Margaret Sue Snedeker, and Laura TeGrotenhuis, three landowners in Clark County. Magdi Ragheb testified on behalf of the Ragheb family. Michael Lockwood, a landowner in Champaign County, testified on his own behalf. Mark Dixon, the Director

[6] BAI provides energy, economic, and regulatory consulting services.

of Real Estate of the Commercial and Industrial Divisions of The Atkins Group, Bruce Knight, the City of Champaign Planning Director, and William Smith, a Village of Savoy trustee, each testified on behalf of Champaign and Savoy. Colfax-Scott LPG called Carl Bitler, John Boland, and Deborah Klein, each a landowner in Champaign County, to testify. Appendix B to this Order contains a list of witnesses grouped by party.

ACPO, ATXI, Brock-Jones, Clark and Edgar CC, Colfax-Scott LPG, Mr. Corzine, the Durbins, Farm Bureau, Gan Properties, Korsmeyer Trust, MH Construction, MISO, Moultrie PO, MSCLTF, MSSCLPG, NKG, PDM Coalition, the Pearces, the Raghebs, the Ruholls, Staff, TNC, and WOW each filed an Initial Brief. ACPO, ATXI, Brock-Jones, Clark and Edgar CC, Colfax-Scott LPG, Farm Bureau, FutureGen, Gan Properties, Korsmeyer Trust, MISO, Moultrie PO, MSSCLPG, PDM Coalition, the Raghebs, the Ruholls, Staff, and WOW each filed a Reply Brief. Champaign and Savoy filed a joint Initial Brief and joint Reply Brief. Coles and Moultrie LI, Coles LO, JDL, Mr. Reed, Stop Coalition, and Tarble filed a joint Initial Brief. Coles LO, JDL, Mr. Reed, Stop Coalition, and Tarble filed a joint Reply Brief. Edgar Intervenors, Mr. Thompson, and Mr. Thrift filed a joint Initial Brief. Mr. Ramey and Ms. Raynolds filed a joint Initial Brief. A Proposed Order was served on the parties. ACPO, ATXI, MISO, Moultrie PO, MSSCLPG, PDM Coalition, Staff, and WOW each filed a Brief on Exceptions. Champaign and Savoy filed a joint Brief on Exceptions. JDL, Stop Coalition, and Tarble filed a joint Brief on Exceptions as well. The Briefs on Exceptions have been considered in the preparation of this Order. The schedule in this matter did not permit the filing of Briefs in Reply to Exceptions.

Pursuant to Section 2-107 of the Act, the Commission must accept from Illinois residents' comments on matters before the Commission through its website and toll-free telephone number. The Commission has received approximately 285 such comments. The Commission has considered these comments to the extent allowed by law.

II. DESCRIPTION OF ATXI AND THE PROJECT

ATXI was formerly known as Ameren Illinois Transmission Company. ATXI is an Illinois corporation with one employee and a wholly-owned subsidiary of Ameren Corporation. ATXI owns, operates, controls, and manages within Illinois certain transmission facilities for the furnishing or delivery of electricity, and is therefore a public utility within the meaning of Section 3-105 of the Act.

The transmission project that ATXI seeks to construct consists primarily of a new 345 kV transmission line spanning from the Mississippi River near Quincy, Illinois to the Indiana border near Terre Haute, Indiana. This primary portion of the project runs through parts of Adams, Brown, Christian, Clark, Coles, Edgar, Macon, Montgomery, Morgan, Moultrie, Pike, Sangamon, Scott, and Shelby Counties. Another significant portion of the project is a new 345 kV transmission line that runs from Ipava, Illinois to Meredosia, Illinois where it connects with the previously described transmission line. The Ipava to Meredosia segment runs through parts of Brown, Cass, Fulton, Morgan, and Schuyler Counties. The third significant segment of the project wraps around the

West and South sides of Champaign in Champaign County. This 345 kV transmission line terminates at Rising, Illinois on one end and at Sidney, Illinois on the other end. This part of the project is not connected to any other part of the project. ATXI refers to the portions of this project collectively as the Illinois Rivers Project, the planning for which began in 2006, if not earlier.

The Illinois Rivers Project consists of approximately 375 miles of new 345 kV transmission lines, nine new or expanded substations, and six 345/138 kV transformers. In accordance with Section 8-406.1(a)(1)(B)(viii), ATXI has identified a "Primary Route" and an "Alternate Route." Both routes necessitate a permanent 150 feet wide right-of-way easement. The total easement area for the Primary Route contains approximately 6,800 acres. The total easement area for the Alternate Route contains approximately 7,100 acres. The majority of the easement area will only have over-hanging wires. The construction of single shaft steel poles with no permanent "down guys" or anchors will reduce the amount of land removed from use. In addition, ATXI represents that it plans to place the structures near or adjacent to existing property lines or use lines (i.e. agricultural field lines). ATXI anticipates that the Primary Route will cost approximately $1,091,600,000 to construct while the Alternate Route will cost approximately $1,167,500,000. Other parties that have intervened in this proceeding have proposed alternative routes. The project will be placed in service over several years, with the earliest in-service dates expected in 2016 and the final portion of the project to be placed in-service by the end of 2019.

ATXI asserts that the proposed transmission lines and associated facilities are necessary in order to provide adequate, reliable, and efficient service to consumers. The Illinois Rivers Project is also, ATXI contends, the least cost means of satisfying the service needs of transmission customers within the MISO footprint. ATXI states that the Illinois Rivers Project represents four of six projects in Illinois that the MISO Board of Directors approved in December of 2011 as part of its Multi-Value Project ("MVP") Portfolio. MISO identifies the four projects as: 1) Palmyra Tap-Quincy-Meredosia-Ipava and Meredosia-Pawnee, 2) Pawnee-Pana, 3) Pana-Mt. Zion-Kansas-Sugar Creek, and 4) Sidney-Rising. The municipality names represent the locations of substations. ATXI adds that these four projects will enable the reliable delivery of renewable energy, including wind power, within the MISO footprint.

III. APPLICABLE STATUTORY AUTHORITY

The expedited consideration provided for in Section 8-406.1 of the Act is available only to public utilities seeking to construct a new high voltage electric service line and related facilities. Section 8-406.1(a) sets forth in detail the information required to be filed in support of the application. The statute further provides:

> (f) The Commission shall, after notice and hearing, grant a certificate of public convenience and necessity filed in accordance with the requirements of this Section if, based upon the application filed with the Commission and the evidentiary record, it finds the Project will

promote the public convenience and necessity and that all of the following criteria are satisfied:

(1) That the Project is necessary to provide adequate, reliable, and efficient service to the public utility's customers and is the least-cost means of satisfying the service needs of the public utility's customers or that the Project will promote the development of an effectively competitive electricity market that operates efficiently, is equitable to all customers, and is the least cost means of satisfying those objectives.

(2) That the public utility is capable of efficiently managing and supervising the construction process and has taken sufficient action to ensure adequate and efficient construction and supervision of the construction.

(3) That the public utility is capable of financing the proposed construction without significant adverse financial consequences for the utility or its customers.

As referenced above, Section 8-406.1(g) states:

(g) The Commission shall issue its decision with findings of fact and conclusions of law granting or denying the application no later than 150 days after the application is filed. The Commission may extend the 150-day deadline upon notice by an additional 75 days if, on or before the 30th day after the filing of the application, the Commission finds that good cause exists to extend the 150-day period.

In addition, the statute requires that a decision granting a certificate under Section 8-406.1 shall include an order pursuant to Section 8-503 of the Act:

(i) Notwithstanding any other provisions of this Act, a decision granting a certificate under this Section shall include an order pursuant to Section 8-503 of this Act authorizing or directing the construction of the high voltage electric service line and related facilities as approved by the Commission, in the manner and within the time specified in said order.

Section 8-503 of the Act concerns, among other things, additions to or extensions of public utility facilities. This section provides, in part, as follows:

Whenever the Commission, after a hearing, shall find that additions, extensions, repairs or improvements to, or changes in, the existing plant, equipment, apparatus, facilities or other physical property of any public

> utility . . . are necessary and ought reasonably to be made or that a new structure or structures is or are necessary and should be erected, to promote the security or convenience of its employees or the public, or in any other way to secure adequate service or facilities, the Commission shall make and serve an order authorizing or directing that such additions, extensions, repairs, improvements or changes be made, or such structure or structures be erected at the location, in the manner and within the time specified in said order; . . .

IV. PROPRIETY OF THE PETITION

Section 8-406.1 of the Act became effective on July 28, 2010 with the adoption of Public Act 96-1348. The revisions to the Act contained in Public Act 96-1348 were made at the urging Ameren Corporation. In its sole discretion, ATXI has chosen to avail itself of the procedures in Section 8-406.1 to obtain expedited consideration of its Illinois Rivers Project. The Illinois Rivers Project, if not the largest, is one of the largest transmission line construction projects proposed in Illinois within the last few decades. As noted above, this project spans 375 miles and has affected at least 8,436 landowners.

Given the scope of this project, the Commission questions ATXI's exercise of its discretion to seek expedited review. From their respective Initial Briefs, the Farm Bureau and Raghebs apparently share this concern. The Farm Bureau in particular is troubled by the schedule in this matter and questions to what extent due process has been provided. Any projects affecting landowners' rights must be given careful and complete consideration. This is particularly so when the impact can not be easily reversed, as is the case once a high voltage electric transmission line is constructed. The Commission acknowledges ATXI’s efforts at public engagement, which include the creation of a dedicated Illinois Rivers Project website and holding numerous public meetings generally along the route of the proposed facilities. Nevertheless, the sheer size of this project calls into question how well any entity can anticipate, identify, and address the many facets that are inherent to such a project. ATXI's own experience in this proceeding provides several examples of the problems and concerns that may arise.

The earliest of ATXI's problems relate to the lists of potentially affected landowners it filed on November 7, 2012. The lists of potentially affected landowners, municipalities, and nearby utilities contained numerous errors and redundancies which required the Chief Clerk's Office to spend considerable time reviewing the lists to ensure that they were accurate and usable. At least two weeks under the expedited schedule were lost before notice of the prehearing conference could be sent. Two months later ATXI realized that it neglected to send a complete list of landowners with its initial filing. The only blessing associated with this shortcoming in ATXI's filing is that due process required the Commission to extend the deadline to provide the newly notified landowners some semblance of an opportunity to respond.

So that it has meaningful options to consider when confronted with landowners' objections to the construction of a transmission line on or near their property, the Commission typically provides landowners an opportunity to identify alternative routes for the transmission line. But whereas ATXI has had at least seven years to prepare the massive Illinois Rivers Project and file it at a time of its choosing, the expedited schedule in this proceeding only afforded landowners less than three weeks to identify alternative routes and those that own the impacted land. The Commission knows from numerous utility facility siting dockets that many factors must be considered in selecting facility routes. To what degree landowners were able to satisfactorily consider such factors in preparing their alternate routes is unknown.

ATXI had the opportunity to reduce the burden of this proceeding when presented with the ALJs' December 12, 2012 ruling. The ALJs inquired as to whether ATXI would be willing to withdraw the Ipava to Meredosia segment and/or the Sidney to Rising segment from this docket. ATXI declined with regard to both segments. Generally, ATXI asserted in its December 19, 2012 response that because the four components of the Illinois Rivers Project were simultaneously considered by MISO as part of its MVP Portfolio, the four components must remain together. According to the "MISO Transmission Expansion Plan 2011," dated December 19, 2011, MISO considered the components four separate projects within a portfolio of multiple projects. ATXI added that withdrawing any segment would jeopardize its 2016 in-service date. ATXI also expressed concern about having to repeat the statutorily required notices and public meetings if it withdrew either segment and re-filed as another docket. Such explanations by ATXI, however, do not resolve the Commission's confusion as to why after at least seven years of planning, ATXI now insists that these four components of the Illinois Rivers Project benefit from a sense of urgency. Nor does the Commission take well ATXI's suggestion that its hands are tied now because of its own earlier decision to submit the four components in the same petition. The expenditure of resources by ATXI to implement its decisions does not somehow justify the decisions and in and of itself preclude other courses of action on its part.

On May 3, 2013, the ALJs presented ATXI with another opportunity to lessen the burden of this proceeding. On that date, the ALJs noted the volume of testimony received and number of routes under consideration and inquired whether ATXI would be willing to withdraw its request for expedited consideration, thereby eliminating the need for haste in resolving this matter. Rather than consider amending its petition as a request under Section 8-406 (or some other option where areas without alleged reliability concerns were given more time), ATXI's May 7, 2013 response to the ALJs' inquiry questioned the legality and practicality of withdrawing its desire for expedited consideration. ATXI also asserted that the number of routes was manageable in light of stipulations that it has entered into with various individuals and groups. The Commission acknowledges that ATXI has entered into seven stipulations, but this fact does not alleviate the Commission's concerns. Given that the alternative routes proposed by intervenors were identified in a matter of weeks, the Commission has no assurance that as of yet unidentified shortcomings in these hastily developed routes will not later emerge if adopted under one of the stipulations. The facts of Docket No. 06-

0706, which also involved ATXI under its prior name, offer an example of problems that arose under a stipulation involving ATXI's own alternate route. The fact that the routes ATXI developed for this proceeding on its own schedule appear to have shortcomings does not provide the Commission with any confidence in the decision to expedite the Illinois Rivers Project.

Such shortcomings in ATXI's own routes and analysis became apparent during the evidentiary hearing. ATXI witness Murphy testified at the hearing that in some areas of the ATXI primary and alternate routes only aerial surveillance was done. (Tr. 745) Ms. Murphy also reported that "we conservatively assumed that any building that appeared to be a residence was, in fact, an occupied residence." (Tr. at 753, see also Tr. at 784-785) She acknowledges that ATXI did not confirm from the ground the occupancy of any building. (Tr. at 754) This assumption disturbs the Farm Bureau, ACPO, and Raghebs, who believe such practices call into question ATXI's credibility. The risk with such an assumption was revealed when ATXI cross-examined Mr. Corzine regarding his alternative route proposal along U.S. Route 51 in Shelby and Macon Counties. Utilizing a map projected on a screen, counsel for ATXI asked Mr. Corzine about several structures along Route 51 that ATXI understood from satellite imagery to be residences. Mr. Corzine testified that several of the structures were not residences but in fact were various farm buildings or commercial enterprises. (see generally Tr. at 328-335) Because the number of occupied residences along the various proposed routes is a factor in determining the suitability of each route, it is easy to see how such assumptions by ATXI can lead to errors in choosing a route. How many other ATXI assumptions about its routes and those proposed by intervenors are incorrect is not known.

Had ATXI chosen to file under Section 8-406, rather than Section 8-406.1, more time would exist to investigate potential shortcomings in ATXI's analysis. Perhaps Staff witness Rockrohr expresses the Commission's concerns best when asked if he believes the schedule for this proceeding allows for development of a complete and thorough record upon which the Commission can base its decision. Mr. Rockrohr responded as follows:

> No, but I understand that the schedule in this docket is dictated by Section 8-406.1 of the Act, and it is my belief that a record that is as complete as possible will be developed. All parties appear to be working diligently to provide each other and the Commission with the best information they can within the schedule for this docket. However, due to the length of ATXI's proposed Project, and the number of interveners submitting proposals, some information about potential routes will not be thoroughly addressed in the record. My point is simply that more time for discovery and development of alternative route proposals might have led to different proposals and conclusions that are not included in the record of evidence. (Staff Ex. 1.0R at 54-55)

The Commission expects that parties will have done their best in the limited time available to respond to ATXI's proposal. But, as Mr. Rockrohr suggests, the Commission is troubled by the very real possibility that the expedited schedule for considering such a massive project may result in less than optimal outcomes. Alternatives may be overlooked and shortcomings may be missed. Granting a certificate under this Section of the Act, for a project of this size and magnitude, is an issue of first impression for the Commission and one which involves hundreds of landowners in Illinois, a tremendous amount of investment and a significant amount of land. The Commission takes its responsibility to review this application with great seriousness and does not arrive at its decision lightly. Regardless of ATXI's motivation or the merits of the decision to file under Section 8-406.1, ATXI has exercised its legal discretion to do so. The Commission must follow the directives set forth by the General Assembly in this Section of the Act, so we will make every effort to weigh the evidence that is before us and make the best decisions possible in light of the record.

V. NEED FOR THE PROPOSED FACILITIES AND DEVELOPMENT OF A COMPETITIVE ELECTRICITY MARKET

As indicated above, among the criteria that must be evaluated in determining whether to grant a certificate under Section 8-406.1 is whether the proposed construction (1) is necessary to provide adequate, reliable, and efficient service to customers and is the least-cost means of satisfying customers' service needs or (2) will promote the development of an effectively competitive electricity market that operates efficiently, is equitable to all customers, and is the least cost means of satisfying those objectives. ATXI believes that the Illinois Rivers Project satisfies both criteria. Virtually all parties agree that some form of this project is necessary.

ATXI witness Kramer testifies that the project came into being as part of a regional solution to the regional needs of the electric grid. In December of 2011, the MISO Board of Directors approved several projects slated for development across the MISO footprint. The regional MVP Portfolio of projects provides additional connectivity across the grid, reducing congestion, and enabling access to a broader array of resources by load in Illinois and elsewhere. ATXI asserts that the methodology employed by MISO to evaluate and identify MVPs has been approved by the Federal Energy Regulatory Commission ("FERC") because it is an important step in facilitating investment in new transmission facilities to integrate large amounts of location-restrained resources, including renewable generation resources, to further support documented energy policy mandates or laws, reduce congestion, and accommodate new or growing loads.

MISO witness Webb explains that the Illinois Rivers Project was developed through a multi-year MISO planning process that began with the Regional Generation Outlet Study ("RGOS") in 2008. The goal of the RGOS was to create a regional transmission plan that would enable states within the MISO region to meet relevant renewable portfolio standards ("RPS") at the lowest delivered wholesale energy cost. The RGOS was the first step in a very lengthy and detailed analysis of the transmission

system that eventually led to the determination that the transmission lines identified as MVPs (including the Illinois Rivers Project) are necessary. Mr. Webb reports that the goal of this analysis was to design a transmission portfolio which takes advantage of the linkages between local and regional reliability and economic benefits to promote a competitive and efficient electric market within MISO. The portfolio was developed using reliability and economic analyses, applying several future scenarios to determine the robustness of the designed portfolio under a number of potential energy policies.

Mr. Webb testifies that the MVP study process ultimately determined that a 345 kV path was required through central Illinois. Only Dr. Ragheb, testifying on behalf of his family as landowners, disputes this conclusion, claiming generally that the Illinois Rivers Project is undersized, is being rushed to market, and failed to adequately consider other alternatives. Dr. Ragheb, however, still acknowledges support for the development of renewable energy resources, particularly wind resources in the Midwest, and that adequately designed transmission lines are needed to effectively dispatch the electricity from the generation location to consumers. In particular, Dr. Ragheb advocates constructing a line using high voltage direct current ("HVDC") technology or a 765 kV alternating current ("AC") transmission line instead of a 345 kV AC line. Overall, Dr. Ragheb recommends developing a national transmission plan that spans multiple regional transmission organizations utilizing the most efficient least-cost technology available. He also laments that MISO's complete analyses underlying ATXI's proposal is not in the record. According to ATXI and MISO, the MISO MVP development process considered the ideas raised by Dr. Ragheb. Mr. Kramer testifies that HVDC was ultimately not adopted, and a 765 kV line was only selected for a portion of the MVP Portfolio where it was the most appropriate solution. In any event, ATXI suggests that the Ragheb family is primarily concerned with the location of any transmission line. (See Tr. at 688-689)

Mr. Kramer indicates further that during the MVP studies ATXI identified potential transmission expansions that were consistent with the regional needs and would also provide reliability benefits to Ameren Illinois Company ("AIC") customers. The Illinois MVPs were then designed to achieve these reliability goals while still providing the overall benefits of the MVP Portfolio. For the benefits of the Illinois Rivers Project to be realized, the project must connect to the existing AIC system and deliver energy to the load. Mr. Kramer states that this resulted in the selection of certain substation locations as “drop off” points for the Illinois MVPs, at which the MVPs could connect to the existing AIC 138 kV system and thereby provide the needed reliability benefits. ATXI states that the substations selected provide access to numerous 138 kV lines which distribute the energy throughout Illinois. With such interconnections, ATXI concluded that the Illinois Rivers Project eliminates the projected exposure to several post contingency overloads, and eliminates the projected exposure to low voltages and potential voltage collapse from several double contingency scenarios.

With specific regard to the development of an efficient and effectively competitive electricity market, ATXI contends that the Illinois Rivers Project will satisfy this criterion in several ways. In general, ATXI states that it will allow greater amounts of low-cost

wind energy resources to reach Illinois consumers, which will lower the costs for meeting Illinois consumers' needs for electricity and renewable energy. If the Illinois Rivers Project is not constructed, Mr. Kramer testifies that approximately 34% of the existing and planned wind development within the MISO portion of Illinois would need to be curtailed in order to maintain reliable system loading levels. He asserts that the project will ensure that the transmission system continues to operate reliably while delivering the required levels of renewable energy. In addition, the Illinois Rivers Project provides additional connectivity across the grid, reducing congestion and enabling access to a broader array of resources by loads in Illinois and elsewhere. MISO analyses indicate that the MVP Portfolio will produce an estimated $12.4 to $40.9 billion in present value adjusted production cost benefits to the aggregate MISO footprint under existing energy policies. Under additional possible futures, MISO calculates that this benefit increases to a maximum present value of $91.7 billion. Additional benefits include reductions in operating reserve requirements, planning reserve margin requirements, transmission system losses, capital costs of renewable resources, and deferrals of transmission investments. These additional factors contribute between $3.1 billion and $8.2 billion in additional present value of benefits above the production cost savings. ATXI maintains that the MVP Portfolio, including the Illinois Rivers Project, represents the overall best solution for delivering these improvements, when considering generation, transmission, and other factors based on the expected future conditions.

As for whether the Illinois Rivers Project is necessary to provide adequate, reliable, and efficient service to customers and is the least-cost means of satisfying customers' service needs, ATXI relies on the MISO and Ameren Services reliability analysis of the ATXI and AIC transmission systems during the MISO MVP study process. In the planning process Ameren Services identified reliability concerns that could potentially be addressed by the Illinois Rivers Project when it is fully implemented and integrated into the AIC system as well as connected to the 345 kV transmission systems in Missouri and Indiana. Ameren Services utilized its knowledge of load and generation locations as well as the transmission system topology in attempting to maximize the reliability benefits provided by the Illinois Rivers Project. Specifically, as a result of an analysis of several scenarios, ATXI determined that, when fully integrated into the transmission system, the project will address a number of North American Electric Reliability Corporation ("NERC") Category B and Category C violations while delivering renewable energy necessary to meet State RPS. Mr. Kramer also states that the project will also provide local voltage support to Quincy, Meredosia, Pawnee, Pana, Decatur, and Champaign area loads and will reduce the exposure to dropping significant amounts of load for certain outage conditions during periods of high load demand. Mr. Kramer testifies that the Illinois Rivers Project will in total address approximately 50 NERC Category B and 118 Category C violations projected at 2021 load levels. He adds that the project represents the first significant system upgrades within the area in more than 20 years.

As for costs, ATXI contends that the Illinois Rivers Project represents the "least-cost" means of satisfying these reliability concerns. As part of its evaluation process,

MISO investigated alternative designs for the project. ATXI asserts that these alternatives were rejected because they did not mitigate all reliability concerns, required longer and more costly rights-of-way, traversed more populated areas, or resulted in imprudent use of local lower-voltage facilities. ATXI also points out that the project costs will be spread across the entire MISO footprint so that MISO Illinois customers would bear approximately 9% of the total cost, whereas costs for correcting each of the identified reliability issues in piecemeal projects would be borne exclusively by AIC area ratepayers. If the Illinois Rivers Project was not constructed, ATXI states that the reliability issues identified above would ultimately have to be addressed by the development and construction of other new transmission projects. In other words, ATXI believes that construction of the project will allow it to avoid the need to construct some reliability projects in the future. ATXI identified at least seven potential projects, costing an estimated $613 million that could be required by 2022 if the Illinois Rivers Project is not constructed. ATXI adds that the alternative projects would be needed to address local reliability issues and therefore could be classified as Baseline Reliability Projects, whose cost would be allocated entirely to AIC area customers.

Staff generally concurs with ATXI's and MISO's analyses of the need for and benefits of the proposed facilities. Of the projects that ATXI might undertake, the Illinois Rivers Project appears to Staff to be a superior approach, as it addresses needs within MISO’s entire operating region, and not only needs within Illinois. Since costs for the Illinois Rivers Project would be spread across the entire MISO footprint, Staff concurs that Illinois customers would bear approximately 9% of the cost. In contrast, Staff observes, costs for correcting local reliability and voltage issues with separate projects in a piecemeal fashion might be born exclusively by ratepayers within the AIC footprint.

WOW also supports a finding by the Commission that the Illinois Rivers Project is necessary and promotes development of an effectively competitive electricity market. WOW discusses how additional transmission resources will facilitate lower costs and help states meet RPS. The manner of cost allocation for the project is viewed favorably by WOW as well. WOW objects to the Raghebs' suggestion that additional quantitative data should be evaluated before determining the type, size, and routing of transmission facilities. WOW asserts that under Section 8-406.1, the Commission is to review new high voltage electric service lines for compliance with the stated standards; the statute does not require the Commission to consider all potential permutations, nor to act as a transmission planning commission. WOW states further that MISO looked at a number of lines as part of the MVP analysis, including 765 kV lines. In its analysis of the MVPs, WOW continues, MISO found that 765 kV lines were less suitable than 345 kV lines for the stated purpose for which the MVP portfolio was created and designed to meet.

The only party objecting to a finding that a portion of the Illinois Rivers Project is necessary is Clark and Edgar CC. Clark and Edgar CC understandably limits its comments to that portion of the project between Kansas, Illinois and Indiana in Clark and Edgar Counties, where its members live and own property. Clark and Edgar CC observes that at the time of the evidentiary hearing, there was no pending proceeding in Indiana to continue the transmission line into that State. With this in mind and its

understanding that the residents of Clark and Edgar Counties do not need a 345 kV transmission line to keep the lights on in their homes, businesses, and farms, Clark and Edgar CC question whether the proposed line segment from Kansas to the Indiana state line is necessary at this time. In light of this view, Clark and Edgar CC suggests that the Commission find that there is no present need for these facilities in the Clark County and Edgar County area, and deny ATXI's request as it relates to this area. ATXI insists, however, that regional needs will be provided for with this segment of the line.

The Commission has considered the parties' positions on whether the Illinois Rivers Project is necessary to provide adequate, reliable, and efficient service to ATXI's (and AIC's) customers and/or will promote the development of an effectively competitive electricity market that operates efficiently and is equitable to all customers. Overall, based on the analyses presented by ATXI and MISO, the Commission agrees that a 345 kV transmission line is necessary to address transmission and reliability needs in an efficient and equitable manner and will benefit the development of a competitive electricity market. With regard to Dr. Ragheb's concerns, the Commission concurs with his view that facilities must be sized with future needs in mind, particularly those associated with the transmission of renewable energy. The Commission also recognizes that HVDC transmission lines are more efficient than HVAC lines and ought to be considered for longer lines. The existing record, however, provides no grounds for the Commission to generally find that the Illinois Rivers Project is not the best approach to meet the needs at hand. As for Clark and Edgar CC's concerns, the Commission is satisfied that the subject transmission line will in fact extend into Indiana. Moreover, even if Clark and Edgar Counties are not in immediate need of additional transmission capacity, the Commission finds that the electric grid that they are a part of will benefit from the improvements brought by the Illinois Rivers Project. The Commission therefore generally concludes that the record supports a finding that the type of project represented by the Illinois Rivers Project is necessary and appropriate under Section 8-406.1(f)(1). Whether specific aspects of the project, such as the choice of particular routes and construction of particular substations, are appropriate and/or necessary will be resolved below.

VI. LEAST-COST AND THE PROPOSED LINE ROUTES

Section 8-406.1(f)(1) of the Act requires any project proposed thereunder to be the least-cost means of satisfying the identified objectives. Although overall the need to construct the transmission lines is not questioned, where to construct them has been heavily contested. Resolving the question of least-cost involves a comprehensive consideration and balancing of the overall costs and externalities of each proposed route against the benefits of each proposed route. The costs and externalities include not only the financial tally for manpower and equipment, but also the impact on local residents and resources and present and future land uses. In past Section 8-406 proceedings, this Commission has utilized 12 criteria for purposes of evaluating proposed routes. (See Docket No. 06-0706 Order on Reopening) The 12 criteria are as follows:

1. Length of the line
2. Difficulty and cost of construction
3. Difficulty and cost of operation and maintenance
4. Environmental impacts
5. Impacts on historical resources
6. Social and land use impacts
7. Number of affected landowners and other stakeholders
8. Proximity to homes and other structures
9. Proximity to existing and planned development
10. Community acceptance
11. Visual impact
12. Presence of existing corridors

(Id. at 6-7)

As was noted in that proceeding, the Commission's decision will result from a balancing of these 12 criteria to the extent that they are relevant to the proposed facilities and any other relevant criteria presented by the parties, and none is inherently more important than the next. (Id.) The various proposed routes warrant serious consideration by the Commission. To facilitate this undertaking, the Illinois Rivers Project will be evaluated as separate segments demarcated by existing and proposed substation sites.

In addition, the Commission understands from ATXI's witnesses that configuring transmission lines in particular ways can limit or mitigate the associated aura and electromagnetic fields ("EMF"). Some of the intervenors expressed concerns about these externalities. Regardless of which routes are chosen, the Commission expects ATXI to construct the facilities in such a way so as to minimize these externalities.

A. Mississippi River – Quincy

1. ATXI Position

For this portion of the project, ATXI recommends its Alternate Route, with a slight modification as the transmission line enters the Southeast Quincy Substation, in accordance with the stipulation it entered into with intervenors NKG and Matt Holtmeyer Construction ("MHC"). This "Stipulated Route" is shown in orange on ATXI Ex. 13.2 and highlighted on Figure 1, and was designated ATXI's "Rebuttal Recommended Route" in rebuttal testimony. ATXI notes that all intervenors interested in this portion of the project support the Stipulated Route. Therefore, ATXI recommends that it be the approved route.

ATXI states that the table below illustrates the support for the routes proposed for this portion of project, as reflected in the parties' respective Initial Briefs:

RIVER - QUINCY				
Route	Stipulated Route	ATXI Primary Route	ATXI Alternate Route	NKG 2
Parties Recommending Approval	ATXI, MHC, NKG, ACPO (Brent Mast)	None	None	Staff

ATXI notes that only Staff witness Rockrohr expressed support for another route – NKG's Secondary Alternate Route (NKG Route 2). ATXI notes that a portion of that route is incorporated into the Stipulated Route. Although cost estimates prepared by ATXI at Mr. Rockrohr's request indicate that NKG's Route 2 has a lower projected baseline cost than the Stipulated Route, ATXI notes that the NKG Route 2 will likely require the transmission line to cross an existing transmission line at least two times to avoid displacing residences, may pose problems with respect to right-of-way width near State Route 57, and may pose reliability issues because it would be located on adjoining rights-of-way (or, according to NKG, on double-circuit structures). Alleviation of these concerns could increase the cost of the route; therefore, ATXI suggests that the Stipulated Route is the best option for this portion of the Project.

a. Length of Line and Difficulty and Cost of Construction, Operation, and Maintenance

ATXI indicates that the following table represents the length and cost of each proposed route for this segment of the line.

	Stipulated Route	**ATXI Primary Route**	**ATXI Alternate Route**	**NKG Second Alternate Route**
Estimated Length in Miles	< 6.2	5.3	6.2	4.8
Estimated Baseline Cost	$22,397,000	$20,385,000	$22,747,000	$19,316,000

ATXI claims there is no record evidence the Stipulated Route would be more difficult or costly to operate and maintain relative to the other routes proposed. In contrast, ATXI explains that NKG Route 2 likely would be more difficult and more costly to operate and maintain than the Stipulated Route because the line would cross existing facilities in two places, increasing reliability concerns, and because parallel or double circuit towers may be needed, requiring additional vegetation management and maintenance.

b. Impacts on Environmental and Historical Resources

ATXI states that there is no record evidence to indicate the potential environmental impacts resulting from construction of the Stipulated Route would be greater than those resulting from the other proposed routes. Rather, ATXI believes the

evidence suggests the Stipulated Route will have minimal environmental impacts, and notes that such impacts will occur regardless of the route approved by the Commission, in any event. As for historical resources, ATXI believes that there are no known archaeological sites or historic resources within immediate proximity to the Stipulated Route, and suggests that no evidence has been put forth in the record contrary to that belief.

c. Social and Land use Impacts

ATXI believes that the Stipulated Route reflects an optimum location for the transmission line in that it would limit social and land use impacts, while ATXI's Primary Route would similarly limit social and land use impacts. Although NKG witness Ehrhart testifies ATXI's Primary Route would make development of his property difficult, should the Commission approve that route, ATXI asserts that Mr. Ehrhart's concerns could be mitigated or avoided entirely during construction. ATXI notes, however, that no party currently supports ATXI's Primary Route.

ATXI states that MHC summarizes testimony provided by NKG regarding impacts ATXI's Primary Route may have on cellular and wireless data reception inside a facility NKG proposes to construct on its property. As described by ATXI witness Hackman, the magnetic field strength at the edge of the right-of-way when the line is in service will be less than 18 milligauss ("mg"). In comparison, a household blender or a typical refrigerator generate a magnetic field of approximately 20 mg at a distance of one foot, while a microwave oven on its highest setting generates a magnetic field of 200 mg. Thus, ATXI submits that it is unlikely that ATXI's Primary Route, or any other transmission line for that matter, would cause the type of problems alleged by NKG and cited by MHC. Moreover, ATXI notes that both MHC and NKG have joined ATXI in its support for the Stipulated Route for this portion of the project.

d. Number of Affected Landowners and other Stakeholders and Proximity to Homes, other Structures, and Existing and Planned Development

ATXI indicates that approximately 26 individuals own land located within 250 feet on either side of ATXI's Primary Route for this portion of the project, and that there are 34 landowners within the 250 feet of ATXI's Alternate Route. ATXI indicates that the Alternate Route and the Stipulated Route are substantially the same, so approximately 34 landowners lie within the 250 feet of the Stipulated Route as well. ATXI states that the Stipulated Route would not result in displacement of any residences, while ATXI notes that NKG's first alternative route proposal would result in displacement of five residences, while NKG's second alternative route proposal would result in displacement of one residence.

	Residential Structures within 0-75 feet	Residential Structures within 75-150 feet
Stipulated Route	0	Not specified
ATXI Primary Route	0	0
ATXI Alternate Route	0	1
NKG Second Alternate	1	Not specified

As for proximity to existing and planned development, ATXI states that there is no record evidence the Stipulated Route is proximate to any existing or planned development. NKG witness Ehrhart testifies that NKG was concerned that its planned development related to its expanded grocery distribution operations would be impacted by ATXI's Primary Route. ATXI notes that NKG's planned warehouse facility, however, would not be hindered by construction of that route. ATXI submits that no party recommends approval for the Primary Route; while the Stipulated Route eliminates NKG's concerns.

e. Community Acceptance

ATXI represents that all Intervenors with land interests along this portion of the project support the Stipulated Route, confirming community acceptance of that Route

f. Visual Impact

ATXI believes that the visual impacts of the proposed line, if any, will be substantially the same for any route. ATXI states that there is no record evidence that the Stipulated Route is less preferable with respect to visual impact than any other route proposed for this portion of the project.

g. Presence of Existing Corridors

ATXI characterizes "opportunities" as corridors with the potential for sharing or running alongside existing infrastructure, landscape features, or other existing facilities, including major roads, pipeline and other utility rights-of-way, property lines and section lines, railroads, secondary roads, and existing transmission line rights-of-way. ATXI notes that its Alternate Route, which comprises the majority of the Stipulated Route, emerged, in part, from an evaluation of opportunities and stakeholder input as to preferred opportunities. ATXI states that the Stipulated Route parallels an existing 161 kV line, while NKG's Route 2 parallels existing 138 kV and 161 kV transmission lines for its entire length. ATXI submits, however, that parallel lines should be used sparingly in order to minimize the risk of common-mode failures.

2. NKG Position

NKG supports the Stipulated Route, and believes that it is approximately the same length as the ATXI Primary Route. NKG also believes that the Stipulated Route will be less expensive and less difficult to construct than ATXI's Primary Route, as it

eliminates several ninety-degree turns. NKG opines further that the Stipulated Route will be less difficult to operate and maintain than ATXI's Primary Route, and indicates that the Stipulated Route should minimize the amount of vegetation management and tree trimming required. By minimizing the length of route, NKG believes that the Stipulated Route will create less of an environmental impact than the ATXI Primary Route. NKG also indicates that it is not aware of any historical resources that would be impacted by the portion of the project between the Mississippi River and the Southeast Quincy Substation.

NKG believes that the Stipulated Route will prevent interference with two new developments in the Quincy area, and thereby will avoid causing severe economic harm to the region and will minimize the impact on landowners and other stakeholders. NKG notes that numerous governmental and community organizations, including the County Board of Adams County, the Quincy City Council, the Great River Economic Development Foundation, and the Mill Creek Water District opposed the construction of the ATXI Primary Route due to its potential impact on an economic development area known as the South Quincy Development District. The mitigation of the impacts is at least partially attributable to the presence of existing corridors. As set forth in the MHC Alternate Route Proposal, NKG notes that the Stipulated Route follows an existing transmission line route recorded in the offices of the Adams County Recorder of Deeds in Volume 11 of Right of Ways at page 440.

3. MHC Position

MHC supports ATXI in its efforts to obtain a Certificate of Public Convenience and Necessity, except that it objects to ATXI's proposed Primary Route and accepts ATXI's Alternate Route on the condition that ATXI agrees to modification of this route.

a. Length of Line and Difficulty and Cost of Construction, Operation, and Maintenance

MHC notes that Richard Ehrhart submitted testimony filed in this proceeding on behalf of intervener NKG, in which NKG supports the Stipulated Route, which includes the modification agreed to by ATXI and MHC. MHC states that NKG believes that the Stipulated Route for this segment would present a shorter route between the Mississippi River crossing and the Southeast Quincy Substation than ATXI's Primary Route. MHC indicates that with regard to the Alternate Route Proposals, MHC's modification to ATXI's Alternate Route creates a shorter transmission line by avoiding some 90 degree turns and substituting angular routes. In terms of construction costs, MHC concurs with NKG that the Stipulated Route will cost less to construct than ATXI's Primary Route. MHC also agrees with NKG that the Stipulated Route for this segment will have a positive effect on ATXI's difficulty and cost of operation and maintenance in that it will minimize the amount of vegetation management and tree trimming.

b. Environmental Impacts

Based on the shorter route which would be created through the adoption of the Stipulated Route for this segment, MHC supports NKG's testimony that this will create less of an environmental impact then ATXI's Primary Route and Alternate Route.

c. Social and Land Use Impacts

MHC maintains that its proposed deviation to ATXI's Alternate Route would potentially resolve the objections of several parties to this proceeding and avoid severe economic harm to the region. MHC, in support of its Alternate Route proposals, states that the Stipulated Route for this segment would provide a more direct route to the Southeast Quincy Substation, is an angular rather than squared route requiring less retention or support structures or precautions, follows an existing AIC transmission line route, would result in less environmental impact, and would allow or better allow the envisioned development of the Holtmeyer Property. MHC believes that ATXI's Primary Route and Alternate Route (without the Alternate Route being modified as set out above) divide the Holtmeyer Property which would substantially, directly and materially impact and may well entirely prevent MHC from reasonably, economically, profitably, and appropriately developing the Holtmeyer Property for planned construction of a residential development.

d. Presence of Existing Corridors

MHC opines that the Stipulated Route for this segment would allow the proposed transmission line to follow an existing transmission line route. MHC notes that pursuant to a "Right of Way" recorded in offices of the Adams County Recorder of Deeds in Volume 11 of Right of Ways at page 440, Central Illinois Public Service Company, n/k/a Ameren Illinois Company, which MHC believes is a subsidiary or affiliate of ATXI and, pursuant to this Right of Way, was granted two utility easements, which appears to collectively be 216 feet in width and which is part of or near the Stipulated Route, and should be utilized as part of the Stipulated Route – River to Quincy.

4. Staff

Staff notes that ATXI recommends use of its Alternate Route, with a modification as the transmission line enters the Southeast Quincy Substation, so that the transmission line would turn and follow the second alternative route presented by NKG until reaching the Southeast Quincy Substation. Staff states that NKG and MHC entered into a stipulation with ATXI to support the route that ATXI refers to as its Rebuttal Recommended Route. Staff considers ATXI's Rebuttal Recommended Route to be superior to ATXI's Alternate Route, since it is shorter and would not impact MHC's development plans, but inferior to NKG's second alternative route, which would cost approximately $3 million less and also would not impact MHC's development plans.

Staff acknowledges ATXI's claim that only Staff expresses support for a route other than the Stipulated Route; however, Staff suggests this is irrelevant, since ATXI and the only proponents of alternative routes other than Staff stipulated to the use of an alternative route. Moreover, Staff avers that stipulating to a route does not make it least-cost; it merely makes it acceptable to the stipulating parties.

Staff notes that ATXI concedes that Staff's recommended route would cost $3 million less that the route to which ATXI stipulated. However, ATXI asserts that Staff's preferred route will likely require the transmission line to cross an existing transmission line at least two times to avoid displacing residences, may pose problems with respect to right-of-way width near State Route 57, and may pose reliability issues because it would be located on adjoining rights-of-way or on double-circuit structures. As ATXI contends that alleviation of these concerns could increase the cost of the route, ATXI recommends the Stipulated Route as the best option for this portion of the project.

Staff submits that while ATXI argues that Staff's proposal "may" or "will likely" result in numerous situations which could increase the cost of Staff's preferred route, ATXI is unable to say how much more costly Staff's proposal would be if any of these contingencies were in fact to occur, and it has not in any case demonstrated that they will. Staff believes that ATXI's failure of proof here is significant. As Staff notes, ATXI, and no other party, has the burden of showing that its proposal is in fact the least-cost. Staff contends that the evidence presented in this proceeding supports the proposition that, excepting some highly contingent "could" and "maybe," Staff's recommended route is the least cost. Staff asserts that ATXI has failed to meet its burden and its proposal can not be adopted.

While ATXI claims that use of NKG's second alternative route proposal would result in displacement of one residence, Staff is not convinced that any displacement would be required. ATXI correctly states that, in most cases, it will be able to build the project along intervenor proposed routes, if that is what the Commission orders. Since Section 8-406.1 of the Act requires use of the least cost means, and given the fact that NKG's second alternative route represents the overall least cost means for this segment, Staff argues that the Mississippi River to Quincy segment should be constructed using NKG's second alternative route.

a. Length of Line

Staff notes that as proposed by ATXI, this segment of the line is approximately 5.3 miles long, while ATXI's proposed alternate route is approximately 6.2 miles in length. Staff states that NKG proposes primary alternate and secondary alternate routes that are, respectively, approximately 5.8 and 4.8 miles long. NKG's second alternate route is preferred under this criterion.

b. Difficulty and Cost of Construction

Staff indicates that generally, a transmission line route that follows a straight line is shorter and costs less than a route that meanders. Not only does a shorter route cost less initially, but since there are fewer facilities to maintain, ongoing expenses associated with a shorter route are less. In addition, Staff states that the structures used for a straight route are normally less costly than structures that must support the uneven forces from conductors due to a route that changes direction. Staff notes that ATXI's estimated average price for each tangent structure, which would be used to support transmission lines with angles of 1 degree or less, is $33,000. In contrast, ATXI's estimated average cost for a structure supporting a transmission line angled at from 1 to 15 degrees from that of a tangent structure, otherwise known as a "running angle," is $74,250; more than double that of a tangent structure. Staff states that it costs ATXI an estimated $107,250 to construct a dead-end structure, which is required for angles above 15 degrees, which is more than three times the cost of a tangent structure. Staff believes that these factors should be considered when evaluating all segments, although Staff will not reiterate them in detail. Staff notes that ATXI provides its cost estimate for constructing each segment in ATXI Ex. 16.3 (Rev.).

Among the routes proposed for the Mississippi River – Quincy segment, Staff suggests that NKG's second alternative route is shortest and would require the fewest dead-end structures. Accordingly, of the four routes described above, it would, all else equal, be the least expensive to construct.

c. Difficulty and Cost of Operation and Maintenance

As Staff has noted, straight transmission lines are shorter, thus there are fewer facilities to maintain, and maintenance expenses should be less. Again, this should be considered when evaluating all segments, although Staff will not reiterate them in detail. Staff notes the transmission line throughout its entire length has to be maintained on its 150 feet right-of-way regardless of to what that right-of-way is adjacent. Staff believes difficulty and cost of operation and maintenance are generally proportional to line length. Staff submits that NKG's second alternative route is shortest, and with all else being equal, NKG's second alternative route should be the least difficult and least costly alternative.

d. Number of Affected Landowners and other Stakeholders and Proximity to Homes and other Structures

Generally, Staff favors routes that pass close to fewer residences; however, Staff did not document a comparison of homes and structures on each route alternative. Staff notes that using NKG's second alternate route might require the proposed 345 kV line to cross the existing transmission line twice in order to avoid two existing residences. In addition, at State Route 57, Staff recognizes that a new 150 feet right-of-way may not fit parallel to the existing line without displacement of an existing building. Nonetheless, Staff suggests that it appears that AIC's legacy company, Central Illinois Public Service

Company, had planned to use NKG's secondary alternative route for a 345 kV transmission line during the 1980's.

e. Presence of Existing Corridors

Staff asserts that NKG's second alternative route first parallels an existing 161 kV transmission line and then an existing 138 kV transmission line as it extends east from the Mississippi River. While ATXI contends that for reliability purposes, common/adjoining rights-of-way are undesirable since they are susceptible to common-mode failures; Staff asserts that common-mode failures are normally considered for transmission lines that are constructed on common structures. Staff contends that if two transmission lines are on non-overlapping rights-of-way, as appears to be the case with NKG's second alternative route, the transmission lines could have more clearance from one another than either line has to other objects. Further, Staff notes that ATXI's own Primary and Alternate Route proposals include many miles where its proposed 345 kV transmission line runs parallel with and adjacent to an existing 138 kV line. Thus, Staff submits that ATXI cannot consider this a particularly significant impediment.

5. Commission Conclusion

For this segment of the proposed project, the Commission notes that ATXI recommends its Alternate Route, with a slight modification as the transmission line enters the Southeast Quincy Substation, in accordance with the stipulation it entered into with intervenors NKG and MHC. The Commission notes that all Intervenors interested in this portion of the project support the Stipulated Route, with NKG withdrawing its support for its alternative routes pursuant to the Stipulation.

The Commission also recognizes that only Staff expresses support in testimony for another route – NKG's secondary alternate route (NKG Route 2). ATXI, and presumably the other parties supporting the Stipulated Route, believe that NKG Route 2 will likely require the transmission line to cross an existing transmission line at least two times to avoid displacing residences, may pose problems with respect to right-of-way width near Highway 57, and may pose reliability issues because it would be located on adjoining rights-of-way (or, according to NKG, on double-circuit structures). ATXI argues that alleviation of these concerns could increase the cost and difficulty of the route's construction. The Commission does note that the Stipulated Route appears to represent the consensus of the parties with respect to this portion.

The Commission's analysis of the routing criteria discussed in the positions of the parties above appears to indicate that other than the length of line, there is either little difference between the two suggested routes, or the issue in question favors the Stipulated Route.

The Commission recognizes that Staff supports an alternative from the Stipulated Route, appearing to argue that since it will presumably be the cheapest, as it is the

shortest proposed route; therefore, it is preferable. The Commission agrees with ATXI that there appears to be other issues with Staff's preferred route which may increase the expected cost of that route. Additionally, the Commission is mindful of the benefits of the parties involved in any particular segment being able to come to an agreement, and it appears to the Commission that some weight should be given to that agreement when weighing the various options presented. It does not appear to the Commission that the Stipulated Route is so unreasonable that little weight should be given to the agreement of the parties.

Having reviewed the evidence of record, and upon consideration of all relevant route selection criteria as described by the parties, the Commission finds that the criteria described above favor the Stipulated Route for the Mississippi River-Quincy portion of the project. The Commission finds that the Stipulated Route for the Mississippi River-Quincy portion of the project is the least-cost route when all costs and benefits are taken into account.

The Commission notes that the parties in their briefs on the Mississippi River-Meredosia segment of the Illinois Rivers Project did not appear to discuss the issue of the substation in Quincy, Illinois. The Commission notes that ATXI witness Dyslin stated in his direct testimony in this proceeding, in part, as follows:

> 1. ATXI has acquired a new substation site southeast of Quincy, Illinois. The parcel consists of approximately 36 acres and is currently being farmed. This parcel was purchased from a private landowner in a transaction which closed on October 30, 2012. In addition, Ameren Illinois Company ("AIC") owns approximately 7 acres adjacent to the site proposed by ATXI, which ATXI will acquire and incorporate into the new substation footprint; (ATXI Ex. 8.0 at 3)

Staff witness Rockrohr testified regarding the location ATXI selected for the proposed Quincy substation site, stating it is a logical choice. (Staff Ex. 1.0 at 22-23)

The Commission finds that there appears to be no objection in the record to the location of a new substation southeast of Quincy, Illinois; therefore it will be approved as a part of this proceeding.

B. Quincy – Meredosia

1. ATXI Position

ATXI recommends that the Commission adopt the "hybrid" route proposed by Staff witness Rockrohr for the portion of the project between the Southeast Quincy Substation and Meredosia, Illinois. ATXI indicates that the Hybrid Route is shown as the red and black dashed line on ATXI Ex. 13.3 and highlighted on Figure 2, and was designated the "Rebuttal Recommended Route" in ATXI's rebuttal testimony. ATXI notes that the Hybrid Route utilizes ATXI's Primary Route as it leaves the Southeast

Quincy Substation, until that route intersects ATXI's Alternate Route just north of County Road 600N. The Hybrid Route then follows ATXI's Alternate Route until that route intersects with ATXI's Primary Route at County Road 400N, at which point it follows ATXI's Primary Route into the proposed Meredosia substation site. ATXI states that the only other routes proposed for this portion of the project were ACPO alternative routes 1, 2, and 3, which ATXI suggests are not preferable to the Hybrid Route for the reasons discussed.

ATXI represents that the table below illustrates the support for the routes proposed for this portion of project, as reflected in the parties' respective Initial Briefs:

Route	Hybrid	ATXI Primary	ATXI Alternate	ACPO Route 1	ACPO Route 2	ACPO Route 3
Party(ies) Recommending Approval	ATXI, Staff, 10 of 13 ACPO witnesses	None	None	ACPO, Staff	None	None

Although both ATXI's Primary and Alternate Routes are also constructible, ATXI argues that the Hybrid Route is the best option for this segment of the project because it is cost-effective, has been fully analyzed, and eliminates concerns raised by almost all of the intervenors who have submitted testimony regarding this portion of the project. ATXI notes that thirteen members of ACPO submitted record evidence concerning the Quincy–Meredosia portion of the project. ATXI believes that the Hybrid Route will resolve concerns regarding the impact of ATXI's proposed routes on the property of 10 out of the 13 testifying members of ACPO. With respect to the concerns of one of the three remaining witnesses, Mr. Stuart Kaiser, ATXI suggests that the Hybrid Route significantly reduces the amount of his property impacted by the route and passes over a half mile away from his residence and other structures.

ATXI submits that each of ACPO's three proposed alternative routes is flawed. ATXI states that ACPO's Alternative Route 1, while perhaps lower cost in base dollar terms, presents significant routing concerns so that it is not the "least cost" as compared to the Hybrid Route, noting that it would traverse an existing residential area near Interstate 172, requiring the displacement of at least six assumed residences. Moreover, it would require approximately 40 additional acres of tree removal. While ACPO characterized the western part of ACPO Alternative Route 1 as a "partially acquired unoccupied corridor," ATXI witness Murphy explained that approximately 50% of that corridor has not been acquired and any existing easements are too narrow to accommodate 345 kV transmission lines. ATXI argues that the corridor does not offer any meaningful routing advantage, while ACPO's Route 1 also parallels an existing 138 kV line which may present reliability, operational and maintenance concerns.

ATXI notes that ACPO Alternative Route 2 modifies a portion of ATXI's Primary Route, which modification would require two additional dead-end structures and render the route longer than ATXI's Primary and Alternate Routes, as well as the Hybrid Route, and would therefore increase the base cost. ATXI indicates that the modification is

located on a portion of ATXI's Primary Route that was not incorporated into the Hybrid Route, thus, the Hybrid Route moots any need for this modification.

ATXI states that ACPO Alternative Route 3 modifies ATXI's Alternate Route in a way that would move the transmission line away from some homes but closer to others, and would require three additional dead-end structures. ATXI asserts that this route also bisects several farm fields; therefore this modification is not advantageous.

As a result of these considerations, ATXI does not agree with Staff's assertion that ACPO's Alternate 1 is the least-cost option for this portion of the project. Instead, ATXI recommends the Hybrid Route as the best option for the portion of the project between the Southeast Quincy Substation and the proposed substation in Meredosia, Illinois, and believe it should be chosen by the Commission for this segment of the route.

a. Length of Line

ATXI indicates that the following table shows the length of each proposed route for this segment of the line.

	Hybrid Route	**ATXI Primary Route**	**ATXI Alternate Route**	**ACPO Route 1**	**ACPO Route 2**	**ACPO Route 3**
Estimated Length in Miles	46.3	48.7	48.2	43.6	Not specified	Not specified

Although the Hybrid Route is three miles longer than ACPO Alternative Route 1, ATXI believes that this difference is outweighed by the reduced potential societal and environmental impact the Hybrid Route poses. ATXI notes that ACPO Alternative Route 1's reduced length, in contrast, comes at a great cost – the displacement of homes.

b. Difficulty and Cost of Construction

ATXI claims that there is no record evidence the Hybrid Route would be difficult to construct. In contrast, ATXI believes that ACPO Alternative Route 1 would be difficult to construct relative to the Hybrid Route (and ATXI's Primary and Alternate Routes) because it would require displacement of six homes and more than 40 additional acres of tree removal. ATXI states that the record otherwise contains no meaningful distinction between the routes proposed as to the difficulty associated with their construction. ATXI indicates that the following table shows the estimated cost of construction for each proposed route for this segment of the line.

	Hybrid Route	ATXI Primary Route	ATXI Alternate Route	ACPO Alternate 1	ACPO Alternate 2	ACPO Alternate 3
Estimated Baseline Cost	$105.859 million	$105.957 million	$104.264 million	$96.738 million	Not specified but < $105.957 million	Not specified but < $104.264 million

ATXI notes that ACPO maintains its route is superior because, considering length alone; it would be less costly, relying on Staff witness Rockrohr's testimony, who believes shorter routes have lower initial costs. ATXI notes that Mr. Rockrohr testified at hearing, "when all things are equal, if one route is less expensive than the other . . . that's the route that [he is] going to recommend[.]" (Tr. at 233) ATXI argues that Staff conceded it had no opinion whether "all things are equal" between the Hybrid Route and ACPO Route 1. ATXI opines that Staff's Initial Brief "offers no opinion" regarding the routes' relative environmental, historical, social, land use, or development impacts, or, notably, their community acceptance. Staff did note however, that it generally favors routes that pass close to fewer residences. ATXI asserts that Staff acknowledged the Hybrid Route avoids several structures, including residences, while ATXI notes that ACPO Alternative Route 1 does not. Under Staff's stated standard, ATXI argues that the Hybrid Route is preferable.

ATXI notes that ACPO also argues ACPO Alternative Route 1 would not be costly to construct because the route parallels an existing 138 kV transmission line, however ATXI suggests that ACPO's conclusion here is contrary to the record evidence. ATXI states that the Illinois Rivers Project requires its own 150 feet easement, and for reliability, maintenance and operations reasons, it cannot share that easement with another transmission line. ATXI thus claims that there are no cost reductions because of paralleling, and indicates that Mr. Rockrohr agrees, noting he testified as follows:

> Q. In your estimation, would the fact that there is already a right-of-way there make the construction easier, cheaper?
>
> A. I don't think having another right-of-way there would make construction either easier or cheaper necessarily. The fact that it would be cheaper has to do with the fact that it's straighter and shorter.
>
> Q. Okay. Not the fact that there has already been construction on that and the easements have already been obtained?
>
> A. Well, the easement would not have been obtained, because the 138 kV line would have been on its own easement, which would be separate from this easement. (Tr. at 196-197)

Despite its efforts to demonstrate ACPO Alternative Route 1 is “least cost,” ATXI states that ACPO appears to accept that “least cost” under Section 8-406.1 does not always mean least dollar cost, as ACPO contended in its Initial Brief that a “least cost” determination is akin to “a totality of the circumstances test.” Considering the environmental and societal costs of the Hybrid Route and ACPO Alternative Route 1, ATXI asserts that it is clear a “least cost” determination favors the former.

c. Difficulty and Cost of Operation and Maintenance

ATXI indicates that there is no record evidence showing that the Hybrid Route would be more difficult or costly to operate or maintain relative to other routes proposed, and the record otherwise contains no meaningful distinction between the proposed routes regarding the difficulty or cost of operating and maintaining each.

ATXI claims that this factor favors the Hybrid Route as no party contends that route would be difficult or costly to operate or maintain. While ACPO notes that ACPO Route 1 would run along the 138 kV line, which contains existing rights of way for transmission lines, therefore the difficulty and cost of operation and maintenance of two sets of transmission lines along the same route would be less to operate and maintain as compared to the same lines located in two separate locations, ATXI argues that there is no record evidence, however, that it would be cheaper to operate and maintain two sets of transmission lines because they are parallel. To the contrary, ATXI suggests that the record reflects paralleling transmission lines, in addition to presenting reliability concerns, may also increase operations and maintenance costs, as both circuits may have to be taken out of service in order to perform maintenance on either.

d. Environmental Impacts

ATXI states that there is no record evidence the potential environmental impacts resulting from construction of the Hybrid Route would be greater than those resulting from the other proposed routes. Rather, ATXI believes the evidence suggests the Hybrid Route will have minimal environmental impacts, because that route is a combination of ATXI’s Primary and Alternate Routes, which were chosen as the result of an extensive environmental analysis process that balanced environmental impacts against other relevant factors. ATXI notes that ACPO Alternative Route 1 would require 40 additional acres of tree removal, while ACPO Alternate Route 3 would also require increased tree removal.

e. Impacts on Historical Resources

ATXI claims that the Hybrid Route will not impact any known historical resources, however, there are ten known archaeological sites within 75 feet of ATXI’s Primary Route, and four known archaeological sites within 75 feet of ATXI’s Alternate Route. ATXI states that it will work with Illinois Historic Preservation Agency ("IHPA") to address issues that may arise during the construction process, and will obtain any required permits or approvals prior to construction.

While there is no dispute the Hybrid Route would not impact any known historical resources, ATXI contends that there is no record evidence regarding the impact of ACPO Alternative Route 1 on historical resources is because ACPO did not put any into the record. ATXI avers that this does not suggest the absence of any impact; it merely suggests the absence of any analysis of impact.

f. Social and Land use Impacts

ATXI believes that the Hybrid Route reflects an optimum location for the transmission line in that it would limit societal and land use impacts. ATXI claims the Hybrid Route also alleviates concerns regarding impacts on farming operations raised by the majority of witnesses on behalf of ACPO, the only intervenor related to this portion of the project. As ATXI previously noted, ACPO Alternative Route 1 would impact an existing residential area.

ATXI notes that ACPO contends the Hybrid Route is not preferred because it will take "prime farmland," stating that it divides land primarily used for agriculture that is presently not encumbered by easements for transmission lines. ACPO also argues, in analyzing route proposals, the Commission should consider, among other things, "farm splitting." (citing Ness v. Ill. Comm. Comm'n, 67 Ill. 2d 250, 254, 367 N.E.2d 672 (1977) ("Ness")) ATXI suggests that this is a curious position for ACPO to take, as ACPO's own route proposals cross farmland. In fact, ATXI asserts that ACPO Route 3 would bisect parcels of farmland, diagonally bisecting one that is not presently encumbered by existing transmission lines.

While ACPO argues that ATXI neglected to take into account the impact on agriculture in the area in its siting process, ATXI opines that this ignores the record evidence. ATXI states that the record reflects, as a result of the public process, "agricultural-related uses" was a key routing consideration in ATXI's routing process. But, as ACPO must concede given its own route proposals, ATXI believes it simply is not possible to route a transmission line across Illinois without traversing some farmland.

ATXI suggests that ACPO's real concern is that it does not want the project on ACPO's farmland. ATXI notes, however, that the impacts ACPO allege the Hybrid Route will have on its farmland are not unique to their property; those impacts have the potential to occur regardless of where the route is located. ATXI believes that the record reflects that those concerns can be addressed through detailed design of the route, construction mitigation measures, and compensation for damages in any event. ATXI opines that ACPO's remaining concerns regarding the impact of the Illinois River Project's EMF on its farming equipment and "stray voltage" are simply unfounded. Nonetheless, as explained, approval of the Hybrid Route would alleviate a majority of ACPO witnesses' concerns by their own admission.

g. Number of Affected Landowners and other Stakeholders and Proximity to Homes and other Structures

ATXI states that there are approximately 175 landowners and other stakeholders with property on or within 250 feet of either side of ATXI's Primary Route, and approximately 180 within the same proximity of ATXI's Alternate Route. ATXI indicates that these figures have not been calculated for the Hybrid Route, however it notes that the Hybrid Route would not require displacement of any residences, while ACPO Alternative Route 1 would require displacement of six residences.

	Hybrid Route	ATXI Primary Route	ATXI Alternate Route	ACPO Alternate 1	ACPO Alternate 2	ACPO Alternate 3
Residences 0-75 feet from centerline	0	0	0	6	Not specified	Not specified
Residences 75-150 feet of centerline	~14	6	18	9	Not specified	Not specified

ATXI notes that Staff recognizes that the Hybrid Route avoids several structures, including residences; while ACPO claims ATXI has not calculated the number of homes within the Hybrid Route's easement. ATXI disputes this, and argues that while neither ATXI's Primary or Alternate Routes, or any hybrid of those routes, would displace a residence; the same can not be said of ACPO Alternative Route 1.

While ACPO argues the conclusion that ACPO Alternative Route 1 would displace residences lacks credibility because it assumes that the residences potentially displaced are occupied; ATXI contends that it conservatively assumed that any building that appeared to be a residence was, in fact, an occupied residence, and it was better to err on the side of caution. ACPO points out that ATXI witness Murphy testified "the proposed route is a guideline and that ATXI engineers will have the ability to finalize the placement of the route . . . ." (ACPO Initial Brief at 10, 11-14 (arguing that, because transmission line routes depicted on ATXI's maps are just that – lines on maps – it can not be determined with certainty whether a home will be displaced).) ACPO concludes from this that it is very possible to avoid the displacement of the assumed occupied residences along ACPO Route 1. ATXI suggests that ACPO does not cite to the record for this claim; nor can it. ATXI complains that ACPO ignores the fact that even with pole placement flexibility; the transmission line easement must be 150 feet in width, all of which must avoid residences. While ACPO Alternative Route 1 utilizes a partially acquired corridor, ATXI notes that this specific corridor leaves little leeway for pole adjustment.

h. Proximity to Existing and Planned Development

ATXI suggests that this factor favors the Hybrid Route, as there is no record evidence the route is proximate to any existing or planned development. While ACPO summarily concludes that there is no reason to believe either the Hybrid Route or ACPO Alternative Route 1 would be preferable; ATXI asserts that in fact the Hybrid Route is preferable because ACPO Alternative Route 1 cuts through an existing residential development.

i. Community Acceptance

ATXI claims that the Hybrid Route eliminates the concerns of the majority of witnesses on this portion by their own admission, and so represents the route with the most community acceptance. While ACPO argues ACPO Alternative Route 1 is more accepted because it avoids the acquisition of previously undisturbed farmland; ATXI claims that the public process revealed that landowners were as concerned about having additional transmission lines on their property as they were about have new lines there.

j. Visual Impact

ATXI believes that the visual impacts, if any, will be substantially the same for any route, and suggests that there is no record evidence that the Hybrid Route is less preferable considering visual impact than any other route proposed for this portion of the project. ATXI notes that without any evidentiary support, ACPO contends, because ACPO Alternative Route 1 largely parallels an existing 138 kV transmission line, it would decrease, if not virtually eliminate, the esthetic impact of the transmission line. ATXI suggests that this ignores the fact that sufficient separation between the lines is imperative; each must be maintained on its own 150 feet right-of-way. ATXI states that Clark and Edgar CC offers another view: “There simply is no denying that power transmission poles of this nature are not attractive, regardless of the circumstances in which they are placed.”

k. Presence of Existing Corridors

ATXI notes that the Hybrid Route, as a combination of ATXI’s proposed routes, emerged from a comprehensive evaluation of opportunities and stakeholder input as to preferred opportunities. ATXI states that the Hybrid Route follows section lines and county roads.

ATXI opines that ACPO Alternative Route 1 parallels an existing 138 kV transmission line along County Road 800N but believe that this may present reliability, operational, and maintenance concerns. Further, ATXI states that the “partially acquired unoccupied corridor” ACPO Alternative Route 1 utilizes has not been fully acquired and any existing easements are too narrow to accommodate 345 kV transmission lines.

ATXI notes that like other intervenors, ACPO advocates for parallel transmission lines and champion ACPO Alternative Route 1 as a prime example. ATXI believes that ACPO's support for all things parallel, however, suggests a fundamental misunderstanding of what paralleling transmission lines entails. For example, while ACPO claims ACPO Alternative Route 1 will require only a widening of existing rights of way already owned by AIC, ATXI suggests that this is not accurate. ATXI submits that both the new transmission line and the existing one must be maintained on their own, separate easements.

ATXI avers that ACPO believes that utilization of the existing corridor will not present any reliability issues because Staff witness Rockrohr testified he did not see any reliability concerns arising from transmission lines on parallel, but separate and non-overlapping rights-of-way. While ACPO contends that ACPO Alternative Route 1 is a least cost option because it merely requires "widening" an existing right-of-way, not acquiring a new, separate one, ATXI suggests that ACPO is confused about its own route proposal.

ATXI is not convinced by ACPO's argument that corridors for existing transmission lines are preferable to other corridors, such as the property and section lines used by the Hybrid Route. ATXI notes that Ms. Murphy testified that "(r)eally what determines whether or not any one of those types of opportunities is advantageous or potentially more or less compatible is the extent of environmental sensitivities that occur along the various types of opportunities." (Tr. at 846) ATXI opines that an existing residential development occurs along the corridor ACPO Alternative Route 1 utilizes, which should not be disregarded by the Commission.

2. ACPO Position

ACPO states that its Alternate Route 1 predominantly follows a pre-existing AIC 138 kV in Adams and Pike Counties. ACPO notes however, that ATXI's Hybrid Route divides land primarily used for agriculture that is presently not encumbered by easements for ATXI transmission lines.

ACPO notes that as the petitioner, ATXI has the burden of proof in establishing that its route meets the least-cost means standard. Despite ATXI's continued support for the use of a route that involves the acquisition of prime farmland, ACPO does not believe that ATXI has met its burden of proof to establish that its route meets the least-cost means standard. When evaluating the routes using the 11 factors used by the Commission and Illinois courts, and as discussed further below, ACPO suggests that ATXI's Hybrid Route is not preferred under any of the factors, as the following table illustrates.

Least-Cost Means Factor	Preferred Route
1. Length of Line	ACPO's Alternative Route 1
2. Difficulty and Cost of Construction	ACPO's Alternative Route 1
3. Difficulty and Cost of Operation and Maintenance	Neither
4. Environmental Impacts	Neither
5. Impacts on Historical Resources	Neither
6. Social and Land Use Impacts	ACPO's Alternative Route 1
7. Number of Affected Landowners and Other Stakeholders and Proximity to Homes and Other Structures	Neither
8. Proximity to Existing and Planned Development	Neither
9. Community Acceptance	ACPO's Alternative Route 1
10. Visual Impact	ACPO's Alternative Route 1
11. Presence of Existing Corridors	ACPO's Alternative Route 1

ACPO notes that in its Initial Brief, ATXI offers a number of reasons for its refusal to adopt the ACPO Alternative Route 1 for the Quincy-Meredosia segment of the Illinois Rivers Project, despite substantial evidence offered in favor of ACPO Route. Instead, ATXI advocates for a route combining its primary and alternate routes first proposed in ATXI's petition, the Hybrid Route. ACPO asserts that the Hybrid Route was originally proposed as an alternative to the ACPO Route by Staff. Despite the Staff's preference for the ACPO Route, ATXI argues that the Hybrid Route is the best option for this segment of the project because "it is cost-effective, has been fully analyzed, and eliminates concerns raised by almost all Intervenors" for this segment. ACPO, however, argues that none of these reasons are factors in establishing the least-cost means standard set forth in the Act. Furthermore, this conclusion discounts the factors that not only favor the adoption of the ACPO Route but also ignores factors necessary to the analysis used by the Commission and Illinois Courts when evaluating the least-cost means standard. (See Docket No. 06-0706, June 23, 2010 Order of Reopening, and Ness) ACPO recommends that the Commission adopt for this segment of the Illinois Rivers Project its Alternate Route 1 from Quincy to Meredosia, Illinois.

a. Length of Line

ACPO suggest that a straightforward and easily quantifiable factor of the least-cost means standard is route length, which has a direct impact on both the initial cost of the construction and the cost of operation and maintenance. According to Staff witness Rockrohr, the shortest, straightest route is preferable. ACPO notes that Mr. Rockrohr also indicated that typically, the shorter the route, the lower the initial building cost, because less material and labor is necessary; while the straighter the route, the less need for costlier structures due to changes in route direction. ACPO submits that each structure used to support the transmission lines with angles less than or equal to 1 degree cost approximately $33,000, whereas the cost to support a structure for angles in the line between 1 degree and 15 degrees more than doubles to approximately $74,250. The cost for structures to support angles greater than 15 degrees, known as dead-end structures, is approximately $107,250 each—more than three times the cost

of a structure to support lines with angles of 1 degree or less. ACPO contends that an examination of the ATXI's Hybrid Route and ACPO's Alternate Route 1, shows that ACPO's is not only the shortest in distance, but is straighter and contains significantly fewer dead-end structures. ACPO adds that Mr. Rockrohr agrees that ACPO's Alternate Route 1 would be the "best choice," given its shorter distance and need for far fewer dead-end structures than ATXI's Hybrid Route.

b. Difficulty and Cost of Construction

ACPO believes another straightforward and readily calculable factor of the least-cost means standard is construction costs. Because a percentage of the expense of the route is passed along to the consumer, ACPO suggests that keeping costs at a minimum is imperative, noting that the cost of ACPO's Alternative Route 1 will be nearly $97 million whereas ATXI's Recommended Rebuttal Route will cost nearly $106 million. As utilizing ACPO's Alternative Route 1 would offer a cost savings of well over $9 million, it appears to ACPO that Alternative Route 1 is the preferable route option based on this criteria.

In addition to ACPO's Alternate Route 1 being the shortest and straightest option for the project from Quincy to Meredosia, ACPO argues that utilizing an already existing route that has already met analysis for another project "makes sense," since the least-cost means requirement was in place when the 138 kV line was approved by the Commission. It would logically follow that utilizing already cleared, accessible rights-of-way would prove less difficult to build upon than land that has not previously been utilized for transmission lines.

ACPO argues that ATXI is in error when it assumes that because the project as a whole will be the least-cost means solution for solving the reliability issues identified by MISO, each part or segment it recommends inherently becomes the least-cost option by being an intended part of the necessary whole. ACPO notes however, that each segment is unique, with any number of potential route alternatives, all of which offer unique benefits (opportunities) and costs (sensitivities). From the very beginning of the docket, the Administrative Law Judges have requested the parties present evidence on specific routes between substations, which ACPO has done. ACPO has presented a potential route that is shorter, more direct, and less costly than those proposed by ATXI and that utilizes existing rights-of-way owned by AIC, while also minimizing the impact on prime farmland and assumed existing residences. As indicated by the Commission and Illinois courts, the least-cost means standard considers a number of factors, including but not limited to the length of the line, its overall cost of construction, maintenance, and repair, its environmental impacts, and the number of landowners and stakeholders affected. (See Docket No. 06-0706 Order on Reopening)

c. Difficulty and Cost of Operation and Maintenance

ACPO notes that ATXI witness Murbarger made no comparison between the cost of operation and maintenance of ATXI's Hybrid Route and the ACPO's Alternate Route

1. However, ACPO states that its Alternate Route 1 runs along the 138 kV line, which contains existing rights of way for transmissions lines. As such, ACPO believe it is likely that the difficulty and cost of operation and maintenance of two sets of transmission lines along the same route would be less to operate and maintain as compared to the same lines located in two separate locations.

d. Impacts on Environmental and Historical Resources

With regard to impacts on environmental and historical resources, ACPO is unaware of any significant differences between its Alternate Route 1 and ATXI's Hybrid Route. Therefore, ACPO suggests that there is no reason to believe either would be preferable.

e. Social and Land use Impacts

ACPO notes that an additional consideration of the least-cost means standard is the transmission line's social and land use impacts. ACPO submits that for communities impacted by the Illinois Rivers Project, agriculture is a significant source of income and concern for many property owners. As such, ACPO suggests that any impact the Project may have on farming is potentially considerable and should not be discounted. In Ness, ACPO notes the Illinois Supreme Court affirmed the Circuit Court's reversal of a Commission decision to grant a Certificate of Public Convenience and Necessity because it neglected to take into account the impact on agriculture in the area. (67 Ill. 2d at 254, 367 N.E.2d at 674) In Ness, the Court considered factors such as interference with present land uses, particularly farm splitting and number of farms affected, type or quality and productivity of the farms impacted, greater costs to farmers in the area, and detrimental effect to "high productivity farms or superior soil."

ACPO objects to the petition because of its intrusion on prime Illinois farmland, however if the Commission grants the petition, then ACPO requests that the Commission utilize ACPO's Alternate Route 1 because of the undesirable impact ATXI's Hybrid Route will have on the ACPO's farming operations. ACPO suggests that the negative impact on farming operations could include:

i. Soil Compaction: The transmission line towers will involve disrupting the soil. When construction equipment is continually operated over farm ground, there is a loss of yield at the location of the construction. When heavy equipment operates over farm ground, it impacts the ability of plant roots to penetrate to the soil to reach water and nutrients (e.g., fertilizer), which results in lesser or no yield. ACPO believes they will experience a reduction in yields for up to seven years.

ii. Drainage: ACPO have drainage tiles in the vicinity of the proposed ATXI's Hybrid Route. The construction of the lines will likely disrupt or destroy the drainage tiles.

iii. Aerial Spraying: ACPO use aerial spraying in their farming operations. The proposed placement for the Hybrid Route will split the properties owned by ACPO on which both sides of the properties are used for agricultural purposes. The transmission line will make it difficult or impossible to conduct effective aerial spray applications.

iv. Field Efficiency: The possible placement of transmission line towers on properties will have a negative impact on field efficiency, because of the need for farmers to reroute their planting and harvesting routes to work around the structures supporting the transmission line.

v. Weed Control: If the towers are placed on the properties, the properties will need to perform weed control on and around the towers. The presence of weeds reduces yield because the weeds will consume water and nutrients otherwise utilized by surrounding crops.

vi. Irrigation: At least one member of ACPO uses center pivot irrigation systems. The placement of the transmission line through his property may inhibit this system and make necessary irrigation more costly and time consuming for the farmer.

vii. GPS: Many ACPO members utilize GPS navigation systems in their equipment. The placement of the transmission line through their properties may interfere with or render these systems useless.

viii. Dairy Farm: One ACPO owns a dairy farm. The barn where all the dairy cattle are housed lies adjacent to ATXI's Hybrid Rebuttal Route and would subject the dairy cattle to stray voltage, causing a decrease in milk production and negatively impacting their disposition.

ACPO suggests that there was also evidence submitted in this docket that the hum of the transmission lines will create undue stress on cattle, thereby decreasing their daily weight gain, which will lead to lower profits and higher costs of feed inputs. Moreover, ACPO notes that transmission lines produce "stray voltage," which causes a low level electrical shock to animals in confined areas. ACPO opines that stray voltage from transmission lines may reduce water and feed intake, thereby reducing daily weight gain, and thereby negatively affecting the dairy barn's operations.

f. Number of Affected Landowners and other Stakeholders and Proximity to Homes, other Structures, and Existing and Planned Development

While ATXI argues that ACPO's Alternate Route 1 is an undesirable choice for the transmission line because it would require the displacement of six residences, while ATXI's Hybrid Route would require no displacement, ACPO notes that ATXI witness Murphy also testified to the fact that the proposed route is a guideline and that ATXI engineers will have the ability to finalize the placement of the route so that it can potentially avoid displacement. ACPO submits that since it appears possible to avoid the displacement of the assumed occupied residence located on ACPO's Alternate Route 1, ATXI's aversion to ACPO's Alternate Route 1 remains unexplained.

ACPO suggests that Ms. Murphy's testimony regarding the impact on existing structures lacks credibility for several reasons. First, ACPO notes that Ms. Murphy testified that the ACPO Alternate Route 1 will place an additional eight residences within 150 feet of the centerline, two of which will be within 75 feet of the centerline. ACPO note that on cross-examination, however, Ms. Murphy admitted that she did not confirm that the dwellings that she referred to as being displaced were occupied. Moreover, Ms. Murphy could not state with any accuracy where the existing 138 kV transmission line or the ACPO proposed transmission line are indeed located. ACPO suggests that if Ms. Murphy can not attest to, or "be sure" about, the accuracy of where the existing 138 kV line occurs, it follows that she can not testify where the ACPO Alternate Route 1 occurs in relation to existing structures since the two lines are proposed to run parallel to each other.

ACPO complains that ATXI's position is a bit too flexible on this matter. ACPO notes that if a route it proposes is too close to an interveners' property, then ATXI will take the position that the route is not finalized and changes may be made to accommodate the property owner; however if ATXI is dissatisfied with an interveners' proposed route, ATXI will take the position that the proposed route will have a negative impact on existing structures, as Ms. Murphy did with ACPO Alternate Route 1.

With regard to proximity to existing and planned development, ACPO notes that no comparison was made between its Alternate Route 1 and ATXI's Hybrid Route; therefore ACPO has no reason to believe either would be preferable.

g. Community Acceptance

ACPO notes that in evaluating options for the project's proposed routes, ATXI sought the opinions of community stakeholders and property owners in public meetings when considering the potential transmission line. In these meetings, ATXI indicates it asked attendees to identify which factors, identified as "sensitivities," were most concerning to them. ACPO states that of 32 total sensitivities, stakeholders and property owners identified six as high sensitivities (cemeteries, churches, existing drainage features, prime farmland, residential use area, and schools), 12 as moderate

sensitivities, and 14 as low sensitivities. Furthermore, ACPO indicates that Ms. Murphy testified that the public in potentially impacted communities would prefer the transmission line run along existing roadway and away from agricultural use areas. Given these aforementioned facts and that ACPO's Alternate Route 1 avoids the acquisition of previously undisturbed farmland; ACPO submits that utilization of its Alternate Route 1 is preferable to that of ATXI's Hybrid Rebuttal Route.

h. Visual Impact

ACPO states that ATXI's Hybrid Route proposes to acquire and run through prime farmland, which ACPO claims will undoubtedly negatively impact the visual landscape of the properties. ACPO, however, asserts that the majority of its Alternate Route 1 runs along the existing 138 kV line, which would dramatically decrease, if not virtually eliminate, the esthetic impact of the transmission line, since the proposed corridor has already been cleared and contains 138 kV Line. As such, ACPO argues that its Alternate Route 1 is clearly preferable when considering the project's visual impact, as ACPO's route will merely require a widening of an existing rights-of-way and ATXI's Hybrid Route will require the acquisition of property presently used primarily, if not solely, for agricultural purposes.

i. Presence of Existing Corridors

ACPO notes that its Alternate Route 1 runs along an already existing 138 kV line, which should require only a widening of existing rights-of-way already owned by AIC. ACPO avers, however, that ATXI's Hybrid Route runs along section and property lines not currently used for non-agricultural purposes, which will require the acquisition of prime farmland.

ACPO states that ATXI witness Murphy explains that when considering routing options, it is advantageous to utilize "opportunities" that would allow like features to be placed by like features. Ms. Murphy asserts that, as linear features, transmission lines are "more compatible for parallel co-location" near linear corridors, such as property, section, and field lines or existing transmission line rights-of-way. Further, Ms. Murphy indicates that the more similar the feature, the better the opportunity for placement, i.e. a transmission line is more like another transmission line than a property line, as such placement would be better suited parallel to the other transmission line. ACPO submits that as ACPO's Alternate Route 1 runs parallel to the existing 138 kV line and that ATXI's Hybrid Route runs along property and section lines, ACPO's route will be preferable to ATXI's using Ms. Murphy's analysis.

ACPO claims that utilization of the existing corridor will not present any reliability issues, noting that Mr. Rockrohr indicates that he did not have electric reliability concerns "arising from the location of two transmission lines on parallel non-overlapping rights-of-way." ACPO asserts that two transmission lines on non-overlapping rights-of-way have the same amount of space or more between them as either line would have between any object.

ACPO states that ATXI offers three reasons to avoid the use of parallel lines: First, the existing line must be taken out of service during construction of the second. Further, should maintenance be needed on either of the parallel lines, the line not requiring service may need to be taken offline to complete the repairs. Finally, ATXI suggests that parallel lines are more susceptible to "common-mode failures," meaning if one line is damaged because of weather disasters or the like, both lines would likely be impacted instead of just one.

ACPO notes, however, despite offering these reasons to avoid the use of parallel lines, ATXI recommends parallel lines for nearly eighty miles of its preferred route. Indeed, ATXI proposes running the 345 kV transmission line parallel; yet, ATXI then cites operational and reliability concerns as its rationale for discounting the use of the ACPO Alternate Route 1. ACPO suggests that ATXI's position simply does not logically follow, as it offers no specific reason as to why the use of parallel lines in the ACPO route is less desirable than it is anywhere else.

3. Staff Position

Although Staff prefers the use of ACPO's Alternate Route 1, in the event that ATXI demonstrates that ACPO Alternate Route 1 can not be used, Staff developed the Hybrid Route by combining elements of ATXI's Primary and Alternate Routes. Specifically, ATXI would utilize its Primary Route when leaving the Southeast Quincy Substation site until it reaches the quarter-section line north of County Road 600N. The route would then follow ATXI's Alternate Route until that route joins ATXI's Primary Route at the County Road 400N alignment (see ATXI Ex. 4.2 Part 9 at 2), then follow ATXI's Primary Route east until reaching the proposed Meredosia substation site. ATXI now supports the adoption of the Hybrid Route over the other options for this segment.

In terms of length, Staff states that ATXI's Primary Route is approximately 48.7 miles in length while its Alternate Route is approximately 48.2 miles long. Staff notes that ACPO's Alternate Route 1 is approximately 43.6 miles in length. Staff's Hybrid Route is approximately 46.3 miles long. Staff observes that ACPO's Alternate Route 1 is the shortest and least costly route. Admittedly, the Hybrid Route costs approximately $9.1 million more than using ACPO's Alternate Route 1. While ATXI is compelled to concede that ACPO's Alternate Route 1 is "perhaps lower cost in base dollar terms," Staff notes that ATXI claims ACPO's Alternate Route 1 would traverse an existing residential area near Interstate 172, requiring the displacement of at least six assumed residences, and require approximately 40 additional acres of tree removal. Though ATXI claims in its Initial Brief that ACPO's Alternate Route 1 would require displacement of six assumed residences, Staff points out that Ms. Murphy states in rebuttal testimony that ACPO's Alternate Route 1 would place two residences within 75 feet of the centerline of the right-of-way, not six. Staff believes that it strains credulity that, at this stage in the proceeding, ATXI still is not certain which structures are occupied residences, or how many would need to be displaced if a given route were chosen. Staff is not convinced displacement of any residences would be necessary if ACPO's

Alternate Route 1 were used. Generally, Staff favors routes that pass close to fewer residences. Staff admits that it did not conduct a comparison of homes and structures on each route alternative, but believes that its Hybrid Route avoids several structures, including residences. ATXI also notes that ACPO's Alternate Route 1 parallels an existing 138 kV line from the center of Burton Township to the vicinity of Meredosia. Despite ATXI's concerns about parallel lines, Staff does not believe that parallel lines in this area would create any problems or reliability concerns.

If the Commission determines that ATXI should use the Hybrid Route for constructing the transmission line, Staff would recommend that at the location the Hybrid Route first crosses ACPO's Alternate Route 1 as it heads east from Quincy, the Commission order ATXI to use ACPO's Alternate Route 1 from that point for the remaining distance to the Meredosia substation site. Staff believes that such a combination of the Hybrid Route and ACPO's Alternate Route 1 would likely result in construction costs roughly equivalent to the cost of using ACPO's Alternate Route 1, while avoiding much of the additional tree clearing and the existing residential area near Interstate 172 to which ATXI referred.

4. Commission Conclusion

The Commission notes that ATXI recommends the approval of what it characterizes as the Hybrid Route, as proposed by Staff witness Rockrohr, for the portion of the project between the Southeast Quincy Substation and Meredosia, Illinois. ATXI suggests that if this Hybrid Route is adopted, it will be easier to construct, and should resolve many of the issues raised by various ACPO witnesses. Staff and ACPO recommend the Commission adopt ACPO's Alternate Route 1. Each notes that Alternate Route 1 is shorter than the Hybrid Route, as well as also following what appears to be at least a partially acquired unoccupied corridor for a 138kV line.

The Commission notes that both ATXI and ACPO have attempted to analyze their preferred route on each of the eleven criteria, with ATXI determining that its preferred route wins on nine points of consideration, ACPO's route one point, and one issue a draw. ACPO has likewise done this analysis and determined that its preferred route wins on six points, while the other five are a draw. The conclusion that the Commission would draw from this exercise is that on most of the eleven criteria to be considered, there does not seem to be much difference between the proposed routes.

The Commission finds that ACPO Alternate Route 1 does not appear to be "least cost" as compared to the Hybrid Route. The Commission is concerned by the evidence which appears to show that ACPO's Alternate Route 1 would traverse an existing residential area near Interstate 172, potentially requiring the displacement of at least six assumed residences. Moreover, it appears that ACPO Alternate Route 1 would require approximately 40 additional acres of tree removal. While ACPO characterizes the western part of its Alternate Route 1 as a "partially acquired unoccupied corridor," the Commission notes that ATXI contends that approximately 50% of that corridor has not been acquired and any existing easements are too narrow to accommodate an

additional 345 kV transmission line. Therefore, it does not appear to the Commission that this corridor will offer any meaningful routing advantage over the Hybrid Route. Additionally, ACPO Alternate Route 1 parallels an existing 138 kV line, which ATXI suggests may present reliability, operational, and maintenance concerns, although the fact that ATXI does not have similar concerns at other locations along the Illinois Rivers Project is troubling to the Commission.

The Commission is persuaded that the Hybrid Route is the best option for this segment of the project because it is cost-effective and should eliminate concerns raised by almost all of the intervenors who have submitted testimony regarding this portion of the project. The Commission is also troubled by the evidence that ACPO Alternate Route 1 would require extensive tree removal, as well as the possible displacement of six residences. It appears to the Commission that any cost savings envisioned by the shorter length of ACPO Alternate Route 1 would be eclipsed by the potential displacement of homes. The Commission is also troubled by the fact that none of the owners of those six residences have intervened in this proceeding, to indicate whether they support one route versus another.

Having reviewed the evidence of record, and upon consideration of all relevant route selection criteria as described by the parties, the Commission finds that the criteria described above favor the Hybrid Route espoused by ATXI for the Quincy-Meredosia portion of the project, over ACPO Alternate Route 1. Therefore, the Commission finds that the Hybrid Route for the Quincy-Meredosia portion of the project is the least-cost route when all costs and benefits are taken into account.

The Commission notes that there is little, if any, discussion in the parties' briefs on the issue of the substation at Meredosia, Illinois. The Commission observes that ATXI witness Dyslin stated in his direct testimony in this proceeding, in part, as follows:

> 3. ATXI has acquired a site representing an expansion of an existing substation, located on and adjacent to the Meredosia generating station property. The parcel consists of approximately 56 acres, approximately 41 acres of which is used for industrial purposes and 15 acres of which is used for agricultural purposes. A portion of the industrial property is the site of the existing substation and its appurtenances. The agricultural land is not being farmed at this time. This parcel was purchased from Ameren Energy Generating Company in a transaction which closed on October 31, 2012; (ATXI Ex. 8.0 at 3)

Staff witness Rockrohr also testified regarding the location that ATXI selected for the proposed Meredosia substation site, stating it is a logical choice. (Staff Ex. 1.0 at 26-27)

The Commission notes that there appears to be no objection in the record to the proposed expansion of the Meredosia substation, therefore the proposed expansion is approved.

C. Meredosia – Ipava

1. ATXI Position

ATXI states that its recommended route for the Meredosia to Ipava segment follows its originally proposed Alternate Route, with a slight modification to avoid a sensitive environmental area pursuant to a stipulation (covering the southern segment of the Alternate Route) between ATXI and TNC. ATXI notes that this route, (the "Stipulated Route") is shown in orange on ATXI Ex. 13.4, is highlighted on Figure 3, and was designated the "Stipulated Route" in ATXI's rebuttal testimony. ATXI submits that the only other route with any current support for this portion of the Illinois Rivers Project is TNC's first alternative route (TNC Alternate Route 1). ATXI asserts that the Stipulated Route is superior to that route, however, because it effectively balances the concerns raised by most of the intervening parties, and avoids environmentally sensitive areas.

ATXI claims that the Stipulated Route is supported by TNC, and avoids the property of several other intervenors including Sherry Ralston, the Schuyler County Property Owners, Thomas and Lynda Freehill McLaughlin, and James and Tori Phillips. Also, ATXI notes that intervenor Wiese Farms opposes ATXI's Primary Route, but presumably would not be impacted by the Stipulated Route. ATXI notes that the only party who expressed opposition to the Stipulated Route is the Korsmeyer Trust because of an alleged impact on its farming operations. ATXI claims, however, that the routing of the Stipulated Route avoids almost all of the Korsmeyer property, and where it does affect this property, it runs along the eastern side of one of the Korsmeyer parcels, so the Stipulated Route should not interfere with the irrigation system there.

ATXI claims that an added benefit of the Stipulated Route is that it avoids the environmentally sensitive areas of the Spunky Bottoms Preserve, and the Illinois Department of Transportation ("IDOT") Wetland Mitigation Bank about which TNC initially raised concern. While ATXI does not concede that all the environmental impacts TNC theorized to occur would in fact occur, ATXI is sensitive to the environmental concerns raised by TNC, which resulted in the Stipulated Route. ATXI notes that this route utilizes the extensive siting analysis conducted by ATXI, but avoids the environmentally sensitive areas identified by TNC.

ATXI submits that only Staff witness Rockrohr supports a different route for this portion of the project, TNC's Alternate Route 1. ATXI suggests that the basis for Mr. Rockrohr's support of this route is narrow at best, contending that he relies solely on his review of aerial maps to determine route length and number of dead-end structures. ATXI believes that Mr. Rockrohr finds TNC Alternate Route 1 preferable because all things being equal, it would have a lower dollar cost. However, ATXI notes that he admits that there may be additional relevant facts about some of the routes which could result in a route being more or less desirable than the route he supports. In fact, ATXI contends that there are relevant facts that make TNC Alternate Route 1 less desirable,

noting that TNC Alternate Route 1 would likely result in the displacement of a residence, conflicts with a greater number of center pivot irrigation systems, and parallels an existing 138 kV line, which may present reliability or operational issues. ATXI submits that not only has the Stipulated Route garnered more support than TNC Alternate Route 1, but also has less societal impact relative to that route.

ATXI suggests that the table below illustrates the support for the routes proposed for this portion of the project, as reflected in the parties' respective Initial Briefs:

MEREDOSIA – IPAVA				
Route	**Stipulated Route**	**ATXI Alternate Route (Unmodified)**	**ATXI Primary Route**	**TNC Alternate Route 1**
Part(ies) Recommending Approval	ATXI, TNC	None	None	Staff, Korsmeyer

Of the two routes remaining for consideration, ATXI submits that the Stipulated Route is the superior option. While Staff and Korsmeyer Trust focus on the length of the line, ATXI submits that they ignore critical impacts caused by the TNC Alternate Route 1, namely residence displacement, center pivot displacement, and potential reliability and operational issues. As TNC argues, to the extent that the Stipulated Route results in a line that is slightly longer than other alternatives, that difference is justified by the important and significant improvements in the line route design from an environmental and ecological perspective that is achieved by the Stipulated Route.

a. Length of Line and Difficulty and Cost of Construction, Operation, and Maintenance

The following table represents the length and cost of each route proposed for this segment of the Illinois Rivers Project:

	Stipulated Route	**ATXI Primary Route**	**ATXI Alternate Route**	**TNC Alternate Route 1**
Estimated Length in Miles	N/A	50.2	48.6	42.1
Estimated Base Cost	$113,276,000	$101,516,000	$104,875,000	$107,516,000

ATXI relates that there is no record evidence the Stipulated Route would be difficult to construct, while displacement of a residence presents a significant difficulty to the

construction of TNC Alternate Route 1. Additionally, ATXI argues that TNC's Alternate Route 1 conflicts with a greater number of center pivot irrigation systems. The record otherwise contains no meaningful distinction between the routes regarding the difficulty associated with their construction.

With regard to operation and maintenance, ATXI believes that there is no record evidence the Stipulated Route would be more difficult to operate and maintain or would be more costly to operate and maintain relative to the other routes proposed. However, ATXI suggests that the potential for increased operating and maintenance issues exists for TNC Alternate Route 1 absent sufficient separation between that route and the existing transmission line to which it runs parallel. ATXI notes that the record otherwise contains no meaningful distinction between the proposed routes regarding the difficulty or cost of operating and maintaining each.

b. Environmental Impacts

ATXI states that both the Stipulated Route and TNC Alternate Route 1 avoid the Spunky Bottoms Preserve and the IDOT Wetland Mitigation Bank identified by TNC as environmentally sensitive areas. ATXI notes that TNC has withdrawn support for TNC Alternate Route 1. ATXI notes that it and TNC agree that the Stipulated Route is the superior choice from an environmental impact standpoint.

ATXI's Primary Route crosses a portion of the Spunky Bottoms Preserve and certain upland conservation areas, and while the Primary Route does not completely avoid the environmentally sensitive areas, ATXI disputes the extent of the impact. ATXI notes that all three TNC witnesses make various claims about threats to endangered species, including avoidance, collision, and electrocution, threats to the natural ecology of the preserve due to habitat fragmentation, and erosion and wetland impacts due to the construction and maintenance of the proposed Primary Route. ATXI asserts that TNC failed to substantiate its claims with peer-reviewed scientific literature. Additionally, ATXI believes that many of the ecological effects cited, including destruction of plants, establishment of invasive plants, and animal disturbance, are almost entirely temporary and can be mitigated. While the Primary Route does not entirely avoid the Spunky Bottoms Preserve, ATXI asserts that the impacts claimed by TNC have not been substantiated, may be overstated, and can be mitigated.

c. Impacts on Historical Resources

ATXI states that there are no known impacts to historical resources, including registered National Historic Places or archeological historic places, that would prevent construction of either of ATXI's routes. ATXI also commits to working with the IHPA to address any issues that may arise during the construction process.

d. Social and Land use Impacts

ATXI notes that while certain social and land use impacts are unavoidable, its route siting analysis entailed a comprehensive review process that attempted to minimize these impacts. As a result of such considerations, ATXI suggests that social and land use impacts are another factor weighing in favor of the Stipulated Route. While Korsmeyer Trust asserts that a negative effect of the Stipulated Route is interference with its farming operations and planned center pivot irrigation system, ATXI argues that both Korsmeyer Trust and Staff ignore the fact that TNC Alternate Route 1 will interfere with existing center pivot irrigation systems. ATXI also points out that the Stipulated Route is along the eastern border of one of the Korsmeyer Trust parcels, minimizing interference with its planned irrigation system. ATXI adds that unlike the TNC alternatives, the Stipulated Route avoids impacting existing center-pivot irrigation systems.

e. Number of Affected Landowners and other Stakeholders and Proximity to Homes, other Structures, and Existing and Planned Development

ATXI states that there are approximately 192 landowners and other stakeholders with property on or within 250 feet of either side of ATXI's Alternate Route. Given that the Stipulated Route is a slight modification of the Alternate Route, ATXI believes that approximately the same number of affected landowners can be assumed for the Stipulated Route. ATXI contends that there are approximately 224 landowners and other stakeholders with property on or within 250 feet of either side of ATXI's Primary Route, and asserts that the following table represents the relevant information on the routes proposed for this segment:

	Residential Structures within 0-75 feet	**Residential Structures within 75-150 feet**
ATXI Primary Route	0	3
ATXI Alternate Route	0	4
TNC Alternate 1	1	Not specified
TNC Alternate 2	Not specified	Not specified

As previously noted, ATXI suggests that TNC Alternate Route 1 would require the displacement of a residence, while additional information about TNC's routes does not appear in the record.

With regard to one of the more critical factors, the number of affected landowners and other stakeholders, ATXI argues that Staff and Korsmeyer Trust ignore the potential for the displacement of a residence along TNC's Alternate Route 1, noting that Staff witness Rockrohr admits that he did not document a comparison of homes and structures on each route alternative. ATXI suggests that Korsmeyer Trust's analysis of this factor is flawed, noting that it asserted that the Stipulated Route impacted 192 properties but TNC's Alternate Route 1 impacts 76. ATXI notes that this is flawed

because even though TNC did identify 76 names as being affected by its Alternate Route 1, these are names in addition to the names provided by ATXI because TNC Alternate Route 1 is a modification to ATXI's Alternate Route. While the total number of affected residences for the TNC Alternate Route 1 has not been provided, ATXI suggests a conservative assumption is that the number of landowners impacted by the Stipulated Route is the same as for TNC Alternate Route 1. ATXI argues that the only routes that considered affected landowners are the ATXI routes, including avoidance of home displacement.

ATXI states that there is no record evidence the Stipulated Route (or ATXI's Primary Route) is proximate to any existing or planned development, while there is otherwise no record evidence regarding the proximity of the other proposed routes to existing and planned development.

f. Community Acceptance

ATXI notes that the Stipulated Route is supported by TNC, and it avoids the property of several other intervenors. ATXI suggests that the Stipulated Route is the consensus route for this portion of the project.

g. Visual Impact

ATXI believes that visual impacts, if any, will be substantially the same for any route. ATXI submits that there is no record evidence that the Stipulated Route is less preferable considering visual impact than any other route proposed for this portion of the project.

h. Presence of Existing Corridors

ATXI claims that its selection of the Alternate Route, which was slightly modified to become the Stipulated Route, considered many factors; while it appears that the TNC proposed routes are based primarily on perceived environmental factors, and, therefore, did not consider or assess many potential impacts. ATXI argues that those impacts, while ignored by Staff and Korsmeyer Trust, balance in favor of the selection of the Stipulated Route.

ATXI also observes that TNC Alternate Route 1 parallels an existing 138 kV line, but notes that parallel transmission lines can result in increased cost and raise reliability issues. ATXI suggests that the presence of a parallel line weighs against selection of TNC Alternate Route 1. As discussed in ATXI's testimony, paralleling should only be done in limited circumstances because of the potential for increased costs and reliability issues.

2. Korsmeyer Trust Position

Korsmeyer Trust submits that the best routing choice for the segment of the project from Meredosia to Ipava is TNC Alternate Route 1. Korsmeyer Trust notes that TNC Alternate Route 1 is the only routing option that does not impede in any way upon any of the properties which are of interest to the intervening parties along this segment of the Project (i.e., Korsmeyer Trust, TNC, and Wiese Farms).

While TNC has entered into a stipulation to support the Stipulated Route, Korsmeyer Trust notes that TNC Alternate Route 1 was a routing option presented by TNC as its preferred option and is a routing option which eliminates the environmental concerns raised by TNC. For the foregoing reasons alone, Korsmeyer Trust suggests it would seem counterintuitive to select any routing option other than TNC Alternate Route 1, but Korsmeyer Trust notes that this route is also preferred by Staff witness Rockrohr. Korsmeyer Trust asserts that Mr. Rockrohr has no vested interest in this proceeding, and suggests that he is the only disinterested or objective witness whose testimony is now before the Commission. According to Korsmeyer Trust, Mr. Rockrohr, after examination, analysis, and visit to the various route proposals, summarized his findings as follows: “Based upon the information that I reviewed, it appears that TNC’s Alternate 1 would be the best route choice for this segment. TNC’s route recommendation does not cross either of the natural areas that TNC identified. In addition, my review indicates that TNC’s Alternate 1 would be considerably shorter than either route that ATXI proposes. Since I am unaware of circumstances that would prevent ATXI from constructing TNC’s Alternate 1, that route appears to me to be the best choice for the Meredosia to Ipava segment.” (Staff Ex. 1.0R at 33)

Korsmeyer Trust suggests that a substantial portion of the basis provided by ATXI for its support of the Stipulated Route is the fact that the Stipulated Route does not interfere with either of the environmentally sensitive areas identified by TNC and the fact that the Stipulated Route contains a segment which was stipulated to by TNC. Korsmeyer Trust notes, however, that any option which seems to guarantee a resolution which does not impinge upon the land which is the interest of the respective intervenor can seem appealing or, at the least, agreeable; however, such stipulation or acceptance is in no way an indication that such routing option is the best choice for the greater number.

a. Length of Line and Difficulty and Cost of Construction, Operation, and Maintenance

Korsmeyer Trust notes that ATXI's Primary Route runs 49.8 miles, ATXI's Alternate Route runs 47.9 miles, TNC Alternate Route 1 (the route most preferred by Korsmeyer Trust) run 42.1 miles, and the TNC Alternate Route 2 run 43.8 miles. As such, Korsmeyer Trust avers that TNC Alternate Route 1 is the preferred route in terms of length. Korsmeyer Trust indicates further that ATXI's Primary Route has estimated construction costs of $101,516,000, ATXI's Alternate Route has estimated costs of $104,875,000, TNC Alternate Route 1 has estimated costs of $107,516,000, and

ATXI's Stipulated Route, which is a hybrid route including a route stipulated to by ATXI and TNC, has estimated costs of $113,276,000. Korsmeyer Trust states that the Stipulated Route is the costliest option now before the Commission, some $5.7 million costlier than TNC Alternate Route 1. Korsmeyer Trust also indicates that TNC Alternate Route 1 is the shortest of the routing options now before the Commission, and is the only routing option to make significant use of an existing corridor, one provided by the existing 138 kV line. For these reasons, Korsmeyer Trust believes it would stand to reason that TNC Alternate Route 1 would provide the most ease of access for operation and maintenance.

b. Environmental Impacts

Korsmeyer Trust notes that TNC has raised concerns as to negative environmental impacts of various routing options; however, Korsmeyer Trust believes such concerns would be eliminated by Commission approval of TNC Alternate Route 1.

c. Social and Land Use Impacts

Korsmeyer Trust submits there is a negative impact to land use resulting from the construction of a 345 kV line across the land in which he is interested.

d. Number of Affected Landowners and other Stakeholders and Proximity to Homes, other Structures, and Existing and Planned Development

Korsmeyer Trust notes that ATXI Petition Ex. C included a list of potentially affected landowners for each route segment for both ATXI's Primary and Alternate Routes. The list of affected landowners along the Primary Route for the segment from Meredosia to Ipava included 222 names. The list of affected landowners along the Alternate Route for the segment from Meredosia to Ipava included 192 names. Korsmeyer Trust says TNC, in identifying its Alternate Route 1 herein, filed a list of affected landowners which included only 76 names. Korsmeyer Trust has made clear the misgivings it has with the construction of any 345 kV line along and upon the rich agricultural land in which it is interested. Therefore, Korsmeyer Trust contends that these criteria favor adoption of TNC Alternate Route 1.

e. Community Acceptance

If approval were given to either ATXI's Alternate Route 1 or the Stipulated Route, such approval would stand in the face of the sentiments of Korsmeyer Trust.

f. Visual Impact

Korsmeyer Trust submits that adding the new line to the existing 138 kV line (as is proposed by TNC Alternate Route 1) along the same path, the same right-of-way, and in a parallel fashion will have the least impact to the aesthetics of the affected area.

Korsmeyer Trust argues that new construction for a new line along a new route where no existing corridor exists will, by its very nature, change the landscape of the affected area.

g. Presence of Existing Corridors

Korsmeyer Trust notes that TNC Alternate Route 1 makes almost exclusive use of the existing corridor provided by an existing 138 kV line right-of-way, while it appears that no other routing option for this segment of the Illinois Rivers Project makes use in any significant manner of an existing corridor. Therefore, Korsmeyer Trust believes that this criterion favors TNC Alternate Route 1.

3. TNC Position

TNC notes that it and ATXI have entered into a stipulation identifying their preferred route for the Meredosia to Ipava segment of the Illinois Rivers Project. TNC asserts that the evidentiary record supports the Stipulated Route. Consistent with the stipulation, TNC says statements directed at other routes are submitted as a contingency, to preserve arguments in the event that the Commission does not adopt the Stipulated Route. TNC entered into the stipulation to address the environmental and ecological issues associated with ATXI's proposed routes and to narrow the contested issues in this proceeding.

a. Length of Line and Difficulty and Cost of Construction, Operation, and Maintenance

While ATXI's Alternate Route is not the absolute shortest line route among various alternatives, TNC says it is shorter than ATXI's Primary Route, to which TNC strongly objects because of its highly negative ecological effects. Notably, TNC states that no party, including Staff, objected to the Stipulated Route on the basis of length of the line. Further, to the extent that the Stipulated Route results in a line that is slightly longer than other alternatives, TNC contends that difference is justified by the important and significant improvements in the line route design from an environmental and ecological perspective that is achieved by the Stipulated Route.

TNC claims that no party objected to the Stipulated Route based upon concerns with either the difficulty or cost of construction. Regarding cost of construction, according to ATXI's rebuttal testimony, it appears that the estimated cost for the route, including the Stipulated Route, is slightly higher than ATXI's Primary Route and ATXI's Alternate Route without the Stipulated Route modification. However, in the context of the overall project, TNC suggests that this cost estimate difference is quite small and is off-set by the important and significant improvements in the line route design from an environmental and ecological perspective that is achieved by the Stipulated Route. TNC states that no party objects to the Stipulated Route on the basis of difficulty and cost of operation and maintenance.

b. Impacts on Environmental and Historical Resources

TNC believes that testimony presented has shown the negative environmental and ecological impacts of ATXI's Primary Route. TNC notes that siting ATXI's transmission line along the Primary Route would disturb and degrade natural habitats at the Spunky Bottom Preserve in Brown County, suggesting that the activities necessary for construction of the power line and associated activities would directly and negatively impact restored natural habitats at Spunky Bottoms, stressing and destroying native plants, both by design and as an unintended by-product of the construction. The Spunky Bottoms Preserve is a mosaic of restored floodplains and uplands, comprised of land owned in fee by TNC, as well as privately owned land subject to a conservation easement held by TNC. TNC claims both the Spunky Bottoms Preserve and the surrounding land have great ecological value that would be impaired by siting the transmission line along ATXI's Primary Route. TNC also opines that construction activities could disturb the normal activities of many animal species, potentially leading to disruptions of their life cycles, abandonment of the immediate construction area (and potentially the entire Spunky Bottoms Preserve), and reduced fitness and even unnatural mortalities.

TNC also suggests that access for ongoing maintenance would disrupt normal activities of many animal species, again with the potential of disrupting life cycles, causing abandonment of the area and potentially the Preserve, and contributing directly or indirectly to decreased fitness and even unnatural mortalities. TNC also believes that control of vegetation under the lines would likely alter natural plant communities, which could promote invasive species and could threaten native plant and animal communities in the footprint, throughout the Spunky Bottoms Preserve and beyond.

TNC argues that the presence of a high voltage power line running across the Spunky Bottoms Preserve -- and the periodic maintenance that goes along with that -- would have a highly detrimental effect on the natural beauty and tranquility that exists at Spunky Bottoms. Currently, in addition to being a property of high ecological value as a home for numerous important animals and plants, TNC notes that the Spunky Bottoms Preserve offers a highly valued setting for limited human activity, such as canoeing and kayaking, fishing, bird watching, and hiking.

TNC states that many of these same potential negative impacts would result from construction of the power line near upland forest bluff habitat near the Spunky Bottoms Preserve. TNC notes that it holds conservation easements over these lands, the terrain of which is prone to erosion when native plant communities are disturbed, and contends that erosion during construction and subsequent maintenance/operation of the power line is a major concern and makes ATXI's Primary Route not viable for its impact on the upland bluff habitat.

TNC opines further that siting ATXI's transmission line along its Alternate Route would disturb and degrade IDOT's Wetland Mitigation Bank in northeastern Brown County. From an environmental and ecological perspective, TNC argues the Wetland

Mitigation Bank site is especially significant both for its size and location, noting that it is rare to find over 1,600 acres of former floodplain that can be restored to natural hydrologic function, thereby contributing to a more natural river hydrology with associated reductions in flood damages -- that is, the wetland can retain water that would otherwise flood farm fields and developed areas.

TNC states that the Wetland Mitigation Bank site also provides numerous other ecosystem services including processing and recycling nutrients and sediments, improving water quality, and affording important habitats for native plant and animal species, and providing opportunities for education, research, recreation, and compatible economic development, and has been designated by the Federal Highway Administration as an Exemplary Ecosystem Initiative in 2004.

TNC submits that the Stipulated Route avoids all of these problems with ATXI's Primary Route and those portions of ATXI's Alternate route that affect the IDOT Wetland Mitigation Bank site, and, therefore, is clearly preferred.

TNC suggests that no party objected to the Stipulated Route on the basis of impact on historical resources issues.

c. Number of Affected Landowners and Other Stakeholder and Proximity to Homes, other Structures, and Existing and Planned Development

TNC notes that no party objected to the Stipulated Route on the basis of number of affected landowners and other stakeholders and proximity to homes and other structures. TNC opines that it was careful in determining the northern extent of the Stipulated Route; and TNC has not taken a position regarding impacts -- including those relating to number of affected landowners and other stakeholders and proximity to homes and other structures -- beyond the northern edge of the IDOT Wetland Mitigation Bank in southern Schuyler County. TNC observes that no party objected to the Stipulated Route on the basis of proximity to existing and planned development.

d. Community Acceptance

TNC asserts that no party objected to the Stipulated Route on the basis of lack of community acceptance. TNC believes that, as evidenced by the designation of Spunky Bottoms Preserve as an Illinois Natural Areas Inventory Site and the IDOT Wetland Mitigation Bank site as an Exemplary Ecosystem Initiative, there is demonstrated public acceptance and support for the Stipulated Route's avoidance of the Spunky Bottoms Preserve and the IDOT Wetland Mitigation Bank.

e. Visual Impact

According to TNC, no party objects to the Stipulated Route on the basis of visual impact concerns. TNC says running high voltage transmission lines across these open,

natural areas obviously would have a highly negative visual impact, which is avoided by the Stipulated Route.

f. Presence of Existing Corridors

TNC believes that no party objects to the Stipulated Route on the basis of presence of existing corridors.

4. Staff Position

Staff states that ATXI recommends use of its Alternate Route, modified in order to avoid the environmentally sensitive areas of the Spunky Bottoms Preserve and the IDOT Wetland Mitigation Bank, about which TNC raised concern. Staff continues to recommend use of TNC's Alternate Route 1, which would also avoid the environmentally sensitive areas identified above through a modification of ATXI's Alternate Route, but resulting in a shorter transmission line costing approximately $5.7 million less than ATXI's Stipulated Route.

ATXI states TNC Alternate Route 1 would likely result in the displacement of a residence, conflict with a greater number of center-pivot irrigation systems, and parallel an existing 138 kV line. Staff does not agree that the use of TNC Alternate Route 1 would necessitate displacement of any residences. Staff's review showed that ATXI should be able to mitigate impacts to center-pivot irrigation systems through placement of structures, and ATXI appears to agree. Finally, paralleling the existing 138 kV line should not pose a problem for the route. Furthermore, Staff notes that ATXI found TNC Alternate Route 1 had advantages beyond cost in that it would reduce the number of residences within 150 feet of the centerline and require less tree removal.

Staff notes that ATXI's Primary Route is approximately 49.8 miles in length. Its Alternate Route is approximately 47.9 miles in length. Staff states that TNC proposes two lines; its first alternative is approximately 42.1 miles in length, and its second is approximately 43.8 miles in length. As noted, Staff favors TNC Alternate Route 1.

Staff first recommends that ATXI should terminate the Meredosia to Ipava segment of its 345 kV line at the existing AIC substation at Ipava. Staff states that observation of the existing AIC substation site during an aerial route inspection and the use of publicly available web sites demonstrate that the existing substation could be expanded to the south or to the north to provide adequate space for the 345 kV termination and tie to an existing AIC 345 kV line. Staff notes that ATXI does not propose installing a 345/138 kV transformer at Ipava, so not as much space would be required as at some of the other substation sites that it proposes. Staff suggests there does not appear to be any compelling reason why a new, additional substation site east of the existing AIC substation site would be necessary to tie the proposed 345 kV line to the existing AIC 345 kV line. Staff opines that ATXI does not possess a drawing of or know the dimensions of the existing Ipava substation, and so does not know whether it could terminate its proposed 345 kV line using the existing AIC substation at Ipava.

Further, Staff notes that ATXI's primary and alternate routes both pass the existing AIC Ipava substation to reach ATXI's proposed Ipava substation site.

Staff suggests that there do not appear to be any significant benefits of one route over the other beyond cost. Assuming similar construction practices would be used on all the routes, Staff believes the route length and number of dead-end structures will tend to be the primary cost drivers for this segment. TNC's Alternate Route 1 is the shortest and requires the fewest dead-end structures.

Based upon this, Staff believes that TNC's Alternate Route 1 would be the best route choice for this segment. Staff notes that TNC's route recommendation does not cross either of the natural areas that TNC identified, and it appears that TNC's Alternate Route 1 would be considerably shorter than either route that ATXI proposes. Since there appear to be no compelling circumstances that would prevent ATXI from constructing TNC's Alternate 1, Staff suggests that TNC's Alternate Route 1 appears to be the best choice for the Meredosia to Ipava segment.

5. Commission Conclusion

The Commission notes that for this segment of the Illinois Rivers Project, ATXI recommends a route for the Meredosia to Ipava portion of the project that follows ATXI's Alternate Route, with a slight modification to avoid a sensitive environmental area (the Stipulated Route), in accordance with the stipulation it entered with TNC, which pertains to the portion of ATXI's Alternate Route between Meredosia and southern Schuyler County. Pursuant to the stipulation, the Commission recognizes that TNC withdrew its support for its proposed alternative routes, although Staff and Korsmeyer Trust continue to support the use of TNC Alternate Route 1.

ATXI suggests that the Stipulated Route is superior to TNC Alternate Route 1 because it effectively balances concerns raised by the intervening parties, and avoids environmentally sensitive areas. ATXI claims that the Stipulated Route has gained community acceptance by most effectively addressing the concerns raised by intervening parties. The Commission notes that this route is supported by TNC, and appears to avoid the property of several other intervenors including Sherry Ralston, the Schuyler County Property Owners, Thomas and Lynda Freehill McLaughlin, and James and Tori Phillips. ATXI also contends that the Stipulated Route appears to avoid property owned by Wiese Farms. Although ATXI acknowledges that the Stipulated Route would have an impact on property owned by Korsmeyer Trust, ATXI believes that since the Stipulated Route will run along the eastern side of one of the Korsmeyer Trust parcels, it should not interfere with an irrigation system on that parcel, as ATXI suggests was the Korsmeyer Trust's concern. It appears to the Commission that both the Stipulated Route and TNC Alternate Route 1 avoid the environmentally sensitive areas of the Spunky Bottoms Preserve, as well as the IDOT Wetland Mitigation Bank, about which TNC raised concern.

ATXI argues that TNC's Alternative Route 1 would likely result in displacement of a residence, and conflicts with a greater number of center-pivot irrigation systems. In addition, ATXI notes that TNC's Alternate Route 1 parallels an existing 138 kV line, which may present reliability or operational issues. The Commission notes that it appears that in some instances ATXI indicates it can work around residences, while in other segments, ATXI asserts it has no leeway and a residence would need to be torn down. The Commission also notes that in many instances along this project, the planned transmission project will parallel existing lines, yet in some instances ATXI suggests that this is not desirable. It is unclear if ATXI's concern with parallel lines is due to insufficient amount of needed right-of-way, or for some other reason. The Commission would suggest to ATXI that in future filings, this issue should be explained further.

The Commission's analysis of the routing criteria discussed in the positions of the parties suggests that there is little to favor one suggested route over the other. The Commission believes that the evidence shows that TNC Alternative Route 1 is the shorter of the two routes, and it has a suggested construction cost of $107,516,000. The Stipulated Route is approximately 6.5 miles longer and has a suggested construction cost of $113,276,000. ATXI suggests that this extra cost is outweighed by the numerous intervenors whose property is avoided by use of the Stipulated Route, as well as the fact that the Stipulated Route will not necessitate the destruction of a residence. In the Commission's view, whether the TNC Alternative Route 1 will require the removal of a residence is somewhat unclear. It does appear clear from the record evidence that the Stipulated Route would avoid a greater number of center-pivot irrigation systems than TNC Alternate Route 1, and that the impact on Korsmeyer Trust would be manageable by ATXI and Korsmeyer Trust.

Having reviewed the evidence of record, and upon consideration of all relevant route selection criteria as described by the parties, the Commission finds that the criteria favor the Stipulated Route for the Meredosia-Ipava segment of the project over TNC Alternate Route 1. Therefore, the Commission finds that the Stipulated Route for the Meredosia-Ipava segment of the project is the least-cost route when all costs and benefits are taken into account.

An additional issue presented for this segment appears to be ATXI's desire to build a new substation south of Ipava. The Commission notes that there is a paucity of discussion on this issue in ATXI's Initial or Reply Brief following the hearing. The Commission does note that ATXI witness Dyslin testifies in part as follows:

> 2. ATXI intends to acquire a new substation site south of Ipava, Illinois. The land ATXI intends to acquire consists of approximately 154 acres and is currently being farmed. This parcel is currently held by a private landowner, from whom ATXI has a signed contract for sale. ATXI anticipates closing on the transaction on or before November 15, 2012; (ATXI Ex. 8.0 at 3)

Staff suggests that the existing substation at Ipava could be expanded to the south or to the north to provide adequate space for the 345 kV termination and tie to existing AIC 345 kV line. Staff notes that ATXI does not propose installing a 345/138 kV transformer at Ipava, so not as much space would be required as at some of the other substation sites that it proposes. Staff suggests there does not appear to be any compelling reason why a new, additional substation site east of the existing AIC substation site would be necessary to tie the proposed 345 kV line to the existing AIC 345 kV line. Staff further states that ATXI does not possess a drawing of or know the dimensions of the existing Ipava substation, and so does not know whether it could terminate its proposed 345 kV line using the existing AIC substation at Ipava.

The Commission finds based on the evidence presented in this proceeding that there is insufficient evidence at this time to authorize the construction of a new substation at Ipava, Illinois. The Commission finds, however, that based on the evidence presented by Staff, the current substation located at Ipava, Illinois is sufficiently sized and capable of expansion such that it could handle the additional facilities required by the this portion of the Illinois Rivers Project.

D. Meredosia – Pawnee

1. ATXI Position

ATXI recommends approval of its Alternate Route (the "Stipulated Route"), which was stipulated to by intervenors MSCLTF and FutureGen as the best option for the portion of the project between Meredosia and Pawnee. ATXI represents that the Stipulated Route is shown in orange on ATXI Exhibit 13.5 (Rev.) and highlighted on Figure 4, and was designated the “Rebuttal Recommended Route” in ATXI’s rebuttal testimony. ATXI notes that the Pearce Family also support the Stipulated Route.

ATXI observes that MSCLTF submitted an alternative route proposal, which was subsequently withdrawn in accordance with the Stipulation. Staff witness Rockrohr supports the MSCLTF Route based on the length of that route and its related initial dollar costs. However, ATXI argues that the list of landowners affected by the MSCLTF Route is apparently incomplete since MSCLTF made a request to supplement its landowner list. For that reason alone, its route proposal presents concerns for ATXI. Also, that route co-locates the proposed 345 kV line with an existing 138 kV line, which ATXI states poses reliability concerns.

ATXI notes that Mr. Rockrohr’s second preference is for ATXI’s Primary Route, as modified by the Pearce Family’s alternate route proposal. ATXI asserts that this modification would require the proposed 345 kV line to be placed parallel to an existing 138 kV line, which ATXI prefers to avoid for various reasons. ATXI suggests that approval of the Stipulated Route would alleviate the concerns that led the Pearce Family to propose its modification to ATXI’s Primary Route.

ATXI states that FutureGen testified that the Primary Route could potentially interfere with its proposed operations; however, ATXI argues the Stipulated Route would eliminate FutureGen's concerns. ATXI therefore believes the Stipulated Route represents the best balancing of factors and interests in light of the issues described above and the compromise reached through the Stipulation.

ATXI represents that the table below illustrates the support for the routes proposed for this portion of project, as reflected in the parties' respective Initial Briefs:

MEREDOSIA - PAWNEE				
Route	**Stipulated/ ATXI Alternate Route**	**ATXI Primary Route**	**ATXI Primary Route with Pearce Modifications**	**MSCLTF Route**
Part(ies) Recommending Approval[7]	ATXI, MSCLTF, FutureGen, Pearce Family	None	None	Staff, MSSCLPG, Ruholl Family

Regarding the route proposed by MSCLTF, and subsequently withdrawn, ATXI believes the Commission should be aware that route has not been the subject of a full evaluation by any party and that it is not clear that a full landowner list was submitted with the route's proposal. In their support of the withdrawn MSCLTF route, MSSCLPG and the Ruholl Family list facts regarding ATXI's routes and imply that the withdrawn MSCLTF route is less impactful with respect to each of the factors than the Stipulated Route and ATXI's Primary Route. In general, ATXI suggests that their theory is that because the MSCLTF route is shorter it must have fewer impacts. ATXI opines that this is not necessarily the case – otherwise a straight line from point A to point B would be the best route every time. ATXI notes that the only information in the record concerning the withdrawn MSCLTF route is the approximate length and number of dead-end structures, as estimated by Mr. Rockrohr.

[7] ATXI suggests that the following parties support ATXI's Primary Route, with or without modifications proposed by the Pearce Family, as a second preference: MSSCLPG, Pearce Family, Ruholl Family and Staff.

a. Length of Line

	Stipulated/ ATXI Alternate Route	ATXI Primary Route	ATXI Primary Route with Pearce Modification	MSCLTF Route
Estimated Length in Miles	75.6	67.7	66.5	57.3

ATXI notes that the Ruholl Family lists the mileage of ATXI's proposed routes, as well as the number of landowners, acres of land, and parcels affected. They also note the length of the withdrawn MSCLTF route. ATXI avers that the length, and the number of dead-end structures, is the only information in the record regarding the withdrawn MSCLTF route. Therefore, ATXI suggests that any implied comparison between the MSCLTF route and ATXI's proposed routes with respect to number of landowners, acres, or parcels of land affected is without basis in the record. Because it is unclear from the record whether MSCLTF provided a complete landowner list, ATXI suggests there is no reliable evidence regarding the number of landowners along the withdrawn MSCLTF route, and no evidence whatsoever regarding the acres of land or parcels affected by that route.

b. Difficulty and Cost of Construction

ATXI represents that the following table indicates the estimated cost of construction for each of the proposed routes for this segment of the Illinois Rivers Project:

	Stipulated/ ATXI Alternate Route	ATXI Primary Route	ATXI Primary Route with Pearce Modification	MSCLTF Route
Estimated Baseline Cost	$144,205,000	$129,077,000	$128,189,000	$107,423,000

Because the MSCLTF Route parallels an existing 138 kV line, ATXI indicates that coordinated outages may be necessary in order to construct the route, while the Pearce Family's modification may increase the difficulty of construction because it parallels an existing 138 kV line. While the baseline dollar cost for the Stipulated Route is greater than any other proposed route, ATXI notes that the Stipulated Route has the most intervenor support of the routes proposed for this portion of the project. In addition, ATXI indicates that the Stipulated Route would avoid FutureGen's carbon dioxide pipeline and storage facility, thereby alleviating concerns related to interference with underground monitoring equipment at the FutureGen facilities.

ATXI notes that the Ruholl Family argues that there are more than double the homes within 150 feet of ATXI's Stipulated Route; therefore ATXI's Primary Route has a lower cost of construction. ATXI believes the Commission should be aware that the testimony cited in support of this statement was comparing ATXI's Primary and Alternate Routes, and no comparison was made to MSCLTF's withdrawn route, because there is no information regarding the number of homes within any distance of that route.

The Ruholl Family also claims that it would be possible to overlap the easement for this portion of the project with the easements for the 138 kV line at issue, and implies that doing so would reduce the cost of construction. They note that ATXI has testified that, in the event the Commission approves a route for the project that parallels an existing transmission line, "ATXI … will seek to acquire an overlapping easement so as to reduce the total easement width impacting the property." ATXI notes however, that it is only possible to overlap easements when an existing easement is wider than the minimum required width, so that the minimum clearance distances may be maintained for both lines. ATXI submits that there is no information in the record to indicate that the easements for the existing 138 kV line at issue are wider than the minimum-required 100 feet, thus, there is no basis to assert that it would be possible to overlap the easement for this portion of the project with the easements for the 138 kV line at issue. In fact, contrary to the Ruholl Family's assertion, ATXI claims that construction of the transmission line along the existing 138 kV line may increase the costs of construction and maintenance because it may be necessary to take the 138 kV line out of service during construction or maintenance activities on the 345 kV line.

ATXI notes the Ruholl Family also asserts, with respect to the difficulty and cost of construction, that the withdrawn MSCLTF route results in the least construction and ongoing costs and also impacts the least number of properties. ATXI asserts that there is no support for this statement in the record.

c. Difficulty and Cost of Operation and Maintenance

ATXI suggests there is no record evidence the Stipulated Route would be more difficult to operate and maintain or would be more costly to operate and maintain relative to the other routes proposed. ATXI notes that the MSCLTF Route parallels an existing 138 kV line, which poses reliability concerns, including the fact that the existing lines must be removed from service during maintenance. Additionally, ATXI avers that a single pole failure could result in outages to both lines, such that the line may be more difficult and costly to operate and maintain than ATXI's Primary or Alternate Routes. ATXI believes the same would be true for the modifications proposed by the Pearce Family, to the extent that the modified routes parallel existing transmission facilities. ATXI believes the record otherwise contains no meaningful distinction between the proposed routes regarding the difficulty or cost of operating and maintaining each.

ATXI notes that MSSCLPG argues that placing the new line along the existing 138 kV right-of-way provides no increased maintenance issues. ATXI submits that this

is incorrect, noting that ATXI witness Hackman testified that paralleling is undesirable from an operations perspective, indicating that while maintenance is being performed on one line, the other may need to be taken out of service so that large equipment can access the area. Mr. Hackman also testified that having two lines down at any given point risks the reliability of the transmission system at large.

d. Environmental Impacts

ATXI states that MSSCLPG witness Bergschneider testified to certain alleged environmental and agricultural use impacts he foresees upon his property as a result of the Stipulated Route; however ATXI notes that he admitted that he had not conducted or commissioned any formal studies of the relative impacts of the proposed routes, and agreed that the alleged impacts would occur on properties located across the state, regardless of the route chosen. ATXI also believes that the modifications proposed by the Pearce Family would not decrease the environmental impact of the project. ATXI suggests that there is otherwise no record evidence indicating that any route is superior to the Stipulated Route with respect to the best balance between environmental impacts and other considerations.

While the Ruholl Family offers a summary comparison of the environmental impacts of ATXI's Primary and Alternate Routes; ATXI argues that the Commission should not conclude that the MSCLTF Route has fewer environmental impacts. ATXI states that there is a wealth of information in the record regarding the environmental impacts of ATXI's Primary and Alternate Routes because those routes were subject to a comprehensive analysis, which ATXI undertook in order to provide the Commission with the information necessary to make an informed routing decision; while in contrast, there is no record evidence regarding the environmental impacts of the MSCLTF Route.

e. Impacts on Historical Resources

ATXI recognizes that MSSCLPG witness Dodsworth alleged that his property is "archaeologically significant" and the "focus of documentation" by the Illinois State Archaeological Survey. ATXI notes that it identified one known archaeological site within 75 feet of its Primary Route, and three known archaeological sites within 75 feet of its Stipulated Route; however none of these sites are registered in the National Register of Historical Places and it appears that none are located on property owned by Mr. Dodsworth. However, ATXI submits that these concerns, even if valid, do not suggest that the Stipulated Route should not be adopted. As discussed by ATXI witness Murphy, ATXI will consult with the IHPA to identify historical resources, address any concerns and minimize impacts through pole placement adjustments.

MSSCLPG argues that, with respect to impacts on historical resources, no evidence has been presented herein as to the impact of either ATXI's Primary Route or the MSCLTF Route. ATXI suggests that MSSCLPG is correct that no evidence regarding impacts on historical resources by the MSCLTF Route appears in the record; however, MSSCLPG is incorrect with respect to the routes proposed by ATXI. ATXI

provided evidence regarding the occurrence of historical resources on each portion of the project, including the Meredosia-Pawnee segment.

While MSSCLPG continues to claim that its members own land located along the Stipulated Route that is "archeologically significant," ATXI submits that these claims are entirely unsubstantiated. ATXI notes that no documentation has been provided to support the archaeological significance of this land, or even to specify which parcel is alleged to be archaeologically significant. ATXI indicates, however, that it will work with landowners to span or avoid any known resources using pole placement, and will continue to consult with the IHPA to conduct field studies and implement appropriate mitigation measures, if necessary.

f. Social and Land use Impacts

ATXI notes that MSSCLPG alleges certain impacts of the Stipulated Route on agricultural land use; however, as MSSCLPG admits, these impacts are not unique to that route and will occur with equal frequency no matter what route is chosen. ATXI opines that such impacts can also be mitigated through pole placement during the line design phase and compensation as discussed above.

While the Ruholl Family argues that a natural gas storage area owned by Panhandle Eastern Pipeline Company, LP would be directly affected by the Stipulated Route, ATXI notes that despite having received notice of this proceeding, Panhandle has not intervened nor presented any evidence of the effect of the project on its storage facilities. ATXI asserts that there is no evidence regarding the exact location of the field, that the gas storage field is operational, that it would be adversely impacted, or that the Stipulated Route does not go around it. Therefore, ATXI submits that there is no basis to conclude that any purported impact would render the Stipulated Route less preferable.

g. Number of Affected Landowners and other Stakeholders and Proximity to Homes and other Structures

ATXI states that approximately 300 individuals own property within 250 feet on either side of the Stipulated Route; while approximately 237 individuals own property within 250 feet on either side of ATXI's Primary Route. ATXI suggests there is no reliable information regarding the number of landowners impacted by the MSCLTF Route.

ATXI notes that MSSCLPG acknowledges that "no concrete estimates have been produced" as to the number of landowners affected by the MSCLTF Route, although MSSCLPG includes a lengthy quote describing the landowners and existing land uses along ATXI's Primary and Stipulated Routes. ATXI believes the Commission should not interpret this lengthy discussion to mean that the MSCLTF Route is less impactful than ATXI's proposed routes. ATXI argues that the impacts of the MSCLTF Route are simply not included in the record of this proceeding.

Similarly, the Ruholl Family summarizes the information provided by ATXI as to the number of landowners and parcels affected by its proposed routes. The Ruholl Family also notes the length of the MSCLTF Route and summarizes Mr. Rockrohr's testimony regarding the number of dead-end structures necessary for each route. ATXI notes that the Ruholl Family conspicuously fails to point to record evidence regarding the number of landowners affected by the MSCLTF Route or that route's proximity to homes and structures. ATXI asserts that this is because there is no evidence in the record on this point; noting that MSCLTF acknowledged that it had been unable to determine contact information for each property owner along its route.

h. Proximity to Existing and Planned Development

ATXI notes that its Primary Route is located near the planned location of the FutureGen carbon dioxide pipeline and storage facility; however, the Stipulated Route alleviates this concern entirely. ATXI suggests that there is no other record evidence concerning the proximity of any of the routes proposed for the Meredosia – Pawnee portion of the project to existing or planned development that would favor adopting another route over the Stipulated Route.

While the Pearce Family alleges that there will be no compensation to property owners along the easement whose property values will be affected, ATXI indicates that its intent is to fairly compensate affected landowners for the impact of the transmission line, so that after the line is constructed, there is no impact upon property resulting in diminution of value beyond that reflected in the compensation paid by ATXI. Further, ATXI states that payment of compensation to landowners is made at the time of or shortly after the time the landowner provides an executed easement agreement to ATXI.

ATXI suggests that the Pearce Family also misunderstands Mr. Trelz's testimony with respect to the project's impacts on property values. While the Pearce Family alleges that Mr. Trelz made a faulty assertion that because no specific analysis has been conducted on their property or on the Illinois Rivers Project in general, their property devaluation should not be considered; ATXI states that Mr. Trelz's testimony merely asserted that the Pearce Family had not provided information specific to the value of their property, and that the project's impact on that property can be fully evaluated only after a final route is chosen by the Commission and the property is appraised by third-party independent experts.

i. Community Acceptance

ATXI suggests that the Stipulated Route has garnered the widest community acceptance, as evidenced by support for the route provided by FutureGen, the Pearce Family, and the 41 individual members of MSCLTF. While MSSCLPG argues that community acceptance for the existing 138 kV right-of-way is already in place; ATXI contends this statement is without merit. ATXI opines that the "community" along that

route has not provided any information about their acceptance (or lack thereof) with respect to installation of another transmission line, and MSSCPLG cites to none in the record. Given the potential concern with the landowner list for this route, potentially impacted landowners may not have been given an opportunity to provide information.

While the Ruholl Family questions whether communities, stakeholders and landowners were given an option to consider existing utility corridors as well as roadways and property and section lines; ATXI states that transmission line rights-of-way, pipelines and other utility rights-of-way are identified as "opportunities" considered for location of the project. ATXI notes that the Ruholl Family also claims that the public prefers utilization of linear corridors with the least financial impact, and further claiming that the MSCLTF Route would appear to be supported by the general public and those affected. ATXI submits that the Ruholl Family did not identify record evidence of the "preferences of the public," which corridors it alleges will have "the least financial impact," or the support of "those affected." As ATXI has stated, the individuals affected by the MSCLTF Route have not provided their views in this proceeding; therefore, the Ruholl Family's statement that "those affected" appear to support the MSCLTF Route is without basis.

j. Visual Impact

ATXI submits that the visual impacts of a route for this segment, if any, will be substantially the same for any route. ATXI states that there is no record evidence that the Stipulated Route is less preferable considering visual impact than any other route proposed for this portion of the project.

k. Presence of Existing Corridors

ATXI states that the Stipulated Route follows section lines and county roads, while the MSCLTF Route parallels an existing 138 kV line, which may present reliability, operational, and maintenance concerns as compared to the Stipulated Route. ATXI states that the Pearce Family's proposed modification to ATXI's Primary Route also parallels an existing 138 kV line, and presents the same concerns.

While MSSCLPG argues that the MSCLTF Route is the only routing option now being considered for the segment from Meredosia to Pawnee which utilizes an existing corridor, ATXI submits that this is incorrect. ATXI's iterative route selection process began by identifying "opportunities" which include roads, pipeline and utility rights-of-way, property lines and section lines, and railroads. ATXI indicates that routes were selected by eliminating opportunities with a greater potential for impacts to "sensitivities" identified by participants in the public process. As such, ATXI's proposed routes utilize a range of existing corridors and linear features. ATXI notes that the Stipulated Route in fact follows the following corridors: an existing transmission line, county roads, and section and field lines.

2. MSSCLPG Position

MSSCLPG would submit that the clear least cost choice of routing options presented for the segment of the project from Meredosia to Pawnee would be the MSCLTF Route, which parallels the existing 138 kV line, while the second choice would be the ATXI Primary Route (with modification presented by the Pearce Alternate Route). Of the routing options presented to the Commission for consideration for the segment of the project from Meredosia to Pawnee, MSSCLPG argues that the worst option would be the ATXI Alternate Route. MSSCLPG notes that Staff witness Rockrohr agrees that the MSCLTF Alternate Route would be far the shortest and lowest cost route.

While ATXI advocates selection of its Alternate Route for the segment of the route from Meredosia to Pawnee based at least in part on potential and hypothetical operational problems involved with placing the new line along a parallel path in close proximity to an existing 138 kV line; MSSCLPG argues that these "problems" were debunked when Mr. Rockrohr testified that, from an engineering standpoint, there is nothing unsafe or inherently unreliable about having two transmission lines that do not serve the same function or area routed adjacent to each other. MSSCLPG believes that placing the new line along the existing 138 kV right-of-way provides no increased maintenance issues, and notes that Mr. Rockrohr confirmed that the lines could be constructed in such a manner as to prevent the risk of one line interfering with the operation of another.

ATXI further advocates approval of its proposed Alternate Route based on perceived support for the Alternate Route by various other intervening interests. While it may be true that such other intervenors do not stand opposed to the Alternate Route, MSSCLPG suggests that to state that the Alternate Route has garnered broader support and greater acceptance than has the MSCLTF Route is not supported by fact. While it is true that MSCLTF did execute a stipulation with ATXI for endorsement of the Stipulated Route, MSSCLPG notes that the MSCLTF Route was initially presented herein as a routing option by MSCLTF itself, therefore the MSCLTF Route should resolve any concerns MSCLTF might have for its own property interests. MSSCLPG asserts that the fact that certain parties entered into an agreed stipulation to support a route for this or any other segment, such stipulation or acceptance is in no way an indication that such routing option is the best choice for the greater number. MSSCLPG complains that a true examination of MSCLTF's intentions in this matter has been rendered impossible due to the fact that, despite intervening herein and acting as an active party to this matter, MSCLTF filed no testimony in this matter and thus was not held to the standard of scrutiny afforded by cross-examination at hearing. Whether MSCLTF's failure to present testimony was a tactical decision or an omission, any attempt to fully flesh out MSCLTF's bottom line opinion about the various routing proposals, is left to speculation.

MSSCLPG notes that ATXI contends that the Stipulated Route has received broader support and greater acceptance due to "support for the route" by the FutureGen. MSSCLPG submits that ATXI's contention that FutureGen supports the

Alternate Route is misleading at best as it connotes preference for, or favor toward, the proposed Alternate Route. In fact, MSSCLPG believes that FutureGen is on record as stating that the MSCLTF Route would alleviate FutureGen's concerns in "much the same fashion" as would the ATXI Alternate Route.

MSSCLPG asserts that the remaining intervening parties to this matter whose interests would be affected by any selection made of routing option for the segment of the route from Meredosia to Pawnee are the Pearce Family, the Ruholls, and the Robinettes. MSSCLPG opines that the Ruholls agree with the position taken by MSSCLPG and Staff, while the Pearce Family proposes use of a portion of the existing 138 kV right-of-way as a modification to the route to protect their property interests. MSSCLPG submits that the property which is the interest of the Robinettes would be unaffected by the MSCLTF Route.

a. Length of Line

MSSCLPG notes that of the viable options presented for routing the segment from Meredosia to Pawnee, ATXI's Primary Route runs 67.7 miles, the ATXI proposed Alternate Route runs 75.6 miles, and the MSCLTF Route (following the route of the existing 138 kV line and advocated by MSSCLPG) runs only 57.3 miles.

b. Difficulty and Cost of Construction

MSSCLPG argues that regarding cost of construction, the overwhelming evidence is that the route known as the MSCLTF Route presents the least cost alternative. MSSCLPG states that the Stipulated Route would cost $144,205,000.00, $15.1 million more than ATXI's Primary Route, $16 million more than ATXI's Primary Route with the Pearce Modification, and some $36.78 million more than the MSCLTF Route. In terms of difficulty of construction, considering that the MSCLTF Route is the shortest of the route options, the least cost option, and would follow an existing right-of-way, MSSCLPG submits that the MSCLTF Route is the superior route. MSSCLPG notes also that ATXI's Primary Route would require an estimated 28 dead-end structures, ATXI's Alternate Route 24, and the MSCLTF Route only 14.

c. Difficulty and Cost of Operation and Maintenance

MSSCLPG submits that as the facts show the MSCLTF Route is the shortest of the routing options and would follow the right-of-way provided by an existing line, it stands to reason that the MSCLTF Route would present the most ease of access for operation and maintenance. MSSCLPG agrees with Mr. Rockrohr, who testified that from an "engineering standpoint," there is nothing unsafe or inherently unreliable about having two transmission lines that do not serve the same function or area routed adjacent to each other. MSSCLPG submits that placing the new line along the existing 138 kV right-of-way provides no increased maintenance issues.

d. Environmental Impacts

MSSCLPG contends that the Stipulated Route endangers both farm drainage fields, as well as recreational opportunities at property along the Stipulated Route.

e. Impacts on Historical Resources

MSSCLPG believes that no evidence has been presented herein as to the impact of either the ATXI Primary Route or the MSCLTF Route, although an MSSCLPH witness testifies that the land located along the Stipulated Route has been found to be quite archaeologically significant, with pottery shards and a Hopewell Indian burial mound found directly in the path of ATXI's Alternate Route. MSSCLPG avers that this land has also been the focus of documentation by the Illinois State Archaeological Survey.

f. Social and Land Use Impacts

MSSCLPG asserts that a shorter and existing right-of-way presents the least impact in terms of social and land use factors. MSSCLPG states that the new line, if constructed along the MSCLTF Route, would follow a route already in use for much the same purpose, thus causing little discernible increase to any social and land use characteristics of the land; while any of the other routing options, if selected, would necessitate construction through previously unfettered land, and would cause all of the social and land use tumult that comes with the construction of a new right-of-way to all of the affected landowners and residents along and upon its path.

g. Number of Affected Landowners and other Stakeholders and Proximity to Homes and other Structures

MSSCLPG notes that no concrete estimates have been produced in this regard as to the MSCLTF Route, however MSSCLPG contends it stands to reason that construction along an existing right-of-way would have little lasting additional impact to the landowners and other stakeholders residing along and upon the existing route. MSSCLPG suggests that an analysis of impact figures presented by ATXI between the proposed Primary Route and Stipulated Route shows a much greater impact on archaeological sites, prime farmland, streams and lakes, and homes than the Primary Route.

h. Proximity to Existing and Planned Development

The property which is the interest of the MSSCLPG would be greatly impacted by any construction of a 345 kV line which traverses the property in question. MSSCLPG notes that FutureGen also has plans to construct a transmission line and storage area in the vicinity of the proposed project as it crosses the Meredosia - Pawnee segment, however FutureGen indicates that the MSCLTF Route would substantially resolve the

FutureGen's concerns presented by the Primary Route proposed by ATXI in its application.

i. Community Acceptance

MSSCLPG submits that community acceptance for the existing 138 kV right-of-way is already in place, while selection of any routing option other than the MSCLTF Route has been and will be met with outcry from the potentially affected community.

j. Visual Impact

MSSCLPG believes that adding the new line to the existing 138 kV line along the same path, the same right-of-way, and in a parallel fashion will have the least impact to the aesthetics of the affected area, while new construction for a new line along a new route where no existing corridor exists will, by its very nature, change the landscape of the affected area.

k. Presence of Existing Corridors

MSSCLPG asserts that the MSCLTF Alternate Route is the only routing option now before the Commission for the segment from Meredosia to Pawnee which utilizes an existing corridor, that created by the existing 138 kV right-of-way.

3. Pearce Family Position

The Pearce Family supports the Stipulated Route as the most viable route for the Meredosia – Pawnee segment, however they disagree with the revised rebuttal testimony of ATXI witness Murphy regarding their first and second alternative routes.

The Pearce Family notes that their first alternative route, a short segment following an existing AIC 138 kV corridor, is shorter with fewer dead-end structures, and impacts the same number of residences on an established transmission corridor, as ATXI's Primary Route. Likewise, the Pearce Family also believes their second alternative route to be viable, noting that this alternative moves the primary route a half section north in the same field as ATXI proposed, then back to its original primary route. The Pearce Family suggests that this modification avoids two residences at the cost of two dead-end structures, noting that ATXI's route modification around the Emergency Watershed Protection Program Floodplain Easement is a similar modification.

The Pearce Family also disagrees with ATXI witness Trelz regarding ATXI's intent to compensate those with whom they will have an easement agreement with. However, the Pearce Family notes that ATXI fails to state that there will be no compensation to property owners along the easement whose property values surely will be affected. In regards to the Pearce Family's property value, Mr. Trelz's faulty assertion that because no specific analysis has been conducted on their property or on the Illinois Rivers Project in general, their property devaluation should not be

considered. The Pearce Family submits that until the power line is constructed, and an appraisal and/or sale are complete, there is no definitive, quantifiable amount of devaluation.

An issue of great importance to the Pearce Family is that their daughter, Emily, has Down syndrome which increases her risk of developing childhood leukemia by 14 times, without constant exposure to a high voltage transmission line. They note that she has had a series of health concerns, some of which are ongoing. She continues to have abnormal blood cell counts. Her parents do not want her to have to fight for her life yet again. A risk of leukemia is something they do not take lightly. As Emily's parents they believe it would be unconscionable for them to ignore the possible health risks to their child. They aver that it would be negligent for them as parents to ignore the fact that ATXI would not route these transmission lines near schools, hospitals, day care centers and retirement homes, but would allow the lines to pollute their daughter's bedroom as she sleeps or the yard she plays in.

4. Ruholl Position

The Ruholls adopt and support the position of MSSCLPG as set forth in the testimony of Paul Bergschneider. As noted by Mr. Bergschneider, Staff also supports constructing this segment parallel to the existing 138 kV line as it would result in the shortest and lowest cost route.

a. Length of Line

The Ruholls note that ATXI's Primary Route is approximately 68.9 miles and affects 258 landowners, and would require 1,244 acres of land and 486 real estate parcels. The Ruholls state that the Stipulated Route has a much greater impact as far as number of acres, landowners and real estate parcels impacted, as it is approximately 75.6 miles and would require 1,382 acres and 627 parcels, as well as affecting 321 landowners. A "second alternative," i.e., a route following the existing 138 kV line from Meredosia to Pawnee, Illinois, as proposed by the MSCLTF is approximately 57.3 miles. According to Staff, the Primary Route would have approximately 28 dead-end structures, the Stipulated Route would have 24 dead-end structures, and the MSCLTF Route would have 14 dead-end structures.

b. Difficulty and Cost of Construction

The Ruholls also adopt and support the position of MSSCLPG as to the costs associated with the Primary Route, Stipulated Route and MSCLTF Route, which shows that the Stipulated Route costs $15,128,000 more than the Primary Route and $36,782,000 more than the MSCLTF Route. The Ruholls believe the testimony shows that the Stipulated Route is the most expensive route at a cost of $144,205,000 and will cost AIC customers substantially more money than any other proposed route for this segment of the Illinois Rivers Project.

The Ruholls also note that according to ATXI, there many more homes within 150 feet along the Stipulated Route. Marginally less tree removal is also anticipated along the Primary Route and the Primary Route is seven miles shorter than Alternate Route, therefore it appears to the Ruholls that the Primary Route has a lower associated cost. Furthermore, if ATXI's transmission line for this project parallels other transmission lines, ATXI testified that it will seek to acquire an overlapping easement so as to reduce the total easement width impacting the property, which the Ruholls believe would lessen the impact as compared to other routes.

The Ruholls also argue that it is also possible to have dual circuit tower structures and run a 138 kV line with a 345 kV line on the same pole, and in fact, ATXI is proposing to design sections of the Illinois Rivers Project for joint utilization utilizing dual circuit structures. The Ruholls believe the new 345 kV electric transmission line could co-exist with the existing 138 kV line on the MSCLTF Route and therefore, remains a viable route for the Meredosia to Pawnee segment. The Ruholls submit that the MSCLTF Route would also work to the satisfaction of FutureGen, noting that a FutureGen witness testifies that based on a preliminary analysis the MSCLTF Route would substantially resolve the FutureGen's concerns presented by ATXI's Primary Route. The Ruholls note that while FutureGen raised several objections to the Primary Route regarding scheduling and EMF interference; the Ruholls believe these objections were adequately addressed by ATXI.

c. Difficulty and Cost of Operation and Maintenance

The Ruholl's note that ATXI's estimated average price for each tangent structure, which would be used to support transmission lines with angles of 1 degree or less, is $33,000 and for those with angles of 1 to 15 degrees, a "running angle" is $74,250, more than double that of a tangent structure. The Ruholls state that ATXI's estimated average cost for a dead-end structure, required for angles above 15 degrees, is $107,250 - more than three times that of a tangent structure. Accordingly, the Ruholls would adopt and support the position of Staff that the Alternate Route is more costly.

d. Impacts on Environmental and Historical Resources

The Ruholls contend that for each portion of the project, ATXI's Primary Route has a lesser overall potential for impact. The Ruholls state that marginally less tree removal is also anticipated along the Primary Route. The Ruholls also believe that the Primary Route contains only one known archaeological site; whereas, the Stipulated Route contains three known archaeological sites and Segment Option 1 contains five known archaeological sites.

e. Social and Land Use Impacts

The Ruholls assert that the Stipulated Route affects one cemetery, two schools, five archaeological sites; versus no cemeteries, no schools, and two archaeological sites along ATXI's Primary Route. The Ruholls also suggest that the Stipulated Route

would affect 208 more acres of prime farmland and 323.1 more total cropland acres when compared to the Primary Route, as well as various other features that should lean toward the Primary Route being found superior. The Ruholls also contend that the Stipulated Route would also impact a coal mine, as well as easements of the Panhandle Eastern Pipeline Company, LP, which has both a natural gas pipeline and a 12,000 acre natural gas storage area that would be affected by the Stipulated Route.

f. Community Acceptance

The Ruholls note that to determine the routing preferences, stakeholders and community members were given several options with regards to routing the proposed line and those included: 1) routing along roads, 2) routing along property lines/section lines, and 3) other preferences. Paralleling existing roadways was identified as being more favorable or preferred over paralleling existing property lines or section lines. However, the parties recognized the inherent conflict associated with paralleling existing roadways while also minimizing the potential for impact to existing residences since homes are more typically located along roads in rural areas.

The Ruholls state that these practices involve the evaluation of the potential to parallel existing rights-of-way and other linear features, such as property or field lines, while also reducing the potential for impacts to land uses or other environmental features that occur along these linear corridors. The Ruholls submit that it is unclear from the record whether the communities, stakeholders, and landowners were given an option to consider existing utility corridors as well. Nonetheless, the Ruholls assert that existing utility corridors are clearly linear and given the preferences of the public to utilize linear corridors with the least financial impact, the MSCLTF Route using the existing 138 kV right-of-way would appear to be supported by the general public and those affected.

g. Presence of Existing Corridors

The Ruholls believe that the existing 138 kV line Alternate Route identified by MSSCLPG that would cost $107,423,000 is an existing viable corridor.

5. MSCLTF Position

a. Length of Line

Pursuant to the stipulations it entered into with MSCLTF and FutureGen, ATXI is recommending the route originally designated in its Petition as its "Alternate Route" as its Rebuttal Recommended Route for the Meredosia to Pawnee segment. MSCLTF notes that this route is depicted on ATXI Ex. 13.1. MSCLTF states that the length of this Stipulated Route is 75.6 miles.

b. Difficulty and Cost of Construction

According to ATXI's comprehensive route siting analysis, MSCLTF believes that the Stipulated Route is a viable, cost effective route, and assert that it should have fewer dead-end structures than the Primary Route. MSCLTF notes that the cost of the Stipulated Route has been estimated to be $144,205.00.

c. Difficulty and Cost of Operation and Maintenance

According to ATXI's comprehensive route siting analysis, the Stipulated Route is a viable, cost effective route, and MSCLTF belies that ATXI considered the difficulty and cost of operating and maintaining a transmission line on the Stipulated Route when determining the route to be viable and cost effective.

d. Environmental Impacts

MSCLTF agrees with ATXI's route siting analysis that the Stipulated Route best reduces the potential for environmental impacts. While MSSCLPG asserts that placing the transmission line on the Stipulated Route would present environmental concerns, MSCLTF notes that on cross-examination, MSSCLPG witness Bergeschneider admitted that the MSSCLPG did not have any formal studies conducted which verified this claim., and conceded that when viewed on an individual tract of land basis, the alleged environmental concerns would be present regardless of where the transmission line is located.

e. Impacts on Historical Resources

MSCLTF also notes that MSSCLPG contends that portions of the Stipulated Route would impact historically significant land which has been the subject of documentation by the Illinois State Archeological Survey; however MSCLTF suggests that the cross-examination testimony of Paul Bergeschneider indicates that the "historically significant land" is currently the site of an ongoing farming operation. MSCLTF contends that it does not appear that any of the land along the Stipulated Route possesses sufficient historical significance to warrant an attempt to preserve the land in its historical state. MSCLTF also opines that MSSCLPG failed to introduce the alleged documentation of the land into evidence, therefore the nature of the alleged "documentation" is unknown, and the Commission should not assume that the Illinois State Archeological Survey has documentation which designates any of the land on the Stipulated Route as having unique historical significance. MSCLTF also notes that ATXI has indicated that it will continue to work with the IHPA on whichever route is selected.

f. Social and Land Use Impacts

MSCLTF states that FutureGen has established that the placement of the transmission line along ATXI's Primary Route would negatively impact the development

and operation of the FutureGen carbon dioxide pipeline and storage facility, as well as having the potential for conflicts from overlapping construction schedules and increased community resistance from multiple public works projects impacting the same landowners, as well as possibly impact FutureGen's subsurface monitoring technologies. MSCLTF believes the evidence shows that the only way to adequately prevent the potential disruption to and interference with subsurface monitoring technologies at the FutureGen Project is to avoid FutureGen's carbon dioxide pipeline and storage facility.

While MSSCLPG contends that the placement of the transmission line on the Stipulated Route would compromise the integrity and viability of the land located upon that route, MSCLTF notes that they failed to provide any formal studies which support this contention. Although MSSCLPG also claims that the placement of the transmission line on the Stipulated Route would negatively impact and interfere with the farming operations located on that route; MSCLTF opines that MSSCLPG concedes that it can present no study which supports this contention. MSCLTF asserts that the cross-examination testimony of Mr. Bergeschneider established that those alleged impacts would be equally felt by farmers on the Primary Route should that route be adopted.

g. Number of Affected Land Owners and Other Stake Holders

MSCLTF notes that approximately 302 landowners would be affected by the placement of the transmission line upon the Stipulated Route for the Meredosia to Pawnee segment.

h. Proximity to Existing and Planned Development

MSCLTF avers that approximately 1.3 acres of developed land devoted to a high intensity use would be located within 500 feet of the Stipulated Route, or approximately 0.0% of the overall Stipulated Route. MSCLTF indicates that approximately 18.2 acres of developed land devoted to a medium intensity use would be located within 500 feet of the Stipulated Route, which equates to approximately 0.4% of the overall Stipulated Route. It appears to MSCLTF that approximately 167.4 acres of developed land devoted to a low intensity use would be located within 500 feet of the Stipulated Route, or approximately 3.6% of the overall Stipulated Route.

i. Community Acceptance

The MSCLTF and FutureGen interveners each support the Stipulated Route. MSCLTF believes that the Stipulated Route has also received support from the Pearce Family, who expressed support for ATXI's Alternate Route as their first preference for the Meredosia to Pawnee segment. MSCLTF notes that the Stipulated Route would also avoid property owned by intervenors Splain and Cody. Although these intervenors did not file direct testimony, it is assumed that they would support a route that does not

affect their property. MSCLTF submits that the Stipulated Route addresses the concerns of multiple interveners along ATXI's Primary Route.

j. Visual Impact

MSCLTF assumes that there would be no significant difference in visual impact regardless of the route chosen by the Commission.

k. Presence of Existing Corridors

MSCLTF notes that there is presently an existing 138 kV transmission line which runs from Meredosia, Illinois to Pawnee, Illinois as depicted in ATXI Petition Exhibit A (part 3 of 5).

6. FutureGen Position

a. Length of Line

Pursuant to the stipulations it entered into with FutureGen and MSCLTF, ATXI is recommending the route originally designated in its Petition as its "Alternate Route" as its Rebuttal Recommended Route for the Meredosia to Pawnee segment. FutureGen represents that the length of this Stipulated Route is 75.6 miles.

b. Difficulty and Cost of Construction

FutureGen asserts that ATXI' s comprehensive route siting analysis suggested that the Stipulated Route is a viable, cost effective route, which has fewer dead-end structures than ATXI's Primary Route; and while the Ruholls assert that ATXI has addressed FutureGen's conflicts with the project; FutureGen suggests that the Ruholls are mistaken. FutureGen notes that its witness, Kenneth Humphreys, stated that overlapping construction schedules for the Illinois Rivers Project and the FutureGen 2.0 clean coal project could present unavoidable conflicts for the projects since the Primary Route for this segment and the FutureGen 2.0 project's carbon dioxide pipeline and storage facility follow the same route in eastern Morgan County; while the Ruholls suggest that Mr. Humphreys' concerns are unwarranted because ATXI witness Hackman testified that it is always necessary" for ATXI to "coordinate with property owners, road commissioners and other ongoing construction processes during the construction of transmission line projects." Although ATXI undoubtedly will coordinate with landowners and other projects, FutureGen believes the overlapping schedule and routes of the Primary Route and the FutureGen 2.0 project would lead to unavoidable, and potentially unresolvable, conflicts. Moreover, as the stipulation between ATXI and the FutureGen indicates, ATXI agreed to pursue the Alternate Route "to resolve certain concerns" raised by FutureGen.

c. Difficulty and Cost of Operation and Maintenance

According to ATXI's comprehensive route siting analysis, FutureGen argues that the Stipulated Route is a viable, cost effective route. FutureGen assumes that ATXI considered the difficulty and cost of operating and maintaining a transmission line on the Stipulated Route when determining the route to be viable and cost effective, and note that FutureGen raised concerns about the impact the Illinois Rivers Project would have on the operations of the FutureGen 2.0 clean coal project if Primary Route is approved for the Illinois Rivers Project, including the impact of EMF on the FutureGen project.

Although the Ruholls claim that ATXI witness Hackman testified that any EMF fields produced should have no impact on the FutureGen 2.0 project, FutureGen disagrees, noting Mr. Hackman did not testify about the potential impact of the EMF on FutureGen's carbon dioxide sensitive monitoring equipment. FutureGen suggests that more importantly, Mr. Hackman testifies that the most effective way to avoid interference with wireless technology and other electronics to put distance between the power lines and the equipment. If the Primary Route is selected for the Illinois Rivers Project, FutureGen notes it will run through the middle of the FutureGen 2.0 project's carbon dioxide storage facility, which means that proximity to monitoring equipment would be unavoidable.

d. Impacts on Environmental and Historical Resources

FutureGen believes that ATXI's comprehensive route siting analysis shows that the Stipulated Route best reduces the potential for environmental impacts. FutureGen also notes that ATXI indicates that it will continue to work with the IHPA to identify and work around any historically significant sites, and will employ appropriate mitigation measures as identified in conjunction with IHPA.

e. Social and Land Use Impacts

FutureGen suggests that the testimony of Mr. Humphreys of FutureGen establishes that the placement of the transmission line along the Primary Route would negatively impact the development and operation of the FutureGen carbon dioxide pipeline and storage facility. In addition to the potential for conflicts arising from overlapping construction schedules and increased community resistance from multiple public works projects impacting the same landowners, FutureGen asserts that the placement of the transmission line on the Primary Route would negatively impact FutureGen's subsurface monitoring technologies.

f. Number of Affected Land Owners and Other Stake Holders

FutureGen believes that evidence shows that approximately 302 landowners would be affected by the placement of the transmission line upon the Stipulated Route for the Meredosia to Pawnee Segment.

g. Proximity to Existing and Planned Development

FutureGen suggests that the evidence shows that approximately 1.3 acres of developed land devoted to a high intensity use would be located within 500 feet of the Stipulated Route, which equates to approximately 0.0% of the overall Stipulated Route. FutureGen states that approximately 18.2 acres of developed land devoted to a medium intensity use would be located within 500 feet of the Stipulated Route, or approximately 0.4% of the overall segment. FutureGen indicates that approximately 167.4 acres of developed land devoted to a low intensity use would be located within 500 feet of the Stipulated Route, or approximately 3.6% of the overall Meredosia to Pawnee segment.

While the Ruholls assert that the Stipulated Route would impact a coal mine whereas the Primary Route would not, FutureGen opines that the record does not indicate how the coal mine would be impacted or describe the extent of the impact. Absent such details, FutureGen believes the Commission should avoid assuming that the impact would be significant. In any event, given the fact that no coal company has intervened in this docket, FutureGen submits that it would be reasonable to assume that such an impact will not be significant. FutureGen suggests that the same argument relates to the Ruholls suggestion that many of the parcels located on the Alternate Route contain easements of the Panhandle Eastern Pipeline Company, LP. FutureGen states that the record does not indicate how many parcels on the Alternate Route are already burdened by Panhandle easements, and suggest that there is no basis for the claim that “many” parcels have pipeline easements, let alone a basis for determining that any impact or conflict would be significant.

h. Community Acceptance

FutureGen indicates that it and MSCLTF each support the Stipulated Route. FutureGen indicates that the Stipulated Route a/k/a ATXI's Alternate Route has also received support from the Pearce Family, who have expressed support for ATXI's Alternate Route as their first preference for the Meredosia to Pawnee segment. FutureGen notes that the Stipulated Route would also avoid property owned by interveners Splain and Cody. Although these intervenors did not file direct testimony, it is assumed that they would support a route that does not affect their property. FutureGen notes that the Stipulated Route addresses the concerns of multiple interveners along ATXI's Primary Route.

i. Visual Impact

FutureGen believes that the visual impact will be substantially the same regardless of the route chosen by the Commission.

j. Presence of Existing Corridors

FutureGen notes that there is presently an existing 138 kV transmission line which runs from Meredosia to Pawnee as depicted in ATXI Petition Ex. A (part 3 of 5).

7. Staff Position

Staff recognizes that ATXI recommends approval of the Stipulated Route as the best option for the portion of the project between Meredosia and Pawnee. Staff agrees that MSCLTF apparently withdrew support for its alternative route proposal, but Staff disagrees that the proposed route itself, once submitted, was, or could be, withdrawn. In fact, Staff continues to support the route proposal that MSCLTF submitted as the shortest and least costly route for this segment.

ATXI claims that there is no record evidence that the Stipulated Route would be more difficult to operate and maintain or would be more costly to operate and maintain relative to the other routes proposed. Staff points out, however, that longer lines cost more to construct and maintain than shorter lines. Furthermore, ATXI's only reason for rejecting MSCLTF's Route is that it parallels an existing 138 kV line, which allegedly poses reliability concerns, including the fact that the existing lines must be removed from service during maintenance and that a single pole failure could result in outages to both lines. Staff asserts that these claims regarding reliability are unsubstantiated. Staff argues that NERC standards treat lines that are parallel on non-overlapping rights-of-way the same as lines that are separated by several miles. For the Meredosia to Pawnee segment, Staff recommends use of the MSCLTF Route as the least costly route, followed by ATXI's Primary Route with the modification proposed by the Pearce Family.

Staff notes that ATXI's primary route is approximately 67.7 miles long, while the secondary route is approximately 75.6 miles long, and MSCLTF propose a route that is approximately 57.3 miles in length. Staff states that the Pearces propose two routes: the first approximately 66.5 miles in length, and the second approximately 67.7 miles in length. Staff also notes that the Robinettes propose a route that is approximately 75.2 miles in length.[8]

Staff indicates there is evidence of mine subsidence occurring at AIC's existing Pawnee Substation. Given that one of the primary purposes of the project is to create a dependable source for the delivery of wind generation both in and out Illinois, Staff

[8] The Commission notes that although the Robinettes filed an Alternate Route Proposal and direct testimony in this proceeding, it does not appear that the testimony of the Robinettes was moved into evidence. It further does not appear that the Robinettes filed an Initial or Reply Brief.

believes it is reasonable for ATXI to seek a location outside of the area of mine subsidence to terminate its 345 kV transmission line, and the location it has selected, along the existing 345 kV transmission line connecting Pawnee to the Kincaid Generation Plant, is logical.

Staff suggests that constructing this segment parallels an existing 138 kV line, as MSCLTF suggests, would result in by far the shortest and lowest cost route. Staff notes that two interveners expressed support for ATXI's alternate route, but ATXI's cost estimate indicates that constructing the line along ATXI's alternate route would be $15 million more costly than constructing it along ATXI's primary route. Staff submits that ATXI's primary route, as modified by Pearce's first alternative, would be the next most logical route.

8. Commission Conclusion

To begin, the Commission finds it would be helpful to include in its analysis the table which ATXI prepared which shows the various routes proposed for this segment of the Illinois Rivers Project, and which routes various parties are supporting. As noted previously, an alternate route was proposed by intervenor Robinette; however, the testimony supporting this route was not moved into evidence, nor does it appear that any further evidence supporting adoption of the Robinette route, or more accurately a modification to ATXI's alternate route, has been received into evidence. The chart depicting the positions as reflected in the briefs filed in this proceeding is as follows:

MEREDOSIA - PAWNEE				
Route	Stipulated/ ATXI Alternate Route	ATXI Primary Route	ATXI Primary Route with Pearce Modifications	MSCLTF Route
Part(ies) Recommending Approval	ATXI, MSCLTF, FutureGen, Pearce Family	None	None	Staff, MSSCLPG, Ruholl Family

As indicated, ATXI, MSCLTF, FutureGen and the Pearce Family recommend approval of the Stipulated Route as the best option for the portion of the project between Meredosia and Pawnee. The Commission notes that ATXI and FutureGen suggest that the Stipulated Route would eliminate FutureGen's concerns that the Primary Route might interfere with its proposed operations.

The Commission notes that Staff, the Ruholl Family, and MSSCLPG support the MSCLTF Route. The Commission notes that MSCLTF has withdrawn its support of the route, and ATXI argues that the list of landowners affected by the MSCLTF Route may

be incomplete. It further appears to the Commission that little evidence in support of the MSCLTF Route has been presented by any of the parties. It is difficult from the evidence presented to fairly judge whether the MSCLTF Route would be superior to the Stipulated Route, other than the length of the route. The Commission notes that Staff apparently gives great weight to this factor, and has little to say about the other criteria suggested. The Commission believes that these factors weigh against Commission approval of the MSCLTF Route.

In the alternative, the Commission notes that the Ruholl Family and MSSCLPG advocate approval of ATXI's Primary Route, while Staff's second preference is for ATXI's Primary Route, as modified by the Pearce Family's alternate route proposal. The Commission finds either of these proposed routes to be less preferable than ATXI's Alternate Route because it could interfere with FutureGen's proposed operations in the area. Additionally, the Commission notes that ATXI suggests that its Stipulated Route would eliminate the concerns that led the Pearce Family to propose its modification to ATXI's Primary Route.

The Commission's analysis of the routing criteria discussed in the positions of the parties indicates that on many issues, such as environmental impact, impacts on historical resources, social and land use impacts or visual impact, there is little preference between the Stipulated Route or the MSCLTF Route. While the Commission recognizes that some parties have indicated a route will impact a historical site, absent clear evidence of the fact, the Commission is inclined to give little weight to that assertion. The evidence makes clear that the MSCLTF Route is the shortest of the proposals. ATXI, however, suggests that when considering difficulty and cost of construction, or difficulty and cost of operation and maintenance, the Stipulated Route is preferable to any of the other proposals. The Commission is concerned that ATXI is willing to concede that paralleling a route segment to an existing transmission line is acceptable in some instances, while not preferable in other situations, while failing to adequately identify the differences which cause it to lean one way or the other. The Commission is also concerned that the MSCLTF Route has not been sufficiently developed for consideration in this proceeding.

Having reviewed the evidence of record, and upon consideration of all relevant route selection criteria as described by the parties, the Commission finds that the criteria described above favor the Stipulated Route for the Meredosia-Pawnee portion of the project, over all other proposed routes. Therefore, the Commission finds that the Stipulated Route for the Meredosia-Pawnee portion of the project is the least-cost route when all costs and benefits are taken into account.

Regarding a substation in Pawnee, the Commission notes that, other than Staff, there is little information in any party's briefs on this issue. The Commission does find that ATXI witness Dyslin testified in part, as follows:

> ATXI intends to acquire a new substation site west of Pawnee, Illinois. The land ATXI intends to acquire consists of approximately 80 acres and is currently being farmed. This parcel is currently held by a private landowner, with whom ATXI is engaged in negotiations. ATXI anticipates having a signed contract for sale on or before November 15, 2012; (ATXI Ex. 8.0 at 3)

The Commission notes that Staff has indicated in its Initial Brief that there is currently a substation located on the west side of Pawnee; however, this substation has apparently had mine subsidence issues. Staff indicates that ATXI has proposed to construct a new substation at Pawnee, and it appears that Staff is in support of the construction of a new substation, as well as supporting the location of the proposed new substation. The Commission believes that no party has objection to the siting of the proposed new Pawnee substation; therefore, the construction of the new Pawnee substation at this location, as indicated by ATXI in its evidence presented in this proceeding, should be approved.

E. Pawnee-Pana

1. ATXI Position

ATXI states that it identified three viable routes for the Pawnee to Pana portion of the project: a Primary, a first alternate and a second alternate. ATXI notes that Staff recommends, and ATXI agrees, that the Commission should approve ATXI's Alternate Route 2 (the recommended route) along this segment. ATXI indicates that the recommended route is shown in teal, then orange on ATXI Exhibit 13.6 (Rev.), is highlighted on Figure 5, and was designated the "Rebuttal Recommended Route" in ATXI's rebuttal testimony. ATXI Alternate Route 2 is the shortest and least costly route, and impacts the least number of landowners. ATXI states that no other routes were proposed for this portion of the project. ATXI submits that Alternate Route 2 is the best routing option and should be approved by the Commission.

ATXI notes that the only outright opposition to this route is set out in the Initial Brief of Raynolds/Ramey. Without citation to the record or any actual appraisal, analysis or study, they allege "property devaluation" as a result of the transmission line. As indicated by the testimony of Rick Trelz, ATXI intends to fairly compensate affected landowners for the impact of the transmission line, so that after the line is constructed, there is no impact upon property resulting in diminution of value beyond that reflected in the compensation paid by ATXI. ATXI asserts that it is committed to addressing this generalized concern, which may exist for any potentially affected landowner and is not specific to Ms. Raynolds or Mr. Ramey.

ATXI suggests that Staff's concerns are based on the incorrect premise that a Kincaid to Mt. Zion 345 kV connection has not been considered by ATXI or MISO, and it is therefore not clear that ATXI chose the best location for the Mt. Zion substation. ATXI contends that the record is clear that discussions were held regarding MVP

configurations connecting to the Kincaid station during the MISO RGOS and MVP development meetings. ATXI submits that the Kincaid facilities' configuration presents operational and reliability concerns that would impact any decision to connect there. ATXI claims that the MISO MVP process examined numerous system configurations, and ATXI believes it is reasonable to conclude that a Kincaid – Mt. Zion alternative did not emerge as a superior option. ATXI also notes that MCPO witness Dauphinais examined alternative reinforcements to the Decatur area, and only identified his "Oreana 345/138 reinforcements," not a Kincaid connection (or any other alternative) to ATXI's proposal to connect Pana, Mt. Zion, and Kansas.

ATXI complains that deferral of any portion of the project for further consideration would create delay, due to the need to complete another approval process and for MISO to review any changes to key elements of the project. ATXI opines that delay will put the in-service dates for the project at risk and thus presents reliability concerns. ATXI submits that each portion of the 345 kV transmission line is part of the Illinois Rivers Project because it is an integral part of the transmission upgrades needed to promote the development of an effectively competitive electricity market and provide reliability benefits of the project. At the very least, ATXI believes that consideration in a separate docket could place the 2016 in-service dates at risk for the Mississippi River – Quincy, Quincy – Meredosia, Pana – Mt. Zion, and Sidney – Rising portions of the Project, which in turn could jeopardize the timely achievement of the reliability and other benefits of the project. Moreover, ATXI asserts that consideration of any portion in a separate docket could disrupt the sequencing of the construction of the project line segments, noting that MISO and ATXI have determined the preferred construction sequence, as shown on ATXI Exhibit 2.4, to minimize the disruption of the transmission system during construction and commissioning of the project.

a. Length of Line and Difficulty and Cost of Construction, Operation, and Maintenance

ATXI states that the following table represents the length and cost estimates for each proposed route for this segment of the project:

	ATXI Primary Route	ATXI Alternate Route 1	ATXI Alternate Route 2
Estimated Length in Miles	34.4	38.5	32.3
Estimated Base Cost	$65,868,000	$78,780,000	$65,018,000

ATXI states that there is no record evidence indicating that its Alternate Route 2 would be difficult to construct. To the contrary, as indicated by ATXI witness Murphy, the land crossed by this segment is mostly flat agricultural land with dispersed residential use. ATXI submits that there is no record evidence indicating that its Alternate Route 2 would be more difficult to operate and maintain or that said route would be more costly to

operate and maintain relative to the other routes proposed by ATXI along the Pawnee to Pana segment.

b. Impacts on Environmental and Historical Resources

ATXI states that its Alternate Route 2 is expected to have minimal environmental impact. ATXI contends that there is no record evidence indicating that the potential environmental impact resulting from construction of Alternate Route 2 would be greater than that resulting from construction of the other routes proposed by ATXI along the Pawnee to Pana segment.

ATXI avers as well that there is no record evidence indicating that its Alternate Route 2 from Pawnee to Pana will substantially impact any historical resources. The Alternate Route 2 will not impact any known archeological sites and ATXI is unaware of any other historical resources that would prevent construction of the route. ATXI indicates that it will work with the IHPA to address issues that may arise during the construction process, and will obtain required permits or approvals, if any, prior to construction.

c. Social and Land Use Impacts

ATXI indicates that its Alternate Route 2 reflects an optimum location for the transmission line in that it would limit societal and land use impacts. ATXI states that there is no record evidence indicating that the Alternate Route 2 would create social or land use impacts greater than those created by the other routes ATXI proposed along the Pawnee to Pana segment.

d. Number of Affected Landowners and other Stakeholders and Proximity to Homes, other Structures, and Existing and Planned Development

ATXI notes that there are fewer landowners owning property within 250 feet of ATXI's Alternate Route 2 from Pawnee to Pana than there are landowners owning property within 250 feet of either the Primary Route or Alternate Route 1 along that same segment. ATXI states that Alternate Route 2 will not require displacement of any residences.

ATXI believes that concerns such as those held by Ms. Raynolds and Mr. Ramey are most effectively minimized by selection of ATXI's Alternate Route 2, as this route affects the fewest number of landowners compared to the other proposed routes, as illustrated by the following table.

PAWNEE – PANA			
Route	**ATXI Primary Route**	**ATXI Alternate Route 1**	**ATXI Alternate Route 2**
Potentially Affected Landowners	142	183	127

ATXI also states that there is no record evidence indicating that Alternate Route 2 from Pawnee to Pana is near any existing or planned development.

e. Community Acceptance

ATXI asserts that its Alternate Route 2 from Pawnee to Pana, as well as its Primary Route and Alternate Route 1, resulted from and pursuant to a lengthy public input process, during which numerous public information sessions were held at various locations along the segment. Alternate Route 2 does not directly impact any intervenor in this matter and remains unopposed in testimony or evidence of record.

ATXI notes that the Morrisonville Group is an intervenor in this matter alleging a specific interest along the Pawnee to Pana portion of the project. ATXI states that this intervenor presented no testimony nor did they offer or designate any alternate route. ATXI witness Murphy testified that Alternate Route 2 will not directly impact property owned by members of the Morrisonville Group, noting that although this intervenor group did not file direct testimony, she assumed that they would not oppose a route that did not impact their property.

f. Visual Impact

ATXI believes that visual impacts, if any, will be substantially the same for any route along the Pawnee to Pana segment. ATXI states that there is no record evidence indicating that its Alternate Route 2 is less preferable from a visual impact perspective.

g. Presence of Existing Corridors

ATXI states that its Alternate Route 2 includes certain portions for which paralleling was determined to be appropriate, noting that Alternate Route 2 extends southeast from the Pawnee substation along the north side of an existing 138 kV transmission line for approximately 11 miles. ATXI observes that Alternate Route 2 also parallels 138 kV lines along two additional stretches before terminating at the Pana substation.

2. Raynolds/Ramey Position

Raynolds/Ramey complain that ATXI stated that fewer landowners would be affected by the placement of the transmission line upon ATXI Alternate Route 2 for the Pawnee to Pana segment. However, Raynolds/Ramey are concerned whether there is any notation of how many landowners would be affected on ATXI's Alternate Route 1 compared to ATXI's Alternate Route 2 or Alternate Route 1 compared to ATXI's Primary Route.

Raynolds/Ramey object to ATXI's Alternate Route 2 from Pawnee to Pana. While ATXI claims it will compensate those with whom they will have an easement agreement, Raynolds/Ramey note that ATXI fails to state that there will be no compensation to property owners along the easement whose property values surely will be affected. While ATXI notes that no specific analysis has been conducted on the Raynolds/Ramey property or on the Illinois Rivers Project in general, therefore their property devaluation should not be considered; Raynolds/Ramey submit that until the power line is constructed, and an appraisal and/or sale are complete, there is no definitive, quantifiable amount of devaluation. Raynolds/Ramey argue that this would be too late, and complain that they were not notified of this project by ATXI. They note that the loss of value to their home can not be proven until the loss of equity has occurred, and suggest that there has been no communication with them as land owners on ATXI Alternate Route 2. They contend that only because they as the land owners reached out for information were they told of the ATXI plan, and submit that there is no substantial evidence that this project is beneficial to Illinois, nor any research showing the detrimental effect to landowners on ATXI's Alternate Route 2.

3. Staff Position

Staff notes that ATXI recommends approval of its Alternate Route 2 as the best option for the Pawnee and Pana segment of the project, and Staff agrees that ATXI's Alternate Route 2 would be the best choice if the Commission determines to include this segment in a certificate as part of this proceeding. ATXI's Alternate Route 2 is the shortest route and parallels an existing 138 kV line for approximately half the distance from Pawnee to Pana. However, Staff notes that 345 kV transmission lines already connect Pawnee to Kincaid and Kincaid to Pana, and it is not apparent to Staff that ATXI needs to construct the Pawnee-Pana segment. A Kincaid-Mt. Zion segment for the Illinois Rivers Project instead of ATXI's proposed Pawnee-Pana-Mt. Zion segments could provide the same benefit to the Decatur area as ATXI's proposal, but at a significantly lower cost due to the shorter distance.

Staff asserts that neither ATXI nor MISO studied the Kincaid-Mt. Zion option. Given that Section 8-406.1 of the Act requires that, to grant a certificate, the Commission must find that, based upon ATXI's petition and the evidentiary record, the project is the least cost means of satisfying the objectives that initiated the project, and given the fact that neither ATXI nor MISO studied the Kincaid-Mt. Zion option, which appears to be a lower cost method to satisfy the project's objectives, Staff recommends

that the Pawnee-Pana segment be excluded from any certificate granted in this proceeding. Staff also recommends that the Commission exclude the Pawnee-Pana segment because, if a Kincaid to Mt. Zion line can satisfy the need for a 345 kV source in the greater Decatur area at a lower cost than a Pawnee-Pana-Mt. Zion line, then the Pawnee to Pana line would not be necessary.

4. Commission Conclusion

The Commission notes that ATXI identified three routes for the Pawnee to Pana portion of the project: a Primary, Alternate Route 1, and Alternate Route 2. ATXI recommends that the Commission approve ATXI's Alternate Route 2 along this segment, contending that it avoids several residences and is shorter than either the Primary Route or Alternate Route 1, meaning it will cost less to construct.

The Commission notes that while no other routes were proposed for this portion of the project; intervenors Raynolds/Ramey oppose this route, arguing that if this route is approved, they will not be appropriately compensated for the diminution in value of their property. ATXI suggests that this opposition is based on property-specific concerns that are most effectively minimized by selection of ATXI's Alternate Route 2, because that route affects the fewest landowners as compared to the other routes proposed for this portion of the project. While the Commission understands the concerns of intervenors Raynolds/Ramey, this type of general concern would exist regardless of the route selected and the Commission declines to accept their objection to ATXI's recommended route.

Staff, rather than primarily supporting one of ATXI's proposed routes, or recommending a route of its own, recommends that the Commission decline to choose a route for this portion of the Illinois Rivers Project. Staff suggests that ATXI and MISO have failed to consider whether it would be preferable to have a line from Kincaid to Mt. Zion, which Staff believes might obviate the need for the Pawnee to Pana segment of the project. Staff agrees with ATXI that should the Commission decide to authorize a route for this segment, the best choice would be ATXI's Alternate Route 2.

Staff notes that Section 8-406.1 of the Act requires that, to grant a certificate, the Commission must find that, based upon ATXI's petition and the evidentiary record, the project is the least cost means of satisfying the objectives that initiated the project. Staff argues that given the fact that neither ATXI nor MISO appear to have studied the Kincaid-Mt. Zion option, which Staff indicates appears to be a lower cost method to satisfy the project's objectives, the Commission should not include in any certificate granted in this proceeding permission to construct the route from Pawnee to Pana.

The Commission recognizes that ATXI disagrees with Staff on this issue; however, the Commission is troubled by ATXI's responsive argument. In essence, it appears to the Commission that ATXI argues that ATXI and MISO considered many different route options, and since Kincaid to Mt. Zion was not chosen, it is reasonable to conclude that it was not optimal. In its Reply Brief, ATXI makes the following argument,

"(a)s it is well established that the MISO MVP process examined numerous system configurations…, it is reasonable to conclude that a Kincaid – Mt. Zion alternative did not emerge as a superior option." (ATXI Reply Brief at 61) ATXI also indicates that the Kincaid facilities configurations present operational and reliability concerns that would impact any decision to connect there.

The Commission is surprised that ATXI would argue that Kincaid to Mt. Zion is not feasible, as in essence it must have been considered and rejected because it was not chosen. While ATXI chose to file this proceeding under the expedited process provided in Section 8-406.1 of the Act, it appears to the Commission that one of the very unfortunate consequences of that filing is insufficient time to consider various alternate routes. Additionally, the Commission gives very little weight to the argument that this alternative must have been considered and found wanting. The Commission finds Staff's argument to be persuasive with regard to this portion of the project, and will not find that the proposed ATXI Alternate Route 2 is the least-cost option after consideration of all the evidence presented. The Commission will therefore decline to include as a portion of the Illinois Rivers Project authorization to construct a transmission line from Pawnee to Pana.

F. Pana - Kansas

Following the Pawnee to Pana segment, the Illinois Rivers Project reflects a 345 kV transmission line from Pana to a new proposed substation southwest of Mt. Zion. The transmission line would then run from Mt. Zion to a proposed substation near Kansas. In light of the conclusion concerning the Pawnee to Pana segment, however, there is no need to address the route options for a transmission line between Pana and Mt. Zion at this time. If a direct transmission line between Pawnee and Mt. Zion is found to be appropriate, a link to Pana will not even be necessary.

Earlier in this proceeding, Staff and Moultrie PO questioned the need for a new substation outside of Mt. Zion. Staff has since rescinded its objections and Moultrie PO has entered into a stipulation with ATXI under which it will also not object to a new Mt. Zion substation. A question remains as to the appropriate location for the Mt. Zion substation.

Staff contends that even though the 345 kV line will supply a 345/138 kV transformer near Mt. Zion, a preferable location for the Mt. Zion substation is further south - nearer a line between Pana and Kansas, as sought by the Village of Mt. Zion. Staff understands that the Village of Mt. Zion seeks an alternate substation site south of the site proposed by ATXI, specifically along Henry Road, on the east side of Section 28, rather than along Sulphur Springs Road, on the north side of Section 17, as ATXI proposes. Staff contends that it is more economical for AIC to extend two 138 kV lines further south to the 345 kV line than for ATXI to extend two 345 kV lines north to Mt. Zion. Staff explains that this is due to the fact that structure and hardware for 345 kV lines are more costly, and the required rights-of-way for 345 kV lines are wider and therefore more costly as well. Furthermore, Staff continues to believe that the location

of the new Mt. Zion substation should be determined after simultaneously considering both the 345 kV line routing and the routing for the connecting 138 kV line to avoid difficult routing choices for the 138 kV connections.

As noted above, Staff witness Rockrohr explains that ATXI's exclusion of the 138 kV connections from the Illinois Rivers Project creates potential problems. First, since potential routes for AIC's 138 kV lines are not to be determined in this proceeding, Mr. Rockrohr is concerned that attendees of ATXI's public meetings are likely unaware of the possibility that ATXI or AIC might construct additional 138 kV transmission structures and lines in the near future. Second, the location of ATXI's substations determines not only the proposed 345 kV route, but will also determine the route for any future 138 kV lines to be constructed in order to connect AIC's existing 138 kV system to ATXI's proposed substations. Since the landowners who might be affected by the location of those 138 kV lines and structures may not have known that ATXI's proposals might affect them, Staff fears that there would be no reason for them to attend the public meetings for this proceeding because they are not along ATXI's proposed 345 kV transmission line routes. Staff maintains that it, ATXI, intervening parties, and the Commission should be able to consider information about possible routing for both 345 kV and 138 kV transmission lines, not only the 345 kV lines. Mr. Rockrohr asserts that it is possible that the public could have provided ATXI with important information regarding potential 138 kV routes that could have caused ATXI to select a different substation site entirely. Since, in most cases, ATXI proposes that two transmission line segments connect to each of its proposed substation sites, Staff points out that any change in the location of a substation site would require both segments that connect to the substation site to have routes other than the routes that ATXI is proposing. For these reasons, ATXI's exclusion of the 138 kV connections could lead to some decisions on substation siting and 345 kV line routing in this proceeding that are made with incomplete information, resulting in unnecessarily difficult route selections for the 138 kV connecting lines in future proceedings.

ATXI argues that Staff's proposal is inferior from a reliability standpoint. ATXI states that it performed a preliminary analysis to determine if the proposed relocation of the Mt. Zion substation farther south along a hypothetical Pana substation to Kansas substation 345 kV line, coupled with two 138 kV lines extending northward to the Mt. Zion PPG substation, is a viable option to address the future reliability issues in the Decatur area. ATXI reports that the analysis indicated that a Mt. Zion south substation with two longer 138 kV lines connected to the Mt. Zion PPG substation did not address the future Decatur reliability concerns as effectively as the ATXI proposal. Due to the increased impedance of the long 138 kV lines, ATXI states that the voltage support provided by a Mt. Zion south substation is inadequate to return certain post-contingency voltages above the 95% threshold. The voltage issues would become even more severe than indicated, ATXI continues, when expected additional Archer Daniels Midland Company load is served. For these reasons, ATXI asserts that relocating the proposed Mt. Zion substation farther south as suggested by Staff is not a viable solution due to the future reliability issues in the Decatur area. As for the location of future 138

kV lines connecting to a new Mt. Zion substation, ATXI believes that landowners attending the open houses were generally aware ATXI's future needs.

MISO is concerned about any delay in the construction of the Illinois Rivers Project. According to MISO witness Webb, any delay would be detrimental to providing the intended benefits to Illinois and the MISO region. Mr. Webb testifies that the Mt. Zion substation should be in service in 2016. MISO seems to suggest that because its planning process was very thorough, there could be no other viable options and the resulting project must be approved to meet the time table that it and ATXI has established.

The Commission has considered the competing concerns of the parties regarding the location of a new Mt. Zion substation and finds Staff's argument most persuasive. Although the Commission agrees that a new substation in the Mt. Zion area is necessary, exactly where that substation should be located is less certain. The record reflects that the new substation, wherever it is built, will include a 345/138 kV transformer; therefore, there will be at least one 138 kV transmission line emanating from the new Mt. Zion substation. Specifying the location of the substation based solely on the location of one of the connecting 345 kV lines (that being the line from Kansas) without knowing where other connecting transmission lines will be coming from (the aforementioned 138 kV line and the other 345 kV line from either Pawnee or Pana) would unreasonably restrict future efforts to site those other transmission lines. Therefore the Commission will not approve a particular location for a new Mt. Zion area substation at this time. The Commission recognizes that MISO engaged in significant planning prior to the initiation of this docket and acknowledges MISO's concerns about delay, but can not simply abdicate its authority and responsibility to MISO. Acceptance of the MISO process and results on blind faith would render the Commission's review a meaningless gesture.

Fortunately for ATXI, the uncertainty surrounding the location of a new Mt. Zion substation does not prohibit the Commission from selecting a route for the 345 kV line from Mt. Zion to Kansas. One of the three proposed routes between Mt. Zion and Kansas rises above the other two and warrants selection regardless of the ultimate location of the Mt. Zion substation. The Commission will compare and contrast the three proposed routes below.

1. ATXI Position

Pursuant to its stipulation with Moultrie PO, ATXI seeks approval of a route developed by Moultrie PO between Mt. Zion and Kansas ("MZK Route"). The route is shown on ATXI Ex. 13.7. ATXI chose this route over its own Primary and Alternate Routes, which are also depicted on ATXI Ex. 13.7. In light of the stipulation between it and Moultrie PO, ATXI considers the MZK Route to best represent the balance of the interests of the parties and as best supported by the overall record.

a. Length of Line and Difficulty and Cost of Construction, Operation, and Maintenance

ATXI reports that the length and construction cost for each route are as follows:

	MZK Route	ATXI Primary Route	ATXI Alternate Route
Estimated Length in Miles	69.2	68.32	66.42
Construction Cost	$126,511,000	$129,087,000	$128,026,000

ATXI considers the differences in length and cost nominal. But of the three, ATXI notes that its preferred MZK Route is the least costly to construct even though it is the longest route. ATXI explains that the lower cost is attributable to the MZK Route being straighter and therefore requires fewer of the more expensive angle structures. In response to PDM Coalition's cost analysis, ATXI points out that PDM Coalition was comparing the wrong numbers.

ATXI states further that there is no record evidence that the MZK Route would be more difficult to operate and maintain or would be more costly to operate and maintain relative to the other routes proposed. To the extent that the Commission considers ATXI's Primary Route, ATXI does not believe that the route's proximity to Tarble's limestone quarry warrants any concern. According to ATXI, Ameren Services has experience with constructing, operating, and maintaining electrical facilities near limestone quarries and has had no problems with lime dust.

With regard to PDM Coalition's claim that ATXI previously considered the MZK Route unviable, ATXI responds that it only considered the MZK Route unviable from an environmental perspective. Overall, after weighing several criteria, ATXI believes the MZK Route to be not only viable but the best option. ATXI suggests that PDM Coalition has taken ATXI witness Murphy's testimony out of context.

b. Impacts on the Environment and Historical Resources

According to ATXI, there is no record evidence that the potential impacts on the environment and historical resources resulting from the MZK Route would be greater than those resulting from the other proposed routes. ATXI asserts that the type of environmental impacts that occur will occur regardless of the route approved by the Commission. ATXI understands there to be one known archaeological site within the easement of the MZK Route, but based on the testimony of Moultrie PO witness Reinecke does not believe that the presence of the site will prevent the line from being constructed. ATXI commits to work with the IHPA to address issues that may arise during the construction process, and will obtain required permits or approvals, if any, prior to construction.

c. Social and Land Use Impacts

ATXI relates that cemeteries, churches, prime farmland, and schools were identified as highly sensitive during the earliest public meetings. According to ATXI, there are the same number of schools and churches within 500 feet of each of the three proposed routes. While all three of the routes primarily impact farmland, ATXI states that the MZK Route impacts the least amount of prime farmland (132.3 and 109.7 fewer acres than ATXI's Primary and Alternate Routes, respectively). ATXI contends further that impacts can be addressed through detailed design of the route, construction mitigation measures, and easement and damage compensation. ATXI concludes that there is no record evidence regarding the societal and land use impacts that supports selection of any route over the MZK Route.

ATXI denies PDM Coalition's claim that ATXI could not meet its obligation under its Agricultural Impact Mitigation Agreement ("AIMA") with the Illinois Department of Agriculture if the MZK Route is adopted. ATXI commits to complying with the AIMA regardless of which route the Illinois Rivers Project follows. ATXI states further that farmland impacts will not be unique along the MZK Route.

If the Commission considers ATXI's Primary Route, ATXI states that it will evaluate the impact of the route on Tarble's limestone quarry operations and make appropriate compensation offers. With regard to Mr. Reed's grass airstrip along ATXI's Primary Route, if the Primary Route is adopted ATXI will make a determination as to whether the placement of the transmission line causes the airstrip to be out of compliance with the regulations of the Federal Aviation Administration ("FAA") or the IDOT Division of Aeronautics. If so, ATXI states that it will discuss and assess alternatives with the airstrip owner.

d. Number of Affected Landowners and other Stakeholders and Proximity to Homes, other Structures, and Existing and Planned Development

Within 500 feet of each route, ATXI reports that the MZK Route impacts the fewest residences: 15 less than ATXI’s Primary and 31 less than ATXI’s Alternate Route. Within 250 feet of either side of its Primary and Alternate Routes, ATXI relates that there are approximately 199 and 222 landowners and other stakeholders, respectively. The record lacks data on the number of affected property holders within 250 feet of the MZK Route. Upon drawing even closer to each route, the number of residential and nonresidential structures declines further, as reflected in the following table:

	MZK Route	ATXI Primary Route	ATXI Alternate Route
Residential Structures within 0-75 feet of centerline	0	0	0
Residential Structures within 75-150 feet of centerline	1	12	17
Residential Structures within 0-500 feet of centerline	13	28	44
Non-Residential Structures within 0-500 feet of centerline	38	106	147

ATXI observes that none of the three routes would require demolition of any residences. Based on this criterion, ATXI asserts that the MZK Route is the preferred route. ATXI does not believe that consideration of proximity to existing and planned development reveals a preference for any route.

e. Community Acceptance

In light of there being only one party opposed to its stipulation with Moultrie PO, ATXI argues that the MZK Route enjoys greater community acceptance and is therefore the preferred route under this criterion. ATXI understands that Moultrie PO, Brock-Jones, Coles LO, John Reed, and Tarble would accept the MZK Route. ATXI notes that only PDM Coalition expresses opposition to the MZK Route.

In response to PDM Coalition's allegation that the Commission can not have any assurance that the residents of Piatt and Douglas Counties were even aware the Commission would consider a route through their counties, ATXI argues that the record shows ATXI published notice of the Illinois Rivers Project in both Piatt and Douglas Counties. The record also shows, ATXI continues, that it held a total of six public meetings within these counties. Thus, ATXI concludes, PDM Coalition can not now argue the residents in these counties were not aware of the project and did not participate in the public process.

f. Visual Impact

To the extent that there any visual impacts, ATXI maintains that they will be substantially the same for any route. ATXI states further that there is no record evidence that the MZK Route is less preferable with regard to visual impact than any other route proposed for this portion of the Illinois Rivers Project.

g. Presence of Existing Corridors

ATXI states that its Primary and Alternate Routes for this portion of the Illinois Rivers Project emerged, in part, from an evaluation of opportunities and stakeholder input. ATXI's routes use roads, property and section lines, and township boundaries. The MZK Route parallels US Route 36, an existing 138 kV transmission line, and an existing 345 kV transmission line corridor. ATXI does not indicate which of the routes is preferable under this criterion.

2. Moultrie PO Position

In response to PDM Coalition's comments about Moultrie PO's motivation behind developing the MZK Route, Moultrie PO states that its motives are no different than any other intervening landowner's motives. Moultrie PO suggests that all of the intervening landowners would prefer to see the transmission line be constructed on someone else's land and not their own land. Rather than examine the motives of landowners, Moultrie PO recommends that the Commission focus on the merits of each intervenor's route proposals.

a. Length of Line and Difficulty and Cost of Construction, Operation, and Maintenance

Moultrie PO recognizes that its MZK Route is the longest route (by 0.9 mile), but because the cost for angle structures along the MZK Route is lower, the overall cost of the MZK Route is lower than that of the shorter ATXI Primary and Alternate Routes. In response to PDM Coalition's argument that the MZK Route is actually more costly to construct than ATXI's Alternate Route, Moultrie PO asserts that DPM Coalition is making an "apples to oranges" comparison of cost data in the record. Moultrie PO notes further that ATXI witness Hackman agrees that the MZK Route is constructible despite the presence of existing transmission lines. He testifies that the reduced societal and environmental impacts associated with the MZK Route justify construction along the existing transmission lines. (Tr. at 1021-2023) Accordingly, Moultrie PO is not aware of any difficulties with constructing the MZK Route. In addition, to the best of Moultrie PO’s knowledge, there is no evidence that the MZK Route would be more difficult to operate and maintain or would be more costly to operate and maintain relative to the other routes proposed.

b. Impacts on the Environment and Historical Resources

With regard to environmental impacts, Moultrie PO relates that the MZK Route has 20.5 more acres of wooded areas in the 500 feet study corridor area than ATXI’s Primary Route, but 8.2 fewer acres of wooded areas in the 500 feet study corridor than ATXI’s Alternate Route. Moultrie PO makes no specific pronouncement on which route is preferable from an environmental perspective. With regard to impacts on historical resources, Moultrie PO understands that there are four known archeological sites within the 500 feet study corridor for the MZK Route, one known archeological site within the

500 feet study corridor for ATXI's Alternate Route, and no archeological sites within the 500 feet corridor for ATXI's Primary Route. Moultrie witness Reinecke indicates that only one of the four sites within the 500 feet study corridor for the MZK Route is actually crossed by the MZK Route. In response to PDM Coalition's concerns about a Native American site within the area of the MZK Route, Moultrie PO states that the site has already been degraded by the collection of artifacts and continued farming operations by the owner. Mr. Reinecke concludes that the presence of this site will not prevent the MZK Route from being constructed. Moultrie PO also notes that ATXI's Primary and Alternate Routes are closer to Amish farmsteads and cultural facilities within Moultrie County than its own MZK Route. In this respect, Moultrie PO asserts that the MZK Route represents an improvement over what ATXI proposed.

c. Social and Land Use Impacts

With regard to the more sensitive land uses identified at ATXI's earlier public meetings, Moultrie PO relates that the three routes have the same number of churches and schools within their 500 feet study corridors, the MZK Route and ATXI's Alternate Route both have one less cemetery within the 500 feet study corridors than ATXI's Primary Route, and the MZK Route has 132.3 fewer acres of prime farmland within its 500 feet study corridor than ATXI's Primary Route and 109.7 fewer acres of prime farmland than ATXI's Alternate Route. The only substantive criticism of the MZK Route concerning land use relates to possible interference with aviation activities at the Tuscola Airport. This criticism is based on the testimony of PDM Coalition witness Hruspa. Mr. Hruspa's primary complaint is that a transmission line along the MZK Route would make an approach or landing almost impossible. Moultrie PO witness Fischer contends that this assertion is incorrect and unfounded.

Mr. Hrupsa claims that the air traffic pattern must remain south of the airport because of the presence of towers to the north. While this may be true of landings on Runway 27, Moultrie PO contends that the opposite would be true for landings on Runway 9, where the crosswind, downwind, and base segments of an approach would necessarily be to the north of the airport. (See Federal Aviation Regulation ("FAR") 91.126(b)(1)2). Moultrie PO states further that a review of the Airport Facilities Directory ("AFD"), an FAA publication that is published and updated every 56 days, reveals that Traffic Pattern Altitude ("TPA") for this airport is 1,465 feet above Mean Seal Level ("MSL") or 800 feet Above Ground Level ("AGL"). (See AFD March 7, 2013-May 2, 2013 edition at 763) The proposed transmission lines have a maximum height of about 140 feet, and would be located about .25 mile from the airport, running parallel to the runway. Mr. Fischer asserts that an aircraft would have to descend below 200 feet AGL about .25 mile from the airport in order to be impacted by the proposed transmission line. As explained by Mr. Fischer, any operations by an airplane .25 mile south of the Tuscola Airport at or below 200 feet AGL would be reckless and unsafe regardless of the presence of the proposed transmission line. Moreover, Mr. Fischer continues, such operations are not permitted. As long as the aircraft using the airport comply with the rules and standards governing flight operations in and around the airport, Mr. Fischer avers that the location of ATXI's proposed transmission line on the

MZK Route will not be a problem. Pilots must complete rigorous training requirements and familiarize themselves with both the aircraft they fly, and all of the FARs related to operating an aircraft. Mr. Fischer also contends that night-time operations will not be a problem and adds that ATXI may be required to put lights on a transmission line's towers located near the airport, making them even more readily identifiable. Moultrie PO witness Reinecke also observes that the hazard requirements established by IDOT in Title 92, Chapter I, Subchapter b, Part 16, Section 16 of the Illinois Administrative Code do not apply to this airport. Even if they did, he notes, the MZK Route would comply with those requirements. Finally, Moultrie PO points out that ATXI indicates that it will work with federal agencies such as the FAA, and comply with all aviation related regulatory requirements. In response to PDM Coalition's claim that Mr. Reinecke failed to address his own concerns about his route's proximity to the Tuscola Airport, Moultrie PO explains that the concerns expressed by Mr. Reinecke were early in his routing process and well before his final analysis of the impact of the MZK Route on the airport was complete. For these reasons, Moultrie PO believes that the MZK Route is preferable under this criterion.

d. Number of Affected Landowners and other Stakeholders and Proximity to Homes, other Structures, and Existing and Planned Development

Within 75 to 150 feet of the centerline, Moultrie PO observes that the MZK Route has 11 fewer residences than ATXI's Primary Route and 16 fewer residences than ATXI's Alternate Route. Within 150 to 300 feet, the MZK Route has one more residence than ATXI's Primary Route and eight fewer residences than ATXI's Alternate Route. Within 300 to 500 feet, Moultrie PO reports that the MZK Route has five fewer residences than ATXI's Primary Route and seven fewer residences than ATXI's Alternate Route. In total, within 500 feet, the MZK Route has 15 (53.6%) fewer residences than ATXI's Primary Route and 31 (70.4%) fewer residences than ATXI's Alternate Route. Moultrie PO also observes that none of the towns along the MZK Route have intervened in this docket. To the best of Moultrie PO's knowledge, no party presented specific evidence addressing existing and planned development along the three routes. Moultrie PO considers the MZK Route preferable under these criteria.

e. Community Acceptance

Because the MZK Route affects fewer sensitive land uses, Moultrie PO contends that the MZK Route is preferable under the community acceptance criterion. Moultrie PO takes exception to PDM Coalition's criticism that the MZK Route lacks public input. Moultrie PO notes that several interveners support its stipulation with ATXI. It also points out that, unlike ATXI, it had no obligation to conduct public hearings but in the end developed the MZK Route using the results of ATXI's public process. Moreover, although ATXI did not propose a route running through Piatt or Douglas Counties, ATXI held public meetings in those counties for the Illinois Rivers Project.

f. Visual Impact

Moultrie PO witness Dauphinais discusses the use of existing linear features to avoid introducing new visual impact where none already exists. With this in mind and as discussed below, Moultrie PO contends that the MZK Route makes use of significant existing linear feature opportunities in a manner that is comparable to ATXI's Primary and Alternate Routes from Mt. Zion to Kansas, thereby minimizing visual impact.

g. Presence of Existing Corridors

Moultrie PO witness Dauphinais discusses the importance of considering the paralleling of existing linear features in terms of the length of the route not paralleling such features. By example, he showed that this is important because the routes being compared can potentially have significantly different lengths causing a significantly longer route to potentially appear to have less impact than a shorter route simply because the longer route also has more total miles of paralleling. He also discusses at length that when evaluating such linear feature paralleling, it is important to work from the most significant type of existing linear feature to the least significant type of existing linear feature. He explains that not all existing linear features are the same with regard to their degree of visual impact, noise impact, environmental fragmentation, and/or agricultural fragmentation. Under such guidelines, Moultrie PO believes that the MZK Route is preferable under this criterion.

3. PDM Coalition Position

PDM Coalition urges the Commission to adopt Staff's position and defer identifying the most appropriate route between Mt. Zion and Kansas until a later time. PDM Coalition is particularly troubled by ATXI's support for its own Alternate Route in its prepared testimony but right before the evidentiary hearing abandons its Alternate Route in favor of the MZK Route designed by Moultrie PO. In support of its views, PDM Coalition relies on many of ATXI's arguments before it entered into a stipulation with Moultrie PO. PDM Coalition asserts that ATXI only entered into the stipulation favoring the MZK Route to silence Moultrie PO's opposition to the construction of a new Mt. Zion substation. The only reason Moultrie PO objected to the Mt. Zion substation, PDM Coalition continues, was to get the transmission line out of Moultrie County. PDM Coalition believes that it is reasonably self-evident that "Moultrie County property owners" would have little interest in whether the residents of Macon County need a substation. What interested Moultrie PO, PDM Coalition insists, was the fact that elimination of the substation would likely mean a direct route from Pana to Kansas south of Moultrie County. The stipulation with ATXI serves the same purpose - it gets the line outside of Moultrie County. PDM Coalition insists that the stipulation has nothing to do with the merits of the Mt. Zion substation, and it has nothing to do with the merits of the MZK Route versus ATXI's Alternate Route. While the stipulation may promote the private interests of ATXI and Moultrie PO, PDM Coalition asserts that it does not promote the public interest. According to PDM Coalition, an analysis of the siting criteria reveals that ATXI's Alternate Route is in fact the best route. PDM

Coalition states further that ATXI makes many arguments pertaining to other segments of the Illinois Rivers Project that logically it should also make in relation to the Mt. Zion and Kansas segment. But because of the stipulation with Moultrie PO, ATXI takes contrary positions in relation to the Mt. Zion to Kansas segment. PDM Coalition does not wish to see the Commission reward such behavior.

a. Length of Line and Difficulty and Cost of Construction, Operation, and Maintenance

In evaluating the length of each route, PDM Coalition points out that the MZK Route is the longest route and criticizes it for taking an "unnecessary detour" to the north. The sole purpose of the MZK Route's four-mile detour to the north on its way to the Kansas substation 12 miles to the south is, according to PDM Coalition, to almost entirely avoid Moultrie County. Although Moultrie PO attributes its routing to an attempt to achieve “geographical diversity,” PDM Coalition simply calls this a euphemism for "someplace other than Moultrie County." PDM Coalition notes that ATXI witness Murphy testifies that the land use and geography of Piatt and Douglas Counties is no different than Moultrie County. Because ATXI's Alternate Route is the shortest, PDM Coalition considers it the most favorable in terms of length. PDM Coalition also calculates the cost of the routes differently than ATXI and concludes that the MZK Route ($129.1 million) is more expensive to construct than ATXI's Alternate Route ($128.0 million). PDM Coalition also claims that the MZK Route has more angle structures which contribute to its higher cost estimates for that route.

Despite these circumstances and its own position prior to entering into a stipulation with Moultrie PO, PDM Coalition asserts that ATXI now takes a contrary position supporting the MZK Route. PDM Coalition observes that in a May 7, 2013 filing ATXI even referred to the MZK Route as not viable, yet now seeks its adoption. PDM Coalition asserts that ATXI can obfuscate the meaning of viable, but it can not dispute that its own Alternate Route is better than the MZK Route. PDM Coalition states that all of the direct testimony ATXI submitted supports its alternate route. Moreover, PDM Coalition asserts that ATXI’s entire route structure is based on the work and testimony of its witnesses. PDM Coalition contends that ATXI should not be able to ask the Commission to accept its testimony with regard to all segments of the line except the Mt. Zion to Kansas segment. According to PDM Coalition, adoption of the MZK Route would be reversible error, consistent with People for the Public Interest v. ICC, 136 Ill.2d 192, 227 (1989), because it would represent the adoption of a settlement contrary to record evidence. PDM Coalition maintains that ATXI can not submit evidence in support of one route and then ask the Commission to approve a different route.

PDM Coalition also observes that ATXI witness Hackman testifies that paralleling transmission lines does not necessarily reduce the cost of land acquisition, construction, or operation and maintenance. He also notes that maintenance of either line may require both lines to be taken out of service due to their proximity. Weather events can simultaneously harm both lines as well. Mr. Hackman adds that paralleling can be undesirable from an operations perspective for these reasons, and having two lines

down can risk the reliability of the system at large. PDM Coalition presumes that it is for these reasons that ATXI chose not to parallel its Primary and Alternate Routes with existing transmission lines in Douglas and Coles Counties. Therefore, from an operation perspective, PDM Coalition considers ATXI's Alternate Route to be better than the MZK Route.

b. Impacts on the Environment and Historical Resources

With regard to environmental impacts, PDM Coalition witness Kamm testifies that the MZK Route will cut through a black walnut grove he planted 25 years ago and require the clearing of forest areas in the floodplain of the Lake Fork River. With regard to historical resources, he states that the MZK Route will cut through a native American site registered with the University of Illinois Archeological Survey that has yielded many artifacts over the years, and will also pass just three miles north of Arthur, Illinois, a well-known Amish community and major tourist destination. PDM Coalition asserts that these concerns would be eliminated by approval of ATXI's Alternate Route.

c. Social and Land Use Impacts

As for land use impacts, PDM Coalition expresses concern over the impact of the MZK Route on the Tuscola Airport. The MZK Route is located approximately 2,070 feet south of Runway 27. PDM Coalition witness Hrupsa, the owner of the Tuscola airport, testifies that a transmission line so located would be directly in the path of the airport's standard left-hand approach pattern, shown on Exhibit A to his affidavit. (PDM Ex. 3 at 2) According to PDM Coalition, Moultrie PO recognizes that the proximity of the MZK Route to Runway 27 may be a problem, yet took no steps to move the route.

The impact of the MZK Route on farmland also troubles PDM Coalition. PDM Coalition reports that the MZK Route cuts through more cultivated crop acres than ATXI's Alternate Route. PDM Coalition recites that ATXI Ex. 4.5, page 1, reflects that ATXI's Alternate Route has 3,374.3 cultivated crop acres in the 500 feet corridor while MCPO Ex. 2.3, page 1, reflects that the MZK Route has 3,812.7 cultivated crop acres in the 500 feet corridor. PDM Coalition calculates that this difference of 438 acres within the 500 feet corridor equates to a required taking of an additional 132 acres within the 150 feet easement area. PDM Coalition also claims that the larger footprint of the MZK Route on farmland means that ATXI can not comply with its AIMA with the Illinois Department of Agriculture. Aerial crop dusting is negatively impacted by the MZK Route as well.

d. Number of Affected Landowners and other Stakeholders and Proximity to Homes, other Structures, and Existing and Planned Development

As for the number of affected landowners, PDM Coalition notes that ATXI identified and notified each landowner affected by ATXI's routes, while the designer of the MZK Route, Moultrie PO witness Reinecke, testified that he did not know how many

parcels and landowners would be affected by his proposal. PDM Coalition also points out that Mr. Reinecke did not know the name of the towns on his route map along US Highway 36 on the Piatt-Moultrie border. PDM Coalition identifies the following towns along the MZK Route: Casner, La Place, Hammond, Pierson Station, Atwood, Garrett, and Tuscola. Although Mr. Reinecke was unable to identify any of these towns by name other than Tuscola, he did confirm that 100% of the towns on US Highway 36 from Macon to Douglas Counties are located primarily on the north side of the road. PDM Coalition observes that Mr. Reinecke admits that he studied a route which ran about 1 mile south of US Highway 36 in Moultrie County (and therefore would have been more distant from the centers of all of these towns), and e-mailed Moultrie PO's attorney on December 19, 2012, to tell him that this south-side route inside Moultrie County appeared to be a better route. This e-mail was admitted into evidence as PDM Cross Exhibit 1.0. Moultrie PO, however, never submitted an alternate route running south of US Highway 36 in Moultrie County. PDM Coalition insists that such evidence shows that the MZK Route was not motivated by a concern for existing developments; it was motivated by a desire to keep the line outside of Moultrie County notwithstanding the presence of several towns in southern Piatt County and western Douglas County.

e. Community Acceptance

PDM Coalition complains that ATXI's Alternate Route benefits from public input whereas the MZK Route does not. Even the case caption, PDM Coalition observes, indicates that siting the line in Piatt or Douglas Counties was not intended. PDM Coalition claims that the Commission can not have any assurance that the residents of Piatt and Douglas Counties were even aware the Commission would consider a route through their counties. In changing its position and now advocating for the MZK Route, PDM Coalition accuses ATXI of throwing not just Piatt and Douglas County residents under the bus, but ATXI's own credibility as well. In PDM Coalition's view, ATXI and MCPO have rather shamelessly trampled the public interest in pursuit of their own private interests--all so ATXI can avoid having to defend its proposed Mt. Zion substation. PDM Coalition states that a route outside of Moultrie County is now "viable" to ATXI only because of the stipulation; the stipulation exists only because Moultrie PO raised objections to the substation; and the objections to the substation were raised only to get the line outside of Moultrie County. PDM Coalition states that the public interest factors nowhere in this equation and finds it inconceivable that the stipulation could be deemed acceptable to the central Illinois community. PDM Coalition notes that both the Piatt County Board and the Douglas County Board passed resolutions opposing any route passing through their respective counties. PDM Coalition insists that no finding of community acceptance can be made for such a detour route, the only purpose of which is to keep the route outside of Moultrie County.

f. Presence of Existing Corridors

PDM Coalition accuses Moultrie PO of ignoring the public's routing preferences with the design of the MZK Route. Rather than site the route along roads and property and section lines, PDM Coalition observes that Moultrie PO proposes to run the new

345 kV line along existing transmission lines for much of its length. PDM Coalition notes that ATXI witness Hackman expresses concern about parallel transmission lines. Had ATXI intended to make use of these existing transmission corridors, PDM Coalition believes that ATXI would have proposed building the new 345 kV line along these corridors.

PDM Coalition takes issue with the characterization of the MZK Route paralleling US Route 36. PDM Coalition points out that the MZK Route is actually a mile from the road and cuts through the middle of 27 miles of farm parcels where there is no road, property line, or even a fence. Thus, for a significant portion of the MZK Route there is no existing corridor.

4. Coles LO, Reed, and Tarble Position

Coles LO, Mr. Reed, and Tarble understand that ATXI's Alternate Route is the shortest route and therefore the most preferable route in terms of length. As for construction cost, they understand that ATXI's Primary Route is the most expensive and therefore the least preferred route. They attribute some of the higher cost of ATXI's Primary Route to the impact on Tarble's limestone deposits and a bald eagle nesting area. In addition to the impact on the limestone quarry, social and land use impacts include impairment of a small grass runway owned by Mr. Reed, impairment of the view from recently built homes, interference with farming operations, reduced land values, and confiscation of prime farmland. Coles LO explains that Mike Popham and his brother Ron Popham each built homes in the area eight years ago and six months ago, respectively. The view from their homes, as well as other area homes, would be marred by construction of the transmission line along ATXI's Primary Route. Coles LO, Mr. Reed, and Tarble state further that the Primary Route would be as close as 250 feet from some of the houses in the area. With regard to community acceptance, they assert that one need go no further than a cursory review of ATXI Ex. 13.7, page 1, to appreciate the level of the opposition to the ATXI Primary Route on this segment. The people who live and make their living along the Primary Route in this segment are most emphatically opposed to its selection, according to Coles LO, Mr. Reed, and Tarble. They support adoption of either ATXI's Alternate Route or the MZK Route.

5. Brock-Jones Position

Brock-Jones owns approximately 240 acres of prime farmland in Coles County along ATXI's Primary Route. Brock-Jones opposes selection of the Primary Route because of the negative impact it would have on its farming operations, including soil compaction, disruption/destruction of drainage tiles, interference with aerial spraying, decreased field efficiency, and impaired weed control around transmission towers. Brock-Jones acknowledges that such impacts would not be unique to its agricultural operations, but contends that the Primary Route will have a greater negative impact on its property because the line would split its farm parcels. To address its concerns, Brock-Jones recommends that the Commission deny ATXI's petition or, at a minimum, adopt either ATXI's Alternate Route or the MZK Route.

6. Staff Position

As noted elsewhere, Staff recommends deferring any decision on the location of the new Mt. Zion substation. Since determining the Mt. Zion to Kansas routing depends upon the location of the new Mt. Zion substation, Staff also recommends that the Mt. Zion to Kansas segment be excluded from any certificate that the Commission grants in this proceeding. If, however, the Commission decides to approve a route between Mt. Zion and Kansas, Staff suggests that the MZK Route is acceptable. Staff cites construction costs as favoring adoption of the MZK Route.

7. Commission Conclusion

Before addressing the routing criteria, the Commission will address PDM Coalition's concerns regarding the path of the MZK Route. PDM Coalition asserts that the true intent of the route advanced by Moultrie PO is obvious: to avoid Moultrie County. The Commission acknowledges the possibility that PDM Coalition is entirely correct. Whether by design or accident, the manner in which the MZK Route circumvents Moultrie County is undeniable. Moultrie PO's proposal can not be said to be any different from the proposals of other intervening landowners: to avoid a 345 kV transmission line on their land and other interests. While PDM Coalition may fear that ATXI's entry into a stipulation with Moultrie PO increases the odds of the MZK Route being adopted, the Commission assures all parties that each proposed route will be evaluated on its own merits regardless of any stipulations. Additionally, as for Moultrie PO's new support for a new Mt. Zion substation under the stipulation, Staff's support for a new substation carries weight regardless of the perception of why Moultrie PO supports the new substation.

With regard to line length, the Commission recognizes that the MZK Route is the longest of the three competing routes, making it the least preferred route in terms of length. But at the same time, the Commission concurs with the analysis of ATXI and Moultrie PO regarding construction costs. ATXI and Moultrie PO accuse PDM Coalition of comparing apples to oranges in its cost analysis. The Commission is inclined to support this characterization and finds that the MZK Route has the lowest overall construction cost despite its length. In terms of the difficulty of construction, operation, and maintenance, the Commission is aware that parallel transmission lines can cause problems, but if sufficient space is provided, such problems can be avoided or mitigated. Parallel lines are not unique to the MZK Route. As noted elsewhere, parallel lines appear along approximately 19% of ATXI's preferred route. That being said, the difficulties associated with construction, operation, and maintenance of the three lines do not appear to vary significantly.

In terms of environmental impact, the Commission finds the environmental impact of the three routes comparable, and therefore this criterion does not favor one route over the others. As for historical resources, the record is not exactly clear how many archeological sites are along the three routes. Of those that may exist, none

appear to impair the ability to construct any of the three lines. The MZK Route does appear to be marginally preferable in that it is roughly two miles further from the historical Amish areas near the proposed routes.

The predominant land use along the competing routes is agricultural in nature. The Commission anticipates that the impact of a transmission line through area farm fields would be comparable regardless of the particular route. The MZK Route affects the least amount of prime farmland while ATXI's Primary Route affects the greatest amount. Because the amount of farmland actually taken out of production depends on the placement of poles, it is not known which route which will directly impact the least amount of farmland. The Commission expects ATXI to fulfill its commitment to minimize the amount of land taken out of production when selecting locations for pole foundations. The Commission also expects ATXI to comply with its AIMA regardless of which route is chosen. PDM Coalition's complaint that ATXI could not comply with the AIMA if the MZK Route is chosen lacks support and carries little weight. Other impacts under this criterion concern two airstrips: the Tuscola Airport along the MZK Route and Mr. Reed's grass airstrip along ATXI's Primary Route. Whether Mr. Reed's airstrip would be usable if ATXI's Primary Route is chosen is not certain. With regard to the Tuscola Airport, while the Commission does not take lightly the concerns of the airport owner, Moultrie PO's witness on this issue is persuasive. Construction of the MZK Route does not appear to be an impediment to the Tuscola Airport's continuing operation. Overall, the Commission finds that this criterion favors the MZK Route.

With regard to the number of residential and non-residential structures affected by the three routes, the MZK Route is the clear front runner. As reflected in the table above, only one residence is within 75 to 150 feet of the MZK Route centerline, while there are 12 and 17 residences within this distance of ATXI's Primary and Alternate Routes, respectively. As one moves further from the centerline of each route, the number of affected structures continue to favor the MZK Route. Existing and planned development does not appear to favor one route over another.

In considering the level of community acceptance, the Commission understands that none of the affected communities desire the construction of the 345 kV line near them. Several affected communities and stakeholders have not intervened. PDM Coalition seems to suggest that such lack of involvement stems from a lack of notice to Piatt County and Douglas County residents. The record reflects, however, that ATXI held six public meetings in these two counties. Residents of Piatt County and Douglas County therefore had same initial notice of the Illinois Rivers Project as the residents of the other affected counties. Upon the filing of the MZK Route, affected landowners received notice from the Commission as well. Nothing prevented them from following this proceeding and intervening upon seeing that their interests may be affected. The level of support for/lack of opposition to the MZK Route at least marginally favors its adoption over ATXI's routes.

The degree of visual impact also favors the MZK Route. Undeniably, an overhead 345 kV transmission line can not be hidden. If one wishes to minimize its

intrusion into the landscape for this segment of the Illinois Rivers Project, the best solution is to find similar linear features. ATXI Ex. 13.7, page 1 of 13, reflects existing transmission lines between Mt. Zion and Kansas. An existing 138 kV transmission line along nearly one quarter of the MZK Route is the most similar linear feature to the proposed 345 KV line. Running the two lines parallel to one another will minimize the 345 kV line's visual impact. This is not to say that a second line in the same area will have no visual impact. But rather so long as space permits, a second line in the same rural area of an existing line will have less visual impact than a transmission line in a rural area previously untouched by such structures. Because the record does not reflect any comparable linear features along ATXI's routes, the visual impact of a new 345 kV line along those routes would be greater. Had more time existed, other similar linear features may have been identified.

The presence of existing corridors is the final criterion addressed by the parties. Existing corridors such as roads and utility facility corridors are often useful to consider when selecting sites for future utility facilities. While it is not clear that ATXI's routes follow any existing utility facility corridors, the MZK Route, as noted above, follows an existing 138 kV line for nearly one quarter of its length. ATXI indicates as well that a 345 kV line corridor had been previously acquired elsewhere along the MZK Route. The record does not reflect whether any of the three routes are immediately adjacent to any other corridors. The Commission finds that this criterion favors the adoption of the MZK Route.

Upon consideration of all of the criteria, the Commission finds the MZK Route to be the least cost route for the Mt. Zion to Kansas segment of the Illinois Rivers Project. But because, as discussed above, the location of the new Mt. Zion substation has not been approved, the MZK Route is only approved from the existing Kansas substation west to the Macon County line. Stopping the line at the Macon County and Piatt County border at this time will provide sufficient flexibility to resume the line along an appropriate route once the location of the new Mt. Zion substation is identified. That portion of segment from the substation to the county border should be determined at the same time the substation location is determined.

G. Kansas - Indiana State Line

1. ATXI Position

For that segment of the Illinois Rivers Project running from the Kansas, Illinois substation to the Indiana state line, ATXI recommends approval of its Alternate Route, as shown in orange on ATXI Ex. 13.8. In ATXI's rebuttal testimony, its preferred route is designated the "Rebuttal Recommended Route." ATXI has entered into a stipulation with intervenors with land interests in this area of Illinois favoring the adoption of the Alternate Route. In addition to ATXI, the parties to this stipulation are Stop Coalition, Tarble, JDL, Edgar Intervenors, Paul Thrift, and John Thompson.

Altogether, five routes were proposed for this segment: ATXI's Primary and Alternate Routes, a modification to the Primary Route by Laura Te Grotenhuis, and two routes proposed by Stop Coalition prior to its entering into the stipulation with ATXI. ATXI recognizes that Staff, the Allen family, and Clark and Edgar CC support Stop Coalition's Route 2, but argues that Stop Coalition's Route 2 is inferior to the Alternate Route and, in any event, is no longer supported by its initial sponsor. Generally, Stop Coalition's Route 2 runs east from ATXI's proposed expansion of the existing Kansas substation site, paralleling an existing 138 kV transmission line for approximately 20 miles, at which point it turns south and joins the Alternate Route to the state line. Stop Coalition Route 2 also appears on ATXI Ex. 13.8. To expand the existing Kansas substation, ATXI intends to acquire an additional 30 acres adjacent to the existing substation.

a. Length of Line

Of the four routes the length of which is known, ATXI's Alternate Route is the shortest, as reflected in the following table:

	ATXI Alternate Route	ATXI Primary Route	Te Grotenhuis Route	Stop Coalition Route 1	Stop Coalition Route 2
Estimated Length in Miles	33.37	36.95	37.1	24.7	33.7

Accordingly, ATXI notes that this criterion favors adoption of its Alternate Route.

b. Difficulty and Cost of Construction

ATXI asserts that there is no evidence that its Alternate Route would be difficult to construct. But because a substantial portion of Stop Coalition's Route 2 runs parallel to an existing transmission line, absent sufficient separation between the rights-of-way for the two lines, ATXI states that it may be more difficult to construct Stop Coalition's Route 2. The record otherwise, according to ATXI, contains no meaningful distinction among the routes proposed as to the difficulty, if any, associated with their construction.

ATXI also raises an issue regarding the construction of its Primary Route, even though no party recommends that route. Notwithstanding the agreement among ATXI, Stop Coalition, and others to support and recommend approval of the Alternate Route, ATXI relates that Stop Coalition continues to oppose construction of the Primary Route. Stop Coalition argues that ATXI can not lawfully construct the Primary Route because the line depicting that route on ATXI's maps transgresses a federally owned floodplain easement in Clark County. ATXI contends that Stop Coalition's opinion is based on misinterpretations of property records, federal law, and Commission precedent. Moreover, ATXI states that Stop Coalition reached its conclusion irrespective of the fact that neither the federal agency that holds the easement, the National Resource

Conservation Service, nor the owner of the property subject to the easement have intervened in this case. ATXI maintains that the floodplain easement is not an absolute legal bar to construction of the Primary Route. Regardless, ATXI believes that it can construct the route, or adjust the placement of poles along the route, so that no structures are within the easement area, there is no interference with the easement area, no new landowners are affected, and no significant cost differentials result. In ATXI's opinion, Stop Coalition has expended significant resources (its own, the Commission's, and ATXI's) pursuing a nonissue. According to ATXI, the federal floodplain easement in Clark County simply reflects a matter of permitting or land rights of the type typically addressed after the Commission has approved a route in a proceeding such as the one at bar. Furthermore, unless the Commission intends to approve the Primary Route, ATXI sees no benefit or reason for the Commission to offer its legal interpretation on a matter that is a nonissue.

ATXI offers the following table depicting the cost of constructing the various routes when that cost is known:

	ATXI Alternate Route	**ATXI Primary Route**	**Te Grotenhuis Route**	**Stop Coalition Route 1**	**Stop Coalition Route 2**
Estimated Baseline Cost	$63,919,000	$68,236,000	>$68,236,000	not specified	$62,348,000

ATXI notes in its Reply Brief that the expected cost of the Primary Route overall is between $72 and $91 million.

c. Difficulty and Cost of Operation and Maintenance

ATXI asserts that there is no record evidence that the Alternate Route would be difficult to operate and maintain or would be more costly to operate and maintain relative to the other routes proposed. In contrast, ATXI notes that Stop Coalition's Route 2 runs parallel to an existing 138 kV transmission line for approximately 20 miles while the Alternate Route runs parallel to an existing transmission for only 1.5 miles. Absent sufficient separation between the rights-of-ways for the existing and new lines, ATXI states that close proximity presents the potential for operation and maintenance difficulties, and their attendant costs. ATXI adds that both circuits may have to be de-energized to perform maintenance on either. With regard to its Primary Route, ATXI observes that several intervenors expressed concern that the Primary Route may be more difficult, and, consequently, more costly, to operate and maintain due to that route's proximity to limestone quarry operations and a federal floodplain easement in Clark County. ATXI responds that Ameren Services operates and maintains transmission lines adjacent to a variety of land uses and terrains, including quarries and river crossings, and it has not experienced resulting operation and maintenance problems, nor does it foresee any with the Primary Route. But because no party

supports adoption of the Primary Route, ATXI does not believe these concerns warrant much attention.

d. Environmental Impacts

ATXI contends that there is nothing in the record to indicate that any of the identified routes has less of an environmental impact than another. ATXI acknowledges that two intervenors raise environmental concerns pertaining to the Alternate Route upon which ATXI now seeks to build: the Allens and Clark and Edgar CC. The Allens own land bordered on its north edge for approximately 2,000 feet by the Alternate Route, which they oppose based on concern the route will negatively impact woodlands there, including specific species of wildlife seen on that property. Clark and Edgar CC likewise hold property interests in land along the Alternate Route. Its members also oppose the Alternate Route based on concerns it will impact their woodlands, as well as concerns the route will negatively affect farming operations and present and planned economic use of their land. ATXI argues that all of these concerns, assuming they were to materialize, can be addressed through the detailed design of the route, construction mitigation measures, and easement and damage compensation. As an example, ATXI states that mitigation measures related to woodland wildlife could include confirming protected species are present, controlling construction traffic in their vicinity, limiting ground disturbance to the extent feasible, and restoring the right-of-way to its pre-construction condition to the extent feasible. Nonetheless, ATXI asserts that the environmental and land use impacts identified by the Allens and Clark and Edgar CC would occur regardless of the route the Commission approves – if not to them, then to someone else. ATXI states that tree removal, for instance, would not be unique to the property of those intervenors. Furthermore, ATXI points out that the habitat range of the Indiana Brown bat exists relative to the entire Project. ATXI states that specific accommodation of the Allen family and Clark and Edgar CC's concerns simply would shift their concerns to other landowners; it would not eliminate them.

e. Impacts on Historical Resources

ATXI contends that its Alternate Route will not impact any known historical resources. While there is one known archaeological site within the easement area of the Alternate Route and at least one along the Primary Route, ATXI states that none of the sites appear in the National Register of Historic Places. As for Stop Coalition's routes, ATXI contends that the record lacks any analysis of whether any historical resources exist or not along the routes. ATXI will work with the IHPA to address issues that may arise during the construction process, and will obtain required permits or approvals prior to construction.

f. Societal and Land Use Impacts

ATXI believes that the Alternate Route reflects an optimum location for the transmission line in that it would best minimize societal and land use impacts. ATXI states that the primary impact of this route would be to farmland, but contends that

impacts to farmland and individual properties can be addressed through detailed design of the route, construction mitigation measures, and easement and damage compensation. ATXI denies that the impacts attributed to the Primary Route by Stop Coalition are as dire as Stop Coalition suggests.

g. Number of Affected Landowners and Other Stakeholders and Proximity to Homes and Other Structures

ATXI reports that there are approximately 150 landowners and other stakeholders with property on or within 250 feet of either side of the Alternate Route and approximately 140 landowners and other stakeholders with property on or within 250 feet of either side of the Primary Route. ATXI states that neither the Alternate Route nor the Primary Route would require displacement of any residences. Both routes run within 150 feet of a limited number of residential and nonresidential structures. ATXI claims that Stop Coalition's Route 2 would impact more residences and may displace homes.

	ATXI Alternate Route	ATXI Primary Route	Te Grotenhuis Route	Stop Coalition Route 1	Stop Coalition Route 2
Residential 75-150 feet from centerline	6	5	Not specified	Not specified	Not specified
Non-residential 75-150 feet of centerline	11	12	Not specified	Not specified	Not specified

h. Proximity to Existing and Planned Development

ATXI states that there is no evidence that either its Alternate or Primary Route is proximate to any existing or planned development. ATXI reports that Stop Coalition's Route 2 may traverse the planned Wabash Gas Storage Field in Edgar County, which may interfere with operation and maintenance of the transmission facilities. For this reason, ATXI believes this criterion favors the Alternate Route.

i. Community Acceptance

In light of the stipulation with most of those concerned with this segment of the Illinois Rivers Project, ATXI concludes that this criterion favors the Alternate Route. Furthermore, ATXI disputes the conclusions that Clark and Edgar CC draws regarding community acceptance.

j. Visual Impact

ATXI does not believe that this criterion favors one route any more than another.

k. Presence of Existing Corridors

ATXI states that its Alternate Route emerged, in part, from an evaluation of opportunities, including existing corridors, and stakeholder input. As a result of this process, ATXI chose the political boundary between Edgar and Clark Counties as an appropriate path for its Alternate Route. ATXI acknowledges that Stop Coalition's Route 2 runs east from ATXI's proposed Kansas substation site, paralleling an existing 138 kV transmission line corridor for approximately 20 miles, at which point it turns south and joins the Alternate Route to the Indiana state line. Assuming sufficient space between parallel lines, ATXI does not appear to indicate which route it believes this criterion favors.

2. JDL, Stop Coalition, and Tarble Position

JDL, Stop Coalition, and Tarble object to Clark and Edgar CC's suggestion that a decision on the Kansas substation to Indiana state line segment should be deferred. They deny that the stipulation among them and ATXI somehow deprived Clark and Edgar CC of an opportunity for meaningful participation. ATXI detailed its Alternate Route in its November 7, 2012 petition. Stop Coalition offered its proposed routes on January 17, 2013. JDL, Stop Coalition, and Tarble point out that Clark and Edgar CC had the same amount of time to explore the validity and benefits and detriments of the potential routes as every other intervenor in this case. They assert that Clark and Edgar CC's decision not to participate more in this proceeding until just before the evidentiary hearing is not grounds for the Commission to decline to select a route for this segment.

JDL, Stop Coalition, and Tarble also take exception to any speculation about why they entered into a stipulation to support a particular route. In any event, they contend that the record supports adoption of the Alternate Route and ATXI's decision to take heed of the evidence is a tribute to its judgment, not an indictment of its character. They note that parties in Commission matters commonly re-evaluate or alter their positions based on evidence submitted during the course of a proceeding by Staff and Intervenors. That is not, they insist, grounds for the Commission to refuse to decide issues. JDL, Stop Coalition, and Tarble maintain that there is nothing inappropriate about the parties' arm's length negotiated stipulation.

a. Length of Line

JDL, Stop Coalition, and Tarble generally agree with the length calculations for the various proposed routes reflected under ATXI's position. They add that the floodplain avoidance modification to ATXI's Primary Route lengthens that route to 37.29 to 37.33 miles. They observe that overall the Primary Route is 11-12% longer than the Alternate Route. JDL, Stop Coalition, and Tarble do not make a recommendation based on length.

b. Difficulty and Cost of Construction

With the exception of ATXI's Primary Route, JDL, Stop Coalition, and Tarble agree with the construction costs discussed under ATXI's position and find the difficulty of construction of the four remaining routes to be comparable. If ATXI were able to construct its Primary Route, they contend that the cost estimate is understated by at least $1,817,200 to $2,081,736. They attribute the understated costs to $1,267,200 for known Tarble limestone deposits in the path of the Primary Route, $400,000 to $664,536 associated with the federal floodplain area, and $150,000 for Ms. Te Grotenhuis' tiled and terraced fields. They state further that the understated costs could be substantially more if ATXI is required to either buy JDL's radio station or pay to relocate or reconstruct its tower. When these additional costs are added to ATXI's estimate for the Primary Route, JDL, Stop Coalition, and Tarble calculate the cost to construct the Primary Route to be $70,053,200 to $70,317,736. When compared to the estimated cost to construct the Alternate Route of $63,919,000, the original Primary Route costs roughly $6.13 to $6.4 million (9.6% to 10%) more than the Alternate Route.

While they support the adoption of ATXI's Alternate Route pursuant to the stipulation, JDL, Stop Coalition, and Tarble insist that the Primary Route is not a viable option in light of the federal floodplain easement in Clark County. They explain that the federal floodplain easement was established as part of a warranty deed purchased by the federal government in the amount of $576,000 in March 2010. The acquiring federal agency was the Natural Resources Conservation Services ("NRCS"), which is part of the United States Department of Agriculture ("USDA"). A copy of the warranty deed establishing the federal floodplain easement was admitted into evidence as STPL Ex. 1.18. As reflected in STPL Ex. 1.17, ATXI's Primary Route originally was designed to bisect the federal floodplain.

JDL, Stop Coalition, and Tarble report that NRCS advised ATXI before initiating this docket that there were problems with trying to cross the federal floodplain easement land in Clark County. They point out that on October 17, 2012, an NRCS biologist based in NRCS' Clark County office, Dave Hiatt, sent an e-mail to ATXI's spokesperson in which he unequivocally told ATXI that the federal floodplain property in Clark County was not available for use by ATXI for the Illinois Rivers Project. Mr. Hiatt's e-mail read in part:

> These easements must be avoided. There is very little to no authority for the NRCS to modify the terms of these conservation easements. The rights acquired under these conservation easements are quite inclusive and will be superior to any rights Ameren might obtain for an overhead power line right-of-way. (STPL Cross Ex. 8)

ATXI witness Murphy acknowledged having received Mr. Hiatt's e-mail. She was responsible for selecting routes for the transmission line. She testifies that she took no action in response to the e-mail. (Tr. at 876)

JDL, Stop Coalition, and Tarble also take issue with ATXI's failure to notify the federal government of its proposal to construct a transmission line across land upon which the federal government has an interest. Had ATXI been more diligent in its work, they contend that the federal government would have received the notice it was due. According to JDL, Stop Coalition, and Tarble, the failure to serve the NRCS, as the federal government's agent, with formal notice of this proceeding is sufficient reason standing alone to justify rejection of ATXI's Primary Route in the Kansas to Indiana state line segment of this project.

After ATXI apparently ignored the October 17, 2012 NRCS e-mail, JDL, Stop Coalition, and Tarble observe that Mr. Hiatt submitted on December 5, 2012 a public comment on the Commission's e-Docket system. Mr. Hiatt's comment reads in full:

> My name is Dave Hiatt and I represent the United Stated Department of Agriculture's – Natural Resources Conservation Service. I am the Wetlands Reserve Program (WRP) and Floodplain Easement (FPE) coordinator. The USDA-NRCS has identified two conservation easements that will be directly impacted by the PRIMARY route of the proposed power line. Our federal policy is that all conservation easements MUST be avoided. Ameren has provided a SECONDARY route. This SECONDARY route does not appear to impact any USDA-NRCS conservation easements. Therefore Ameren MUST utilize the SECONDARY route to construct the powerline.

With no responsive action by ATXI, they point out that the NRCS State Conservationist sent a certified letter dated February 27, 2013 to one of ATXI's counsel of record in this case. The letter advised ATXI's counsel that, in addition to a Wetlands Reserve program ("WRP") easement in Brown County:

> An Emergency Watershed Protection Program-Floodplain Easement located in Eastern Clark County has also been identified as being directly impacted by the proposed primary route.
>
> * * *
>
> The authority to modify a WRP easement is very limited. EWPP-FPE easements must be avoided as USDA-NRCS has no authority under this program to modify the terms of the conservation easement. NRCS asserts that the rights the USDA acquired under these two easements programs are superior to rights that Ameren Transmission Company of Illinois might acquire to construct the proposed transmission line. (STPL Cross Ex. 9)

JDL, Stop Coalition, and Tarble note that the February 27, 2013 letter also advised ATXI's counsel that both the Office of General Counsel and National Headquarters had been consulted on the situation. (Id.) When ATXI failed to act, another NRCS official

submitted a public comment on e-Docket on March 1, 2013. The public comment essentially repeated the language that was in the NRCS' certified letter.

JDL, Stop Coalition, and Tarble maintain that the NRCS' officials' e-mail, letter, and public comments are all consistent with the NRCS official published "Infrastructure Policy on Easements," which was admitted into evidence as STPL Ex. 15.0. They relate that this NRCS document specifically provides that it is applicable to Emergency Watershed Protection Program-Floodplain Easements ("EWPP-FPE"), which is what the Clark County federal floodplain easement is. They note further that it also defines the infrastructure projects to which it applies to include "Overload and buried electrical transmission lines." (Id. at 1)

ATXI developed two options for addressing the federal floodplain in late March: (1) build tall structures on either side of the floodplain area and then string the transmission line across so that it would hang more than 100 feet above the ground (ATXI Ex. 12.0 (Rev.) at 33) or (2) divert the transmission line south of the floodplain and then back north to its original route using a "V" shape. (ATXI Ex. 13.0 (3d Rev.) at 65) While the former option may be feasible from an engineering perspective, JDL, Stop Coalition, and Tarble insist that it does not avoid the prohibition of any kind of use of the floodplain area. They contend that doing so would be inconsistent with NRCS' stated plans for the floodplain easement. They state further and explain in their Initial Brief (at 23-24) that the latter option is not available because not all owners of the land affected by the modification have received notice of this proceeding.

c. Difficulty and Cost of Operation and Maintenance

With regard to the difficulty and cost of operation and maintenance, the only route that JDL, Stop Coalition, and Tarble comment on is ATXI's Primary Route. They point out that the Primary Route in the segment between Kansas, Illinois and the Indiana state line is adjacent to the Quality Lime limestone quarry. Quality Lime is a member of Tarble. They contend that the presence of an active limestone quarry will result in limestone dust accumulating on the insulators, which can cause deterioration of the insulators and possibly lead to faults in the transmission line. They assert that only mechanical washing will remove the dust. JDL, Stop Coalition, and Tarble also state that if the transmission line is strung over the floodplain along the Primary Route, maintenance would have to be performed either by helicopter, a sky crane, or by attaching maintenance workers to the transmission line and sliding them up and down the line. They surmise that such maintenance procedures could entail extraordinary maintenance costs. For these reasons, they suggest that this criterion does not favor the Primary Route.

d. Environmental Impacts

With regard to environmental impacts, the only route that JDL, Stop Coalition, and Tarble comment on is ATXI's Primary Route. They assert that construction along the Primary Route would require the redesign of terraces built to control soil erosion and

could destroy other extensive soil erosion measures that Laura Te Grotenhuis had built on her property at a cost in excess of $150,000. Ms. Te Grotenhuis also testifies that use of the Primary Route could impact USDA conservation practices employed on her property. For these reasons, they suggest that this criterion does not favor the Primary Route.

e. Impacts on Historical Resources

With regard to impacts on historical resources, the only route that JDL, Stop Coalition, and Tarble comment on is ATXI's Primary Route. They note that Margaret Sue Amacher Snedeker testified that the Primary Route passes through the middle of one Centennial Farm she owns and would take part of another Centennial Farm. A Centennial Farm is a farm that has been owned by the same family for a century or more. In this case, the two Centennial Farms have been in Ms. Snedeker's family for 133 years and 167 years, respectively. Ms. Snedeker testified further that the Primary Route in Clark County appears to pass over the graves of her great-great grandparents in the Renner Family Cemetery on her land. For these reasons, they suggest that this criterion does not favor the Primary Route.

f. Social and Land Use Impacts

With regard to social and land use impacts, the only route that JDL, Stop Coalition, and Tarble comment on is ATXI's Primary Route. They complain that the Primary Route will interfere with the extraction of limestone valued at $1,267,200. JDL also asserts that the Primary Route in Clark County would be within approximately 220 feet of WMMC-FM's 500 feet tall broadcast tower and 70 feet of one of the tower's outer guy wire supports. Lori Spangler, one of JDL's owners, states that WMMC provides important public and community services in Clark County. She fears that construction of the Primary Route in this area could result in closure of the radio station and loss of this community asset, or force the relocation of its broadcast tower. Laura Te Grotenhuis testifies that she is concerned about the effect of stray voltage from the transmission line if it were located on the Primary Route due to nearby metallic structures used in her farming and animal breeding businesses. Margaret Sue Amacher Snedeker expresses concern about the proximity of a transmission line on the Primary Route to numerous homes in her subdivision, and the effects of the proposed transmission on the residents of a subdivision. Perry Baird testifies about his concern that the Primary Route is very close to a single family home owned by the Thelma Worrick Revocable Trust property, for which Mr. Baird serves as the co-trustee, and the potential impact on prime farmland on that property. For these reasons, they suggest that this criterion does not favor the Primary Route.

g. Proximity to Existing and Planned Development

With regard to proximity to existing and planned development, the only route that JDL, Stop Coalition, and Tarble comment on is ATXI's Primary Route. Jerry Tarble testifies that in the past he has previously developed former mining sites into residential

communities, such as the Golf-Lakes Subdivision in Marshall, Illinois. Mr. Tarble contends that he would be unable to develop and market a residential development on property in proximity to a 345 kV line on the Primary Route. For this reason, they suggest that this criterion does not favor the Primary Route.

h. Community Acceptance

With regard to the level of community acceptance, the only route that JDL, Stop Coalition, and Tarble comment on is ATXI's Primary Route. They state that one only need look at the 100 or more intervenors running the entire length of the proposed Primary Route in Clark County to know that the communities lying in its path are adamantly opposed to adoption of this route. They contend that the intense, focused opposition to the Primary Route in Clark County rivals that of any other potentially affected area in the State. For this reason, they suggest that this criterion does not favor the Primary Route.

3. Edgar Intervenors, Thompson, and Thrift Position

a. Difficulty and Cost of Construction, Operation, and Maintenance

The Edgar Intervenors, Mr. Thompson, and Mr. Thrift believe that the construction, operating, and maintenance costs of the Stop Coalition's routes would be more than ATXI's routes. They base this conclusion on their observation that Stop Coalition's routes pass through undulating terrain, more wooded property, and more stream crossings than ATXI’s Primary and Alternate Routes, each of which they believe would make a power line more difficult and expensive to construct, operate, and maintain. They also assert that Stop Coalition's routes impact significantly more residential development and land with higher property values than the Clark County routes proposed by ATXI. They surmise that this would make land acquisition more expensive for ATXI and increase the cost of construction over the Primary and Alternate Routes. For the foregoing reasons, they believe that the ATXI Primary Route is superior and the Alternate Route is acceptable.

b. Environmental Impacts

The Edgar Intervenors, Mr. Thompson, and Mr. Thrift contend that Elbridge Township in Edgar County, through which a significant portion of Stop Coalition's routes pass, is more environmentally sensitive than ATXI's Primary or Alternate Routes. They cite the presence of the endangered Indiana Bat, the Brown Bat, and Jefferson Salamander to support their position. For this reason, they believe that the ATXI Primary Route is superior and the Alternate Route is acceptable.

c. Social and Land use Impacts, Number of Affected Landowners and other Stakeholders, Proximity to Development, and Community Acceptance

The Edgar Intervenors, Mr. Thompson, and Mr. Thrift argue that the more northerly routes suggested by Stop Coalition would have a more profound negative impact because Elbridge Township in Edgar County, through which Stop Coalition's routes pass, has more residential development than Clark County, through which ATXI's routes pass. They contend that routing a power line through a more heavily developed area would impose heavier impacts on society and land use, affect a greater number of landowners and other stakeholders, be closer to existing and planned development, and result in lower community acceptance. For these reasons, they believe that the ATXI Primary Route is superior and the Alternate Route is acceptable.

4. Clark and Edgar CC Position

Clark and Edgar CC opposes the selection of ATXI's Alternate Route for segment of the Illinois Rivers Project between Kansas, Illinois and the Indiana state line. In discussing its concerns with the Alternate Route, Clark and Edgar CC suggests that the prelude to the stipulation supporting the Alternate Route raises questions about the sufficiency of the amount of time and study that went into the choice of routes for this segment. Clark and Edgar CC notes that on May 1, 2013, less than two weeks prior to the start of the evidentiary hearing, ATXI, Stop Coalition, and others filed a stipulation wherein the parties agreed to support the adoption of ATXI's original Alternate Route. This being stated, Stop Coalition did not rescind its alternate routes from consideration and continues to argue against ATXI's Primary Route as it relates to the Emergency Watershed Protection Easement which is located thereon. Clark and Edgar CC contends that these events allowed its members very limited time within which to formulate their arguments on the record about the undesirability of ATXI's Alternate Route, and the bona fides of Stop Coalition's alternate routes. Clark and Edgar also observe that in stipulating to ATXI's Alternate Route, both ATXI and Stop Coalition dropped support for their routes of first choice, to enter into a compromise which neither, Clark and Edgar CC surmises, had to believe was their "best effort" from the start. This happenstance, Clark and Edgar CC continues, is further confused by the comments of ATXI witness Murphy, who testified at the evidentiary hearing that her company did not make any technical mistakes or errors in judgment when it designated ATXI's Primary Route as the best choice for this section of the project. (Tr. 848)

In determining whether ATXI has met its burden to demonstrate that the portion of the project which runs through Clark and Edgar Counties is "necessary to provide adequate, reliable, and efficient service to the public utility's customers," as required by Section 8-406.1(f)(1) of the Act, Clark and Edgar CC asserts that the Commission has to be concerned about the manner in which the Alternate Route came to the fore on this expedited schedule. In deciding whether a utility has met its burden in a transmission line case, Clark and Edgar CC states further that the Commission is allowed to use "common sense" to determine what route best serves the public under the applicable

statutes. (See Docket No. 06-0706 June 23, 2010 Order on Reopening at 20) In this instance, Clark and Edgar CC questions whether common sense and the totality of the record indicate that it may be premature to issue a certificate to ATXI for the Kansas to Indiana state line portion of the project. Now that Staff has made a similar suggestion to defer approval on the Pana to Kansas segment of the Illinois Rivers Project, Clark and Edgar CC contends that it is even more appropriate to consider deferring action on the Kansas to Indiana state line segment. In support of denying the requested relief for the Pana to Kansas segment, Staff mentions that ATXI is going to have to file an application for a second certificate of public convenience and necessity to complete this MISO MVP in any regard, and the relevant development dates are not until 2018. As this is predominantly a west to east project, Clark and Edgar CC states that it only makes sense that any final decision concerning the Kansas to Indiana state line segment be withheld until the segments to the west are finalized. This is especially true, Clark and Edgar CC continues, because the development date for the easternmost segment of the project, Kansas to the Indiana state line, is not until 2019. As such, Clark and Edgar CC observes that there is no pressing need for the Commission to issue a certificate for the portion of the project crossing through Clark and Edgar Counties at this time. If, however, the Commission decides to approve a route for this segment, Clark and Edgar CC offers their analysis of various cost factors typically considered by the Commission.

a. Length of Line and Difficulty and Cost of Construction

Clark and Edgar CC acknowledges that the Alternate Route is the shortest by three-tenths of a mile when compared to Stop Coalition's Route 2. But because of the number of dead-end structures on these two routes, Clark and Edgar CC agrees with Staff that Stop Coalition's Route 2 is less expensive to construct by $1,571,000. Clark and Edgar CC points out that Stop Coalition's Route 1 might be even cheaper to build, as it is almost nine miles shorter than ATXI's Alternate Route. Unfortunately, cost figures for Stop Coalition's Route 1 do not exist in the record. In support of its supposition regarding Stop Coalition's Route 1, Clark and Edgar CC observes that it is the straightest path east, which should result in lower costs because turns in a transmission line are expensive to construct.

The only problem with Stop Coalition's Route 1 that Clark and Edgar CC is aware of was identified by ATXI witness Murphy, who testifies that the further north the transmission line meets the Indiana border, the more lines or other features are going to be required in that State to move the power east. Clark and Edgar CC finds this interesting, as Ms. Murphy also admits that ATXI's Alternate Route simply ends at the Indiana border, and there are presently no proceedings seeking to build anything in that State. Clark and Edgar CC notes that Ms. Murphy indicates that states have cooperated with each other on projects she has worked on in the past, and that Indiana is a MISO state. Clark and Edgar CC argues that what does or does not happen in another state is not relevant to this proceeding before the Commission, so Stop Coalition's Route 1 should remain a viable alternative to consider. Clark and Edgar CC also wonders, however, whether the Commission or MISO could influence the construction of transmission facilities in Indiana.

With regard to suggestion that parallel transmission lines along Stop Coalition's Route 2 might pose construction problems, Clark and Edgar CC points out that 19% of ATXI's preferred route for the Illinois Rivers Project is comprised of parallel lines. Because ATXI apparently has no qualms about parallel lines elsewhere along its preferred route, Clark and Edgar CC questions why ATXI should have concerns about parallel lines along Stop Coalition's Route 2. Clark and Edgar CC urges the Commission to give no weight to such statements by ATXI.

b. Difficulty and Cost of Operation and Maintenance

Clark and Edgar CC believes this criterion favors ATXI's Primary Route or either of Stop Coalition's routes. Clark and Edgar CC points out that ATXI witness Murbarger testifies that maintenance costs depend on how difficult it is to get to a section of the relevant line, and existing roads are important, as it makes it easier to access the lines. (Tr. at 387) The three routes that Clark and Edgar CC favors each include an area where existing lines are paralleled for a significant distance. Clark and Edgar CC reasons that if the existing lines were built with an emphasis on ease of maintenance, collocating new lines now will benefit from the same accessibility. In contrast, Clark and Edgar CC points out that ATXI's Alternate Route cuts across farmland with easy means of access. Clark and Edgar CC also dispute the suggestion that parallel lines along Stop Coalition's Route 2 would hamper operation and maintenance. If parallel lines are acceptable along 19% of ATXI's preferred route, Clark and Edgar CC questions why parallel lines would be problematic along Stop Coalition's Route 2.

c. Environmental Impacts

With regard to environmental impacts, Clark and Edgar CC witness Orin testifies that ATXI's Alternate Route would cause serious environmental destruction to native hardwood forests that have been protected by individual families because of their love of the land and their concern for the environment. He states further that interveners Kent and Janet Stark and their family own woods close to and identical to Baber Woods, which is protected by TNC as a nature preserve. Since 1833 and for seven generations, the Stark family has been steadfast in protecting these woods, and has resisted numerous offers over the years to harvest the forest. Mr. Orin relates that the 150 feet wide clear cut path to accommodate the transmission line would destroy nearly 12 acres of native woodland. Likewise, he continues, the property of interveners Bruce and Tammy Trefz is close to Rocky Branch Nature Preserve, and the Trefz family has also been protective of their native hardwood forests, including many trees that have been identified as over 125 years old. He urges the Commission to give serious consideration to the fact that the existing power line routes have already had right-of-ways cleared and ready for use. He contends that it does not make sense to damage more woodland when a path already exists. Mr. Orin also points out that ATXI witness Murphy indicates that wooded areas were to be treated with the highest level of sensitivity, along with cemeteries, churches, existing drainage features, prime farmland, residential uses, and schools. He insists that there is no evidence in the record that

similar environmental impacts exist on the other possible routes through this area, even in regard to the floodplain issue on ATXI's Primary Route. He concludes that this criterion should significantly militate against the Commission adopting the Alternate Route as the least-cost alternative in this situation.

d. Impacts on Historical Resources

Clark and Edgar CC asserts that there is scant evidence indicating that historical resources are going to be an issue related to any of the relevant routes. Based on ATXI Ex. 4.5, Clark and Edgar CC states that there are two known archeological sites on the Primary Route which total three tenths of an acre, while there is one known archeological site on the Alternate Route which totals nine tenths of an acre. Clark and Edgar CC anticipates that historical resources would have been considered when the existing 138 kV line along Stop Coalition's Route 2 was constructed and contends that there is no evidence indicating that there are historical resources on either of Stop Coalition's routes. Therefore, Clark and Edgar CC believes that this criterion favors Stop Coalition's routes.

e. Social and Land Use Impacts

With regard to social and land use impacts, Clark and Edgar CC finds the record most favorable to Stop Coalition's Route 2. Because there are no other similar features in the area of ATXI's proposed Alternate Route, Clark and Edgar CC witness Orin testifies that the presence of a large transmission line in this area would be disruptive to farming operations. He contends that the damage to existing farming operations and difficulty of farming around power lines is already well-documented. Mr. Orin asserts that the social and land use impacts are significant, and should give the Commission serious concerns about the viability of ATXI's Alternate Route.

f. Number of Affected Landowners and Other Stakeholder and Proximity to Homes and Other Structures

Clark and Edgar CC argues that there may be no difference under this criterion among the relevant routes. Clark and Edgar CC recognizes that ATXI witness Murphy lists 22 residential structures within 500 feet of ATXI's Alternate Route and 23 residential structures within 500 feet of ATXI's Primary Route. It also acknowledges her testimony that Stop Coalition's Route 2 runs near a greater number of existing residences, and may even require displacement of a least two existing residences. In response, Clark and Edgar CC points out that Ms. Murphy also testifies under cross-examination that she did not make a distinction between occupied and non-occupied structures when she made these calculations. (Tr. at 785) Without more information, Clark and Edgar CC contends that the Commission can not really know exactly how many residences will be affected by any of the proposed routes.

g. Proximity to Existing and Planned Development

Clark and Edgar CC seems to suggest that ATXI's concerns about development along Stop Coalition's Route 2 are a red herring. ATXI witness Murphy testifies that this route might be adversely affected by the Wabash Gas Storage Project. She admits, however, Clark and Edgar CC points out, that she did not have any details and conceded that the storage project is not yet in existence.

If ATXI's Alternate Route is chosen, Clark and Edgar CC fear that several future developments planned for the area will be quashed. Clark and Edgar CC witness Orin testifies that interveners Steve and Robin Trapp will close the public business which they run out of their home, as they plan to move if the power line runs through their front yard. Interveners Ben and Abbie Furlong have plans to soon purchase the property they currently rent along ATXI's Alternate Route in order to build an equestrian center for children, including those with disabilities. If the power line is constructed, Mr. Orin asserts that the area would not be considered safe for children, bringing an end to the plans. Interveners Justin and Angie Perry have plans underway for a grass airstrip which is currently being reviewed by the Aeronautics Division of IDOT and the FAA. Mr. Orin contends that the airstrip will not be completed if the power line is constructed across the flight path. He states that these are just three of many examples of how a new 345 kV transmission line would negatively affect economic development along ATXI's Alternate Route.

h. Community Acceptance

With regard to community acceptance, Clark and Edgar CC references a February 5, 2013 comment from the Marshall Community Unit School District in Clark County and a March 19, 2013 comment from the Clark County Farm Bureau on the Commission's e-Docket system. Both commenters object to the construction of the transmission line anywhere in Clark County. Clark and Edgar CC argues that the Commission can use these comments as evidence of the lack of community acceptance of the proposed transmission line in Clark and Edgar Counties. The only possible evidence, according to Clark and Edgar CC, of community acceptance of any portion of the project is demonstrated by the lack of any individual or group intervening in this proceeding that lives or owns property along the majority of Stop Coalition's Route 2, despite the fact that all of the registered landowners along the route received notice from the Commission in February 2013. In fact, it continues, no one has intervened along the unique section of Stop Coalition Route 2. While ATXI witness Murphy could not explain the reason for this happenstance (see Tr. at 785), Clark and Edgar CC suggests that this lack of objection indicates an acceptance of the project, as a preexisting transmission line corridor already runs through the relevant portion of Edgar County. This, Clark and Edgar CC continues, is completely opposite to the situation faced by its members, whose area is completely devoid of similar linear features, and is “virgin” territory, which will be ruined by the adoption of ATXI's Alternate Route. Clark and Edgar CC contends that the lack of formal opposition to Stop Coalition's Route 2 favors its adoption.

i. Visual Impact

Clark and Edgar CC seems to suggest that an easy way to minimize visual impact is to run the proposed transmission line through an area with an existing transmission line. Both of Stop Coalition's routes would suit this method. Clark and Edgar CC even goes so far as to suggest running both lines over a single set of poles for approximately one-third of the entire length of the segment to further reduce the visual impact on the surrounding community.

In contrast, Clark and Edgar CC argues that running any transmission poles through the pristine area where its members live and own property would constitute an immediate eyesore. There simply is no denying, according to Clark and Edgar CC, that transmission poles of this nature are not attractive, regardless of the circumstances in which they are placed. As such, the Commission should take whatever action is necessary to limit the damage done. In this case, Clark and Edgar CC asserts that rejecting ATXI's Alternate Route is the most obvious action which can be taken to achieve this goal, while consideration of the other routes would favor the choice of either Stop Coalition's routes.

j. Presence of Existing Corridors

With regard to the presence of existing corridors, Clark and Edgar CC believes that Stop Coalition's routes are the most favorable routes. From the cross-examination at the hearing, Clark and Edgar CC concludes that there was no clear adversity to the consideration of parallel and even dual circuit routes. Staff witness Rockrohr, Clark and Edgar CC observes, comments that the existing right-of-ways are the least-cost options when they are constructed, so it would make sense to follow them up with a later line. Mr. Rockrohr further testifies, “There is nothing unsafe or inherently unreliable about having two transmission lines that do not serve the same function or area routed adjacent to each other.” (Tr. at 236) Mr. Rockrohr also does not see any maintenance issues with parallel lines, and could see no technical problems having two lines in close proximity. Mr. Rockrohr even offers that dual circuits could be viable, depending on the function of each line. (Tr. at 269) ATXI witness Murbarger concedes that 138 kV and 345 kV lines can safely go on the same poles. (Tr. at 373) ATXI witness Hackman, Clark and Edgar CC reports, agrees that reliability would not be concern with parallel lines because the purposes of the two lines are not the same. (Tr. at 981-86 and 993) Clark and Edgar CC notes ATXI witness Murphy's testimony that shared corridors should always be considered as an “opportunity” when planning a new transmission line. (Tr. at 727) Ms. Murphy also admits that common sense supports the idea that it is easier to follow an existing path than blaze a new trail through unburdened territory. (Tr. at 846) She further testifies that 19% of the entire route ATXI now seeks to construct is composed of parallel or dual circuit lines. (Tr. at 930) For these reasons, Clark and Edgar CC maintains that the existing corridors along Stop Coalition's routes should be utilized.

5. Allen Position

Donna Allen opposes the use of ATXI's Alternate Route because she fears that it will detrimentally impact her family's property along the border between Clark and Edgar Counties. She testifies that the relevant property contains heavily wooded old growth timber and highly erodible valleys and creeks throughout. She adds that some of the trees are very large and may break certain State records. Plants in this area include the rare and endangered native Red Trillium and ginseng, which is protected by the Ginseng Harvesting Act, 525 ILCS 20/0.01 et seq. Other environmental concerns she has pertain to the impact on wildlife. Mrs. Allen believes that the endangered Indiana brown bat is common in the area, as well as endangered alligator snapping turtles, pileated woodpeckers, wild turkey, white tail deer, and quail. She adds that pileated woodpeckers, an indicator species for old growth forests, are protected by the U.S. Migratory Bird Act, 16 USC 703, and 50 CFR 10.13. Mrs. Allen invites the Commission to visit her property before making a decision.

She also believes that companies such as ATXI should be encouraged to work with others to develop a comprehensive infrastructure plan. She is troubled as well by expedited nature of this large project and notes that ATXI had years to prepare while she and others have had only a few months to defend their interests. If existing roads and transmission lines are available, Mrs. Allen recommends that they be considered for ATXI's new transmission line corridor.

6. WOW Position

WOW objects to the suggestion by Clark and Edgar CC that the Commission refrain from selecting a route for this segment. WOW interprets Clark and Edgar CC's request to be that the Commission direct ATXI to refile for approval of the final segment of the Illinois Rivers Project after the Indiana Utility Regulatory Commission approves the portion of the line under its jurisdiction. WOW encourages the Commission to avoid this chicken or egg scenario. WOW asserts that ATXI and MISO have shown that the entire line is needed and meets the standards in Section 8-406.1(f), and the line should be approved as submitted.

7. Staff Position

Staff compares the lengths of the five identified routes and recognizes that Stop Coalition's Route 1 is by far the shortest at 24.7 miles long. This route essentially travels straight east from the Kansas substation to the Indiana state line. Staff witness Rockrohr understands that in light of this entry point into Indiana, an Indiana utility would have to construct additional facilities to connect the line to the next substation. Because this Commission lacks authority to require such an effort by an Indiana utility, Staff does not view this option favorably. The next shortest routes are ATXI's Alternate Route (33.37 miles) and Stop Coalition's Route 2 (33.7 miles). Staff notes that in rebuttal testimony, ATXI provided baseline costs that show Stop Coalition’s Route 2 would be approximately $1.571 million less costly to construct than ATXI’s Alternate Route. In

light of this advantage and having anticipated lower operation and maintenance costs, Staff recommends adoption of Stop Coalition's Route 2. Staff also views Stop Coalition's Route 2 more favorably when it comes to the presence of existing corridors, observing that Stop Coalition's Route 2 parallels an existing 138 kV transmission line for a longer distance than ATXI's Alternate Route. Staff also notes that it generally prefers routes that pass close to fewer residences, but because it is not aware of a comparison of the routes on this basis, it does not have an opinion based on this criterion. Staff notes, however, that it is not aware of any of any occupied structures along Stop Coalition's Route 2 that would need to be demolished. Staff also questions the logic of expanding the existing Kansas substation. Staff maintains that ATXI could terminate its proposed 345 kV line at the existing substation.

8. Commission Conclusion

The first task in addressing this segment of the Illinois Rivers Project is to determine whether the concerns raised by Clark and Edgar CC warrant deferring the selection of a route at this time. Despite infirmities in the record, the Commission finds that sufficient information exists to determine the most suitable route among those offered and will therefore not defer a decision on this segment. Based on the criteria discussed by the parties, two routes rise as the most advantageous: ATXI's Alternate Route and Stop Coalition's Route 2. Stop Coalition's Route 1 may very well be acceptable as well, but too many unknowns surround this route in order for the Commission to confidently consider it. ATXI's Primary Route also fails to make the list of routes worth considering in light of the problems associated with the federal floodplain easement. The Commission is not convinced of ATXI's view that the Primary Route remains viable under the circumstances.

ATXI's handling of the floodplain easement issue along its Primary Route causes the Commission to pause before choosing between ATXI's Alternate Route and Stop Coalition's Route 2. While the Commission has no reason to doubt the statements of the NRCS, regardless of the truth of those statements, the Commission is surprised and concerned by ATXI's failure to consider them. Approximately three weeks before filing its initial petition, ATXI received notice of a potentially serious problem along its Primary Route. Yet ATXI witness Murphy testifies that she took no action in response thereto. (Tr. at 876) Only after NRCS raised its concerns for a fourth time did ATXI decide it needed to address them. Its solution is an "alternative pole placement" (see Tr. at 890-891) of more than one-quarter mile. In her explanation of the alternative pole placement, ATXI witness Murphy states, "I think we characterized it in a data request response as not a modification but for all intents and purposes it was just alternative pole placements." (Id. at 891) If such a change simply represents an "alternative pole placement," the Commission questions how large of a change must occur before it becomes a modification to a route. To assist ATXI in answering this question, a change of more than one-quarter mile should not be considered a simple adjustment of poles. ATXI witness Murbarger testifies that once an easement is established, ATXI has about five feet of flexibility from the centerline concerning pole placement. (see Tr. at 401-402) This latter type of adjustment is more properly described as an alternative pole

placement. ATXI's late, significant modification of its Primary Route and labeling it an "alternative pole placement" appears to be an effort to minimize and avoid taking responsibility for poor judgment in ignoring communications from a federal agency. Whether or not the statements by NRCS are accurate, ATXI had a responsibility to pursue the issue and not ignore it until nearly the end of this process. Furthermore, in exchange for the option to seek expedited treatment of transmission line siting petitions, electric utilities are supposed to put greater emphasis on preparing their proposals and identifying potential route conflicts prior to filing. ATXI did not fulfill this responsibility in this instance. In the future, ATXI would be wise to avoid such mistakes to begin with, admit them if they occur, and accept whatever consequences may follow.

Turning to the pros and cons of ATXI's Alternate Route and Stop Coalition's Route 2, the Commission finds that the difference in length is negligible while the difference in cost favors Stop Coalition's Route 2. As for the difficulty of construction, operation, and maintenance, the main concern seems to be the presence of an existing 138 kV transmission line along a large portion of Stop Coalition's Route 2. In the absence of sufficient space between the two transmission lines, some parties, including ATXI, suggest that construction, operation, and maintenance could be more difficult. Because sufficient space can avoid any such problems, however, the Commission is not concerned by parallel lines under these criteria. With regard to environmental impacts, Stop Coalition's Route 2 may be only marginally more favorable simply because there are more details in the record on this particular issue that favor that route. Regardless of which route the Commission adopts there are bound to be similar environmental impacts. The impact on historical resources and land use are other areas where ATXI's Alternate Route and Stop Coalition's Route 2 are comparable.

The number of occupied homes near each route is a topic on which the Commission wishes it had more information. The record lacks a count of occupied homes near Stop Coalition's Route 2. While ATXI reports six residences within 75 to 150 feet of the centerline of its Alternate Route, the Commission is hesitant to accept this number as accurate in light of ATXI's own testimony that it did not make a ground level assessment of structures along the routes and based its decisions on assumptions made from its aerial survey. ATXI's claims that one or more homes along Stop Coalition's Route 2 may need to be raised is not taken lightly by the Commission. But at the same time, ATXI's insistence that it can make adjustments to accommodate landowners elsewhere along its preferred route causes the Commission to question the likelihood of such an outcome. Why ATXI could not make similar adjustments along the route is unclear to the Commission. Staff also questions the need to demolish any occupied structures. Overall, the Commission simply lacks reliable information concerning this criterion. Perhaps had more time existed, this void in the record would not exist. The record being what it is, the Commission can not say with confidence which route is preferable under this criterion.

Proximity to existing and planned development may be an area where ATXI's Alternate Route is marginally favored. Aside from common local uses shared by both routes, ATXI reports that Stop Coalition's Route 2 may traverse the planned Wabash

Gas Storage Field in Edgar County, which may interfere with operation and maintenance of transmission facilities along that route. Whether the storage field will in fact be built is not clear, and if it is built, it is not clear whether the storage field and a transmission line along Stop Coalition's Route 2 would interfere with one another in any way. The Commission finds that the ambiguity surrounding this issue is what may only make ATXI's Alternate Route marginally more favorable than Stop Coalition's Route 2.

The next criterion, community acceptance, favors Stop Coalition's Route 2. Supporters of both routes all claim that the area community accepts the same route they favor. But perhaps the most compelling information in the record is the lack of intervenors from parcels along that part of Stop Coalition's Route 2 that does not overlap ATXI's Alternate Route. The lack of intervenors from this area indicates to the Commission that the landowners affected by Stop Coalition's Route 2 at least do not object enough to actively oppose a second transmission line in their area. Such acceptance is not mirrored along ATXI's Alternate Route.

The degree of visual impact also favors Stop Coalition's Route 2. Undeniably, an overhead 345 kV transmission line can not be hidden. If one wishes to minimize its intrusion into the landscape for this segment of the Illinois Rivers Project, the choice is between an agricultural and wooded area currently lacking any similar linear features and agricultural and wooded area where a 138 kV transmission line already exists for a great length of the route. The latter is clearly preferable. This is not to say that a second line in the same area will have no visual impact. But rather so long as space permits, a second line in the same rural area of an existing line will have less visual impact than a transmission line in a rural area previously untouched by such structures.

The final criterion discussed by the parties relates to the presence of existing corridors. Again, Stop Coalition's Route 2 is preferable. Whereas ATXI's Alternate Route does not lie within any existing corridor, Stop Coalition's Route 2 parallels an existing 138 kV transmission line for much of its length. The Commission acknowledges that ATXI's Alternate Route follows the border between Clark and Edgar County, but does not consider such an outwardly undetectable political boundary in any way comparable to an existing transmission line corridor.

With regard to ATXI's proposed construction of a new substation adjacent to AIC's existing Kansas substation, the Commission understands the issue to be simply whether space exists in the existing substation to accommodate new equipment. This question should have been resolved through discovery because whether sufficient space exists should be easily discernible. Why this has not occurred here is uncertain. Instead, the Commission is faced with ATXI's position that more space is necessary and Staff's assertion that sufficient space is available now. Perhaps had more time been available to pursue this issue in discovery and otherwise consider such details, this issue could have been avoided. In the interest of choosing the least-cost option for this Project, the Commission declines to grant ATXI approval to construct an additional substation where one already exists. Should new or additional evidence be presented

to the Commission on rehearing or in a separate proceeding demonstrating the necessity of such a substation, the Commission would revisit this issue.

Upon considering the criteria discussed by the parties, the Commission concludes that Stop Coalition's Route 2, excluding a new Kansas substation, imposes the least cost on those affected. ATXI witness Hackman acknowledges that Stop Coalition's Route 2 does not pose any reliability problems from the perspective of parallel lines. Moreover, the parallel lines along Stop Coalition's Route 2 would be no different from 19% of the route with parallel lines that ATXI seeks to build.

H. Sidney - Rising

1. ATXI Position

ATXI continues to prefer its Primary Route between Sidney, Illinois and Rising, Illinois. This route is shown in teal on ATXI Ex. 13.9 and on Figure 8 in ATXI's Initial Brief. In ATXI's rebuttal testimony, its preferred route is designated the "Rebuttal Recommended Route." ATXI observes that Staff witness Rockrohr endorses the Primary Route as "the best choice" for this segment of the Illinois Rivers Project. (Staff Ex. 1.0R at 53)

a. Length of Line

Existing easements cover a majority of the distance of ATXI's Primary Route, which totals 24.2 miles in length. ATXI's Alternate Route is 33.8 miles long. ATXI states that the Raghebs' proposed modification of the Alternate route would decrease its length by less than a mile (32.9 miles), but would require five additional dead-end structures.

b. Difficulty and Cost of Construction

As can be seen from the table below, the estimated baseline cost to construct ATXI's Primary Route is approximately $25 million less than ATXI's Alternate Route. The Raghebs' proposed modification of ATXI's Alternate Route requires five additional dead-end structures, which would raise the cost to construct that route.

	ATXI Primary Route	ATXI Alternate Route	Ragheb Family Route
Estimated Baseline Cost	$40.482 million	$65.122 million	Not specified but > $65.122 million

c. Difficulty and Cost of Operation and Maintenance

Because ATXI's Primary Route is significantly shorter than its Alternate Route, it will cost less to operate and maintain. All else being equal, however, ATXI acknowledges that the portion of the Primary Route to be constructed on dual-circuit

poles will entail slightly higher costs of operation and maintenance for the line compared to single-circuit poles. But according to ATXI, that cost is offset by the significantly lower cost of construction and other factors such as planned development, as described below.

d. Environmental Impacts

ATXI asserts that no evidence of record suggests that the Primary Route does not strike the best balance between environmental impacts and other considerations. ATXI recognizes that members of Colfax-Scott LPG state general concerns in testimony regarding "environmental preservation" with respect to ATXI's Alternate Route, but they provide no information to support such concerns either in testimony or in response to data requests. In response to Mr. Lockwood's concern that the Alternate Route would result in removal of trees on his property, ATXI states that tree removal would not be unique to Mr. Lockwood's property. ATXI points out, however, that all of these concerns are resolved by adoption of the Primary Route.

e. Impacts on Historical Resources

ATXI contends that its Primary Route will not impact any known historical resources. While there is one known archaeological site with 75 feet of the Primary Route, ATXI states that this site does not appear in the National Register of Historic Places. ATXI will work with the IHPA to address issues that may arise during the construction process, and will obtain required permits or approvals prior to construction.

f. Social and Land use Impacts

Although the testimony on behalf of Colfax-Scott LPG discusses certain impacts of ATXI's Alternate Route on agricultural land uses, ATXI counters that these impacts are not unique to the Alternate Route and will occur with equal frequency across the state. In any event, ATXI contends that such concerns can be addressed through final line design and compensation. ATXI also points out that adoption of the Primary Route would address Colfax-Scott LPG's concerns.

g. Number of Affected Landowners and other Stakeholders and Proximity to Homes and other Structures

ATXI reports that approximately 102 individuals own property within 250 feet on either side of the Primary Route while approximately 150 individuals own property within 250 feet on either side of the Alternate Route. There is no record evidence of the total number of landowners that would be affected by the Raghebs' modification to ATXI's Alternate Route. ATXI maintains, however, that the modification would place the route in closer proximity to a greater number of existing residences than either the Primary Route or Alternate Route. As best as can be determined, the table below identifies the number of residences closest to the centerline of each route.

	ATXI Primary Route	ATXI Alternate Route	Ragheb Family Route
Residences 0-75 feet from centerline	0	0	Not specified
Residences 75-150 feet of centerline	3	6	Not specified

h. Proximity to Existing and Planned Development

According to ATXI, intervenor's concerns about development warrant adoption of the Primary Route for this segment. The Raghebs, for example, raise the concern that ATXI's Alternate Route would interfere with an ultralight flightpark they plan to construct on their property. ATXI believes, however, that requests for regulatory approvals from the FAA were submitted after this proceeding was initiated. Similarly, ATXI observes that Champaign and the witness testifying on behalf of the Estate of Clinton C. Atkins agree that the Primary Route minimizes impacts on future urban development in that area. Only Savoy opposes part of ATXI's Primary Route, due to alleged impacts on planned future development. ATXI contends that Savoy has not explained how it failed to account for existing easements in its development plans, or why its position on construction of a transmission line in this area has changed since Docket No. 12-0080. ATXI therefore believes that its Primary Route strikes the best balance between concerns related to planned and existing development.

i. Community Acceptance

Because most intervenors with an interest in this portion of the Illinois Rivers Project support the Primary Route, ATXI asserts that this factor favors adoption of the Primary Route.

j. Visual Impact

ATXI maintains that the visual impacts, if any, will be substantially the same for any route. There is no record evidence that the Primary Route is less preferable considering visual impact than any other route proposed for this portion of the project.

k. Presence of Existing Corridors

As noted above, a vast majority of the Primary Route is located on previously-acquired easements. Additionally, a portion of the Primary Route will be located on the same right-of-way as the transmission line approved by the Commission in Docket No. 12-0080. Only Savoy does not support the entire Primary Route. Savoy supports the portion of the Primary Route that runs south from the Rising substation, but supports ATXI's Alternate Route beginning at the point that the line turns to the east towards the Sidney substation. ATXI points out, however, that the Primary Route in this area follows an existing unoccupied corridor of easements that were acquired by an AIC predecessor company in the 1970s. Why Savoy did not account for the possible use of

these easements in its 2008 Comprehensive Plan is unclear to ATXI. ATXI notes that the Comprehensive Plan does not indicate any platted development in the vicinity of ATXI's Primary Route. Furthermore, ATXI states that the Primary Route overlaps significantly with the route approved by the Commission in Docket No. 12-0080. Therefore, ATXI argues that Savoy's concerns do not support modification of the Primary Route.

I. Need for New Substation Construction

In response to Staff's argument that new substations are not needed in Rising and Sidney and that the 345 kV line could be terminated at existing substations in those communities, ATXI contends that it is impractical, if not impossible, for the necessary facility additions and connections to be made within the existing substations. ATXI insists that it is preferable to construct new substations or expand existing ones, rather than just modify the existing facilities, based on space requirements, engineering requirements (including, but not limited to, control cable length, station service design limiting bus crossing and circuit ingress and egress, topology), and potential future development needs of the existing substations. Furthermore, ATXI continues, the existing substations in Rising and Sidney do not have a 345 kV breaker or 345 kV bus, much less the 345 kV breaker-and-a-half positions required to terminate the project's lines. This leads ATXI to conclude that the existing facilities are not sufficient to terminate the line. Moreover, given that ATXI proposes to construct the new substations adjacent to the existing ones in Sidney and Rising, ATXI does not understand why this would concern Staff given the space constraints identified above.

2. Ragheb Position

The Raghebs support ATXI's Primary Route and oppose the Alternate Route along this segment of the Illinois Rivers Project. They note that the Primary Route is 9.6 miles shorter than the Alternate Route, will be $24.6 million cheaper to construct, presumably be cheaper to operate and maintain due to its significantly shorter length, and utilizes existing utility corridor whereas the Alternate Route does not. They state further that the Primary Route will have the least environmental impact of the proposed routes and observe that the endangered Upland Sandpiper has been identified along ATXI's Alternate Route but not along the Primary Route. The Raghebs also find the Primary Route preferable because it affects fewer landowners due to its shorter length and has no "Intervenor Owned Property" along its route. They report that 20 residential and 33 non-residential structures lie between 0 and 500 feet of the Primary Route, which compares to 78 residential and 83 non-residential structures for the Alternate Route. Citing the witnesses for Champaign and Savoy, the Raghebs believe the Primary Route will have less of an impact on area development, which includes their own plans for an ultralight flightpark on their property. Visual impact, the Raghebs continue, will also be lessened by adoption of the Primary Route because (1) the Primary Route is shorter and (2) three miles of the Primary Route will be collocated with the transmission line approved in Docket No. 12-0080. The Raghebs also emphasize that Staff witness Rockrohr is the only witness in this case that has no direct interest in

the outcome or routing of the project, and he prefers the Primary Route between Sidney and Rising. If for some reason the Primary Route is not selected by the Commission, the Raghebs reiterate their position that they believe the second best route is the Ragheb modification to ATXI's Alternate Route and that ATXI's unmodified Alternate Route is the third best of the three routes.

The Raghebs add that as a result of their field reconnaissance, they agree with Staff that the new, additional substations at Sidney and Rising should be excluded from any relief that the Commission grants. They acknowledge that some existing substations can not accommodate the additional equipment for connecting new 345 kV transmission facilities. The Raghebs understand, however, that the existing Rising substation is not among those substations with such limitations.

3. Colfax-Scott LPG Position

Colfax-Scott LPG is a collective of 21 intervenors consisting of individuals, residents, landowners, farmers, and otherwise interested parties, all with an interest in land along and/or upon the general path of the Sidney to Rising segment of the Illinois Rivers Project. Colfax-Scott LPG favors the adoption of the Primary Route because it is shorter, less expensive and easier to construct, less expensive and easier to operate and maintain, suffers from fewer environmental, social, and land use impacts, and enjoys more community acceptance than the Alternate Route. Unlike the Primary Route, because the Alternate Route lies upon unencumbered farmland, Colfax-Scott LPG finds the latter route more visually intrusive. The presence of existing easements favors the Primary Route as well, according to Colfax-Scott LPG. Fewer affected landowners along the Primary Route compared to the Alternate Route (105 and 154, respectively, based on Exhibit C to the petition) favors the Primary Route, in the opinion of Colfax-Scott LPG.

Colfax-Scott LPG has the most to say regarding existing and planned development. Colfax-Scott LPG rejects the notion that any 345 kV transmission line be constructed along and upon the rich agricultural land underlying the Alternate Route. Colfax-Scott LPG fears that construction along the Alternate Route would compromise not only the integrity and viability of the land itself, but also jeopardize existing methods of irrigation and subsurface tilling, as well as present environmental and safety concerns to the area. According to Colfax-Scott LPG, farmland located in Scott and Colfax Townships in Champaign County is recognized worldwide as some of the best in the world, as it is flat, black, high in organic matter, and located over water aquifers, with shared drainage in place. Colfax-Scott LPG state further that many of the farms that comprise the land at issue have ongoing and very meaningful relationships with larger corporate interests, relationships which are integral to maintaining the fiscal viability of the farms. As an example, Colfax-Scott states that one member's farm is used as a nursery for AgReliant Seed Company. This member fears losing this business relationship if worker safety and aerial spraying emerge as significant concerns for AgReliant Seed Company.

4. Champaign and Savoy Position

a. Proximity to Existing and Planned Development

Champaign and Savoy are primarily concerned with the proximity of any transmission line to existing and planned development within their respective extra territorial jurisdiction ("ETJ"). A municipality's ETJ is the contiguous territory extending one and one-half miles beyond the corporate limits and not included within any other municipality. In the ETJ, the municipality has the power to influence density, height, land use, and other zoning matters. (See Section 11-13-1 of the Illinois Municipal Code, 65 ILCS 5/1-1-1 et seq.)

Because part of the western portion of the Rising to Sidney segment is located within Champaign's ETJ and its growth corridor, an area included in Champaign's comprehensive development plan, Champaign contends that it is vital that this portion of the line be dual circuited with the AIC 138 kV line approved by the Commission in Docket No. 12-0080. Champaign/Savoy witness Knight testifies that the region in question is an important area for future expansion by Champaign and that the 2011 Comprehensive Plan already incorporates the portion of ATXI's Primary Route for the 345 kV line. By utilizing the same poles and same right of way as AIC's 138 kV line, Champaign believes that the negative impact of the proposed 345 kV line on Champaign's land use plan would be minimized. Champaign observes that in approving the 138 kV line for AIC, the Commission specifically found "that AIC should be directed to use dual circuit structures for the three mile segment of its proposed 138 kV transmission line directly south of Bondville Route 10 substation should the planned Sidney to Rising 345 kV transmission line share the same route as the Project approved here." (Docket No. 12-0080, August 15, 2012 Order at 23) The Order further authorized AIC to acquire a 150 feet easement "in the event it is required to build dual circuit towers, to accommodate the possibility of a future 345 kV line." (Id. at 24) Champaign understands this language to mean that the Commission in Docket No 12-0080 based its approval in part on the belief that the western portion of the proposed 345 kV line starting at the Rising substation, as requested in this docket, would utilize dual circuit transmission line structures so that the 138 kV and 345 kV lines would be within the same 150 feet wide easement. Champaign notes that one of the larger landowners affected by the western portion of the Primary Route, The Atkins Group, agrees with Champaign's position.

Champaign finds the Alternate Route for the western leg of the Rising to Sidney segment unacceptable because of the significant restrictions it would place on development in Champaign's growth corridor. The existing AIC 138 kV transmission line already shares the area with an underground gas transmission pipeline. Champaign strongly prefers that only one utility corridor pass through this area rather than two. Adoption of the Alternate Route would create a second utility corridor. According to Champaign/Savoy witness Dixon, having two parallel corridors would eliminate smaller tracts from being developed because the smaller tracts would be insufficient in size to justify the investment expense of subdivision development. From a

planning perspective, Mr. Dixon contends that it is far better to have one combined wide transmission line corridor than two separate and wide corridors just a short distance apart. Champaign maintains that expanding the right-of-way of AIC's 138 kV line to 150 feet in ATXI's Primary Route for the western leg of the Rising to Sidney segment and dual circuiting the 138 kV and 345 kV lines on the same poles would allow for orderly development in Champaign's growth corridor. Champaign does not oppose the Primary Route as long as it would be located on the same right-of-way as the 138 kV transmission line.

With regard to Savoy's ETJ, the southern leg of ATXI's Primary Route is in Savoy's only growth corridor. Savoy explains that to its north is Champaign. To its east the land is owned or controlled by the University of Illinois. To its southwest is Willard Airport. Savoy opposes the southern leg of ATXI's Primary Route because it would negatively affect the orderly growth of Savoy to the south, which is its only real option for growth. If the line is found to be necessary, Savoy requests that the Commission approve the southern leg of ATXI's Alternate Route rather than the Primary Route. Because the southern portion of ATXI's Alternate Route is farther south than the Primary Route, Savoy reasons that the Alternate Route would not affect Savoy's ETJ or its orderly growth. Savoy proposes that at the point where the western leg jogs east just south of Savoy, ATXI use the Alternate Route, which then parallels I-57 south before turning east. By doing so, the line would be south of the airport and outside of Savoy's ETJ. The only concern about the Alternate Route for the southern leg pertains to the Raghebs' property, which Savoy believes can be resolved by adopting the Raghebs' modification to the Alternate Route.

Savoy states further that AIC and ATXI's decision to not coordinate the 138 kV line in Docket No. 12-0080 and the 345 kV line at issue now confirms the Commission's concern expressed in the earlier docket "that AIC failed to provide complete information about the planned Sidney to Rising 345 kV transmission line to the area landowners and stakeholders." (August 15, 2012 Order at 23) Had AIC and ATXI been forthcoming in Docket No. 12-0080, Savoy contends that the southern legs of the approved 138 kV line and the requested 345 kV line, which negatively impact Savoy's ETJ, could have been double circuited using one right-of-way. Instead, AIC and ATXI now propose to run two high voltage transmission lines through Savoy's only available growth corridor. Savoy adds that in Docket No. 12-0080, there was no mention that AIC had acquired in the 1970s the right-of-way for the alternate route in that case (the Primary Route in this case), so ATXI is disingenuous when it argues that Savoy should have accounted for the 1970s easements in its 2008 Comprehensive Plan. In other words, Savoy reiterates, AIC did not discuss with the Commission the fact that it had easements for the alternate route which it proposed, and then opposed, in Docket No. 12-0080. Savoy also asserts that ATXI now contradicts AIC's position in Docket No. 12-0080 that the issues the Commission should consider in rejecting the alternate route in that case (ATXI's proposed Primary Route here) "included the University of Illinois-Willard Airport, existing residential use areas, and future developments – both proposed and approved as planned." (Id. at 11) The Commission agreed with these considerations and rejected the alternate route in Docket No. 12-0080. Therefore, Savoy concludes, the southern

leg of that same route, which ATXI designates as its Primary Route in this docket, should again be rejected.

b. Visual Impact

Champaign opposes ATXI's Alternate Route for the western leg of the Rising to Sidney segment not only because of the physical constraints that it would place on development but also because of the negative visual impact. According to Champaign, the existence of two sets of transmission lines in the vicinity of one another would have an adverse aesthetic effect, which influences development decisions. Mr. Dixon testifies that it will be nearly impossible to screen future development from the 138 kV transmission line. To screen two sets of tall transmission lines, he continues, would be doubly difficult, which is especially problematic if residential growth is desired along the west edge of Champaign and Savoy. Therefore, Champaign requests that the Commission reject the Alternate Route for the western leg of the Rising to Sidney segment.

5. Staff Position

As far as the actual route path between Sidney and Rising, Staff recommends adoption of ATXI's Primary Route. Among the reasons that Staff cites for coming to this conclusion is that the Primary Route is far shorter than alternatives and is correspondingly less difficult and less expensive to construct. Staff notes as well that AIC's legacy utility already acquired land rights for much of this route, so that for some time landowners along ATXI's Primary Route have been aware of the possibility of a transmission line. Staff adds that the Primary Route would be less costly to operate and maintain due to its shorter length. Generally, Staff also favors routes that pass close to fewer residences, which Staff believes to be the case with the Primary Route when compared to alternatives. The presence of an existing corridor for AIC's 138 kV transmission line is another reason that Staff favors the Primary Route.

Staff's view of the proposed substation construction for this segment, however, is not in line with ATXI's view. ATXI proposes to construct a new substation at each end of the Sidney to Rising segment because it generally does not believe the existing area substations can accommodate the new 345 kV transmission facilities. The new substations would be adjacent to the existing AIC substations. ATXI, however, has not convinced Staff that new substations are necessary. Instead, Staff recommends that the Commission find that terminating the new 345 kV line at the existing substations is appropriate. If the Commission disagrees with Staff's view, Staff concedes that the substation locations chosen by ATXI are rational since the function of ATXI's substations is to tie to AIC's existing substations.

6. Commission Conclusion

While some of the criteria addressed by the parties do not favor one route over another (such as environmental impacts and impacts on historical resources), the

remaining criteria support a finding that ATXI's Primary Route should be adopted for this segment of the Illinois Rivers Project as the least cost route. The Primary Route is 9.6 miles shorter than the Alternate Route, will be $24.6 million cheaper to construct, correspondingly cheaper to operate and maintain, appears to affect fewer landowners and homes, and utilizes existing utility corridor whereas the Alternate Route does not. The proposed double circuit and use of existing utility corridor along the Primary Route will also minimize visual impact and mitigate impact on development. Use of existing corridors should also facilitate access for maintenance purposes. Aside from the view of Savoy, the Primary Route also enjoys greater community acceptance. The Commission appreciates Savoy's concerns about its development options, but can not ignore the weight of the record favoring the Primary Route.

In light of the discussion of the project in Docket No. 12-0080 and the project at hand, the Commission is concerned with the transmission system planning and coordination of ATXI and its affiliates. Had the Commission had a more complete understanding of the two projects when evaluating its options in Docket No. 12-0080 it is possible that different and arguably better routes would have been selected. ATXI and its affiliates are directed to provide in future petitions seeking approval of transmission facilities a more complete picture of the future transmission facilities for the areas in question. For example, if ATXI or an affiliate requests a certificate for a 138 kV line in a given area, it must proactively inform the Commission in its initial filing if it or an affiliate plans to construct a new substation or other transmission line(s) in the area in the relatively near future. The Commission is troubled that AIC and ATXI brought separate petitions and apparently make contradictory arguments regarding the merits of the routes. Failure to heed this directive may result in dismissal of a petition under either Section 8-406 or 8-406.1 upon discovery of the failure.

With regard to the construction of new substations adjacent to the existing substations in Sidney and Rising, the Commission understands the issue to be simply whether space exists in the existing substations to accommodate new equipment. This question should be resolved through discovery because whether sufficient space exists should be easily discernible. Why this has not occurred here is uncertain. Instead, the Commission is faced with ATXI's claims that it needs more space than is present in the existing substations and Staff's argument that sufficient space is available now. Perhaps had more time been available to pursue this issue in discovery and otherwise consider such details, this issue could have been avoided. In the interest of choosing the least-cost option for the Project, the Commission declines to grant ATXI approval to construct new substations when existing substations may serve the same purpose. Should new or additional evidence be presented to the Commission on rehearing or in a separate proceeding demonstrating the necessity of such substations, the Commission would be willing to revisit this issue.

VII. MANAGING AND SUPERVISING THE CONSTRUCTION PROCESS

As discussed above, pursuant to Section 8-406.1(f)(2), before the Commission can grant a certificate of public convenience and necessity, it must find that the public

utility is capable of efficiently managing and supervising the construction process and has taken sufficient action to ensure adequate and efficient construction and supervision of the construction. ATXI believes that the record allows the Commission to make this finding. ATXI states that Ameren Services will manage and supervise the construction processes on its behalf. Over decades, ATXI explains further, Ameren Services has managed the construction of hundreds of miles of transmission line. Many of the transmission line construction projects Ameren Services managed and supervised were approved by the Commission, including those approved in Docket Nos. 06-0179, 06-0706, 07-0532, 10-0079, 12-0080, and 12-0154. Moreover, ATXI continues, the particular Ameren Services personnel tasked to manage construction of the Illinois Rivers Project have extensive relevant experience, and those individuals ultimately will oversee all aspects of the project's construction.

Relying on its experience, Ameren Services plans to build the project in portions, utilizing construction processes tailored to the anticipated in-service date of each portion and resource allocation considerations. Ameren Services has determined that using contractors is the most efficient, cost-effective means to construct transmission line projects. As it routinely does, Ameren Services will employ contractors (specifically, union contractors), and will engage them using a rigorous sourcing process that ensures it secures the best bid for the necessary work.

ATXI adds that it has taken, and will continue to take, sufficient action to ensure adequate and efficient construction and supervision of the construction processes for the Illinois Rivers Project. ATXI states that Ameren Services has documented corporate project oversight policies and procedures consistent with American National Standards Institute standards. These policies and procedures, ATXI contends, will govern all phases of the Project. Additionally, ATXI asserts that Ameren Services will construct the project in accordance with all applicable federal and state regulations and orders of the Commission, including 83 Ill. Adm. Code 305, "Construction of Electric Power and Communication Lines" and the National Electrical Safety Code. ATXI states further that Ameren Services will further ensure efficient construction by managing construction costs using a comprehensive technique, widely-used in the industry, that it has found to effectively measure and forecast project performance and progress in an objective manner, fostering the early detection of issues to assure project success.

ATXI observes that no intervenors have questioned its (or Ameren Services') ability to efficiently manage and supervise the Illinois Rivers Project's construction processes, or to ensure adequate and efficient construction and supervision of the project. Only Staff raised a related concern. Because ATXI has only one employee, Staff witness Rockrohr questioned whether ATXI's continued existence and ability to complete the Illinois Rivers Project depended upon Ms. Borkowski retaining her positions as President and Chief Executive Officer of ATXI. Mr. Rockrohr does not refute that Ameren Services personnel are capable of managing and supervising the project, he is not aware of any Commission order finding Ameren Services unable to adequately manage and supervise transmission line construction, and he has no reason

to question that Ameren Services has successfully overseen similar projects. But even in light of ATXI's assurances, Mr. Rockrohr's concerns are not entirely alleviated.

The Commission has considered the record on this issue and finds that ATXI, through Ameren Services, is capable of efficiently managing and supervising the construction process and will take sufficient action to ensure adequate and efficient construction and supervision of the construction. Staff's concerns about ATXI having only one employee have not gone unnoticed. Obviously, in Ms. Borkowski's absence and until a replacement could be named, ATXI would be a company with no employees. Even with Ms. Borkowski, ATXI is primarily a company in name only for it appears to conduct all of its business through affiliate companies. Nevertheless, the Commission has no reason to believe that ATXI is not a properly created legal entity.

VIII. FINANCING THE PROPOSED CONSTRUCTION

Section 8-406.1(f)(3) provides that before the Commission can grant a certificate of public convenience and necessity, it must find that the public utility is capable of financing the proposed construction without significant adverse financial consequences for the utility or its customers. ATXI believes that this showing has been made. ATXI relates that the funds required for construction will be available, at least initially, primarily from Ameren Corporation, its parent. While the total expected cost for the project ranges from $1.092 to $1.168 billion for the Primary and Alternate Routes respectively, ATXI witness Hughes testifies that “Ameren is well-capitalized and has access to the funding necessary to finance the Project.” (ATXI Ex. 6.0 at 7) In support of this assertion, ATXI states that Ameren Corporation has access to debt and equity markets and maintains bank lines of credit amounting to $2.1 billion. Additionally, the parent has access to other fund sources including, but not limited to, “funds from operation of its subsidiaries, funds from periodic debt or equity issuances, dividends, and cash savings from tax deferrals.” (Id.) While the Illinois Rivers Project will be funded over several years, even if it was financed immediately, ATXI reports that it would only add 7.2% to 7.6% to the June 30, 2012 capitalization of Ameren Corporation. ATXI therefore concludes that Ameren Corporation clearly possesses the financial wherewithal to fund the Illinois Rivers Project without bearing significant adverse consequences.

ATXI explains further that it has access to Ameren Corporation’s funds via intercompany loans and equity infusions. The Commission has already approved two intercompany borrowing arrangements. A short-term arrangement for up to $125 million under the Unilateral Borrowing Arrangement was approved as part of Docket No. 08-0174. A long-term arrangement under the Long Term Borrowing Agreement for up to $100 million over a term not to exceed 10 years was approved under Docket No. 12-0017. Going forward, ATXI plans to replace short-term borrowing under the long-term agreement, and will seek to renew the long-term lending arrangement at least every three years and to extend the maximum sum above the $100 million limit as necessary. ATXI notes that no party has disputed its access to Ameren Corporation’s funds.

ATXI adds that it will also have access to additional funds through periodic equity infusions from Ameren Corporation and ATXI's retained earnings. ATXI expects such infusions to occur to the extent necessary to maintain a target capital structure for ATXI of 56% equity to 44% debt, as approved by FERC. ATXI currently has retained earnings and will continue to receive earnings based on the transmission facilities it currently owns and those to be constructed as part of the Illinois Rivers Project. This revenue is and will be generated because even though ATXI does not have any direct retail customers, ATXI's transmission facilities are a part of MISO, which provides service and receives revenue from wholesale and retail customers that MISO then distributes to ATXI via the MISO tariff. This MISO tariff allows ATXI to recover its interest expense associated with its construction debt in the year in which it is incurred, and to earn a rate of return on the equity portion of its capitalization, meaning ATXI will be made whole throughout its construction cycle. ATXI states that these provisions significantly reduce the financial risk associated with the construction of the Illinois Rivers Project. For that reason, ATXI does not anticipate that the project will impose financial stress on it.

Staff's sole witness, an electrical engineer, does not know if ATXI's plan for financing the Illinois Rivers Project allows the Commission to make the requisite finding under Section 8-406.1(f)(3). The Raghebs commented on ATXI's financial ability as well. Based on the fact that ATXI has no standalone credit rating nor sufficient assets and financial size to be rated, and Staff's lack of certainty on the issue, the Raghebs do not feel that ATXI has demonstrated that it is fully capable of financing the proposed construction within the requirements of Section 8.406.1.

The Commission has considered the record on this issue and finds that in the absence of contrary evidence ATXI has sufficiently demonstrated that it is capable of financing the proposed construction without significant adverse financial consequences for itself or its customers.

IX. SECTION 8-503

ATXI also seeks a Commission order authorizing the Illinois Rivers Project be built pursuant to Section 8-503 of the Act. Under Section 8-406.1(i) of the Act, "a decision granting a certificate under this Section shall include an order pursuant to Section 8-503 of this Act authorizing or directing the construction of the high voltage electric service line and related facilities as approved by the Commission, in the manner and within the time specified in said order." Section 8-503 of the Act provides whenever the Commission finds that additions to existing plant are necessary and ought reasonably to be made, or that a new structure or structures ought to be erected, the Commission "shall make and serve an order authorizing or directing that such additions . . . be made, or structure or structures be erected . . . ." No party opposes a grant of authority under Section 8-503. In compliance with Section 8-406.1(i), the Commission authorizes ATXI under Section 8-503 to construct the Illinois Rivers Project as set forth in this Order.

X. FINDINGS AND ORDERING PARAGRAPHS

Having given due consideration to the entire record, the Commission is of the opinion and finds that:

(1) ATXI is a public utility pursuant to the Act;

(2) the Commission has jurisdiction over ATXI and the subject matter of this proceeding;

(3) the facts recited and conclusions reached in the prefatory portion of this Order are supported by the evidence and are hereby adopted as findings herein;

(4) the route for the transmission line segment between the Mississippi River and Quincy, Quincy and Meredosia, Meredosia and Ipava, Meredosia and Pawnee, Mt. Zion and Kansas, Kansas and the Indiana state line; and Sidney and Rising should be approved along the routes identified in the prefatory portion of this Order;

(5) the route for the transmission line segment between Pawnee and Pana and between Pana and Mt. Zion should not be approved in this proceeding;

(6) the proposed new or expanded substations at Quincy, Meredosia, and Pawnee should be approved at the locations identified in the prefatory portion of this order;

(7) the proposed new or expanded substations at Ipava, Pana, Mt. Zion, Kansas, Sidney, and Rising should not be approved in this proceeding;

(8) pursuant to Section 8-406.1(f)(1) of the Act, the Commission finds that the portions of the project approved herein are necessary to provide adequate, reliable, and efficient service to the public utility's customers and is the least cost means of satisfying the service needs of the public utility's customers or that the project will promote the development of an effectively competitive electricity market that operates efficiently, is equitable to all customers, and is the least cost means of satisfying those objectives;

(9) pursuant to Section 8-406.1(f)(2) of the Act, the Commission finds that ATXI is capable of efficiently managing and supervising the construction process and has taken sufficient action to ensure adequate and efficient construction and supervision of the construction;

(10) pursuant to Section 8-406.1(f)(3) of the Act, the Commission finds that ATXI is capable of financing the proposed construction without significant adverse financial consequences for the utility or its customers;

(11) pursuant to Section 8-406.1(h), the Commission finds that ATXI shall pay a one time construction fee to each county in which the project is constructed within 30 days after the completion of construction; the construction fee shall be $20,000 per mile of high voltage electric service line constructed in that county, or a proportionate fraction of that fee; the fee shall be in lieu of any permitting fees that otherwise would be imposed by a county;

(12) pursuant to Section 8-406.1(i) of the Act, ATXI is authorized, pursuant to Section 8-503 of the Act, to construct the high voltage electric service line, the new and expanded substations and related facilities as approved by the Commission in the prefatory portion of this Order; and

(13) all motions, petitions, objections, and other matters in this proceeding which remain unresolved should be disposed of consistent with the conclusions herein.

IT IS THEREFORE ORDERED by the Illinois Commerce Commission that a Certificate of Public Convenience and Necessity is hereby issued to Ameren Transmission Company of Illinois pursuant to Section 8-406.1 of the Public Utilities Act, and that said certificate shall read as follows:

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

IT IS HEREBY CERTIFIED that the public convenience and necessity require (1) construction, operation, and maintenance by Ameren Illinois Transmission Company of segments of a 345 kV electric transmission lines over the routes found appropriate at locations approved in Docket No. 12-0598, at locations as shown on the Appendix D attached hereto, as well as new substations at locations approved in Docket No. 12-0598, and (2) the transaction of an electric public utility business in connection therewith, all as herein before set forth.

IT IS FURTHER ORDERED that pursuant to Section 8-503 of the Act, ATXI is authorized to construct the high voltage electric service line, the new and expanded substations and related facilities as approved by the Commission in the prefatory portion of this Order.

IT IS FURTHER ORDERED that all motions, petitions, objections, and other matters in this proceeding which remain unresolved are disposed of consistent with the conclusions herein.

IT IS FURTHER ORDERED that subject to the provisions of Section 10-113 of the Act and 83 Ill. Adm. Code 200.880, this Order is final; it is not subject to the Administrative Review Law.

By order of the Commission this 20th day of August, 2013.

(SIGNED) DOUGLAS P. SCOTT

Chairman