

Docket No.: 12-0560
Meeting Date: 01/06/15
Deadline: 01/15/15

MEMORANDUM

TO: The Commission
FROM: Larry Jones, Administrative Law Judge
DATE: December 29, 2014
SUBJECT: Rock Island Clean Line LLC ("Rock Island")

Petition for an Order granting Rock Island Clean Line LLC a Certificate of Public Convenience and Necessity ["Certificate"] pursuant to Section 8-406 of the Public Utilities Act ("Act") as a Transmission Public Utility and to Construct, Operate and Maintain an Electric Transmission Line and Authorizing and Directing Rock Island Rock Island pursuant to Section 8-503 of the Public Utilities Act to Construct an Electric Transmission Line.

STATUS: An Order was entered on November 25, 2014. It granted a Certificate to Rock Island, subject to conditions.

RECOMMENDATION: Deny the "Application for Rehearing" filed by the Illinois Landowners Alliance ("ILA") on December 26, 2014.
Deny the "Application for Rehearing" filed by the Illinois Agricultural Association a/k/a the Illinois Farm Bureau ("IAA") on December 26, 2014.
Deny the "Verified Application for Rehearing" filed by Commonwealth Edison Company ("ComEd") on December 26, 2014.

On November 25, 2014, the Commission entered an Order which granted, subject to conditions, a Certificate of Public Convenience and Necessity to Rock Island pursuant to Section 8-406 of the Act. The Certificate authorized Rock Island to construct 121 miles of electric transmission line in Illinois along a route originating near Cordova in Rock Island County and terminating at the Collins Substation in Grundy County. Almost all the line will be direct current ("DC") line.

The transmission line approved in this proceeding would comprise the Illinois segment of a 500-mile line originating at a converter station in O'Brien County, Iowa.

The primary purpose of the 500-mile line is to connect potential wind generation facilities in northwest Iowa and neighboring states with electricity markets in northeast Illinois and elsewhere in the PJM grid.

Rehearing Requests

Among other things, the Illinois Landowners Alliance argues that applications under Section 8-406 of the Act are “restricted to entities that are public utilities at the time of the request” (ILA application at Sec. III, V); that Rock Island has not met any of the “public convenience and necessity” criteria in Section 8-406(b) of the Act (*Id.* at VI); that the conditions in the Order are insufficient to protect retail customers (*Id.*); and that Rock Island’s routing is based on a flawed study (*Id.* at VII).

In support of its rehearing request, the Illinois Agricultural Association argues that the Commission should explicitly find that “the certificate is invalid if Rock Island seeks cost allocation from FERC.” (IAA application at 2) The IAA also argues that “the Commission should rehear all issues related to §8-406(B).” (*Id.* at 2-4)

ComEd argues that on rehearing, the Commission should modify the Order to require Rock Island “to file any proposed financing for Commission review in an open docket”; and should also consider whether to require an enforceable financial guarantee. (ComEd application at 2-3) ComEd also urges the Commission to consider requiring Rock Island to make a subsequent filing, after its “open season” process, with evidence showing the degree to which it will be serving Illinois customers. (*Id.* at 3-4) ComEd further argues that the “condition stating that RI must seek Commission approval ‘prior to recovering any Project costs from Illinois retail ratepayers through PJM or MISO regional cost allocation’ ... cannot be relied upon to protect customers...” (*Id.* at 4-6)

Recommendation

In my view, the parties had a full opportunity during the proceedings to address the issues cited in their rehearing requests. Also, the rationale for the each of the Commission’s findings is explained in the Order. It is my recommendation that the applications for rehearing be denied.

The 20-day deadline for Commission action is January 15, 2015.

LMJ/js