

**ILLINOIS COMMERCE COMMISSION**

**DOCKET No. 14-0572**

**SURREBUTTAL TESTIMONY**

**OF**

**GARY T. BROWNFIELD**

**Submitted on Behalf**

**Of**

**AMEREN ILLINOIS COMPANY  
d/b/a Ameren Illinois**

**March 26, 2015**



21 **II. RESPONSE TO STAFF WITNESS ROCKROHR**

22 **Q. One question asked of Mr. Rockrohr was his opinion as to the two alternative cost**  
23 **recoveries discussed by Mr. Dehn Stevens. Mr. Rockrohr concludes by stating, "As part of**  
24 **MVP-16, allocation for cost recovery for MEC's double-circuit 345/161 kV transmission**  
25 **line, including the portion that comprises the Transmission Line, will be across the entire**  
26 **MISO footprint. Do you agree with Mr. Rockrohr's statements regarding cost recovery?**

27 A. Yes, I agree with Mr. Rockrohr's statements regarding cost recovery. First, because the  
28 project is a MISO approved MVP, the costs of the 345 kV and 161 kV lines are being shared by  
29 the customers within the MISO footprint. Conversely, if the 161 kV line was not part of MVP  
30 16, MEC and AIC customers would bear the cost of the line.

31 **Q. Regarding the ownership question, Mr. Rockrohr states at lines 152 – 155, "So, if**  
32 **considering the needs of the parties, I would conclude that AIC is the party that needs the**  
33 **new upgraded 161 kV line, and MEC does not need it. Aligning construction**  
34 **responsibility with need would result in AIC constructing the 161 kV line, not MEC." Do**  
35 **you agree with Mr. Rockrohr's statement?**

36 A. Mr. Rockrohr addressed some aspects that influence ownership of the 161 kV line, but  
37 did not include an overriding factor. MVP 16 includes the addition of a 345 kV line from Oak  
38 Grove to Galesburg. MEC is the entity which will add the 345 kV line. MEC determined they  
39 would use the physical space occupied by the existing 161 kV line to facilitate the addition of the  
40 345 kV line from Oak Grove to Galesburg. They will remove the existing 161 kV line and  
41 replace it with a double-circuit 345/161 kV line. MEC has the greater "need" to replace the  
42 existing 161 kV circuit. Therefore, it is reasonable for MEC to have the construction  
43 responsibility for the double-circuit line.

44 **Q. Regarding the question, "Is aligning the investment with the needs of the**  
45 **parties the appropriate test for setting the sale price?", Mr. Rockrohr states in lines 165-**  
46 **167, "...the ratepayers of neither utility would be harmed by that different price" as he**  
47 **later explains. Do you agree with Mr. Rockrohr's conclusion on this issue?**

48 **A. Yes. I agree with his conclusion but I would add again, the consideration AIC is paying**  
49 **for the line is fair and appropriate. The existing 161kV is sufficient for AIC to deliver power to**  
50 **its new Mercer substation, so AIC has no specific need for a new line. This circumstance is**  
51 **entirely consistent with AIC's initial desire to simply purchase the existing 161kV line from**  
52 **MEC notwithstanding there is an MVP element to the project. AIC should only pay the net book**  
53 **value for the existing line as was agreed in principle prior to the approval of the MVP portfolio,**  
54 **and that is how the transaction between MEC and AIC is constructed.**

55 **III. CONCLUSION**

56 **Q. Does this conclude your surrebuttal testimony?**

57 **A. Yes, it does.**