

Kansas regulators want blueprint for deciding among high-voltage proposals

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By Kerry Bleskan

Deciding between competing high-voltage transmission proposals is so complicated, the Kansas Corporation Commission says it doesn't know where to start.

In a Sept. 2 order relevant to applications from both Westar Energy Inc. and ITC Great Plains applications to build a 180-mile section of transmission line called the V-Plan, the KCC gave its staff 30 days to write a report that summarizes the issues involved and propose a process and procedural schedule for resolution.

ITC, an ITC Holdings Corp. subsidiary, applied to build the project April 11, and on Sept. 2 announced a collaboration with Mid-Kansas Electric Co. LLC and its generation and transmission arm, Sunflower Electric Power Corp., to build the parts of the line outside Westar's service territory.

Westar is also proposing a collaborative effort, a new joint venture called Prairie Wind Transmission LLC. Westar's partner is Electric Transmission America, which is in turn a joint venture between American Electric Power Co. Inc. and MidAmerican Energy Holdings Co. The new venture filed its application with the KCC May 19.

The KCC's order allows the two companies to intervene in each other's cases. Others granted intervenor status include the Southwest Power Pool Inc., Great Plains Energy Inc. subsidiary Kansas City Power & Light, Sunflower and Mid-Kansas.

Mid-Kansas and Sunflower stressed in their intervenor filing that they had discussed the V-Plan with ITC but were not relinquishing their right of first refusal.

The Kansas Citizens' Utility Ratepayer Board was approved as an intervenor in Westar's application but not yet in ITC's, pending a statutory comment period. CURB applied for the consideration Aug. 28.

Legal spat 'under advisement'

A major issue in the proceeding concerns an incumbent utility's right of first refusal: Once a project is deemed necessary, local transmission-owning utilities get the first crack at it. If the locals decide

not to build the project, outside companies such as ITC then have their chance.

The concept was written into the KCC's decision allowing ITC to operate as a utility in the state.

ITC's Sept. 2 cooperation announcement touched on the concept, stating that Westar had been invited to build the Medicine Lodge-Sedgwick County segment of the transmission line, as that segment runs through the utility's service territory.

Westar filed for consolidation of the three dockets, saying they are essentially one project, and to dismiss the ITC's application based on Westar's right of first refusal. The two companies then filed two rounds of heated responses and replies.

The KCC tabled the issue Sept. 2, saying simply that it "declines to rule on these two issues at this time and takes them under advisement."

Report due in a month

"The Commission notes the four dockets addressed in this Order raise numerous critical issues regarding approval of applications seeking to develop construction of future, high voltage transmission lines in Kansas," the KCC said. "The Commission believes it has a critical role to play in this decision."

In a report and recommendation due 30 days from the order's issuance, the KCC wants staff to present and evaluate:

- Issues the commission will have to decide, including application evaluation standards and necessary factual determinations.
- A recommended administrative process.
- A schedule to resolve the instant dockets.
- The role of other entities, including regional transmission players such as SPP. SPP has formed a task force to address ownership and construction conflicts.

Parties will then have 15 days to comment and introduce additional issues and possible procedures. One prehearing officer was assigned to all four dockets.

The Prairie Wind docket is 08-PWTE-1022. ITC's are 08-ITCE-936, 08-ITCE-937 and 08-ITCE-938. *i*