BEFORE THE

PUBLIC SERVICE COMMISSION OF WISCONSIN

Joint Application of American Transmission) Company, ITC Midwest LLC, and Dairyland) Power Cooperative, for Authority to Construct) 5-CE-146 And Operate a New 345 kV Transmission Line) From the Existing Hickory Creek Substation in) Dubuque County, Iowa, to the Existing Cardinal) Substation in Dane County, Wisconsin, to be) Known as the Cardinal-Hickory Creek Project.)

AMICUS BRIEF

ON BEHALF OF THE PEOPLE OF THE STATE OF ILLINOIS BY ILLINOIS ATTORNEY GENERAL KWAME RAOUL AND THE PEOPLE OF THE STAE OF MICHIGAN BY MICHIGAN ATTORNEY GENERAL DANA NESSEL

The People of the State of Illinois, by Attorney General Kwame Raoul and the People of the State of Michigan by Attorney General Dana Nessel submit this Amicus Brief in opposition to the Joint Application of American Transmission Company, ITC Midwest LLC, and Dairyland Power Cooperative for authority to build a new 345 kV transmission line, known as the Cardinal-Hickory Creek Project. Pursuant to PSC 2.20(3), we request that the Public Service Commission ("PSC" or "Commission") allow this Brief as a friend of the Commission.

The substantial costs resulting from the construction of this line will be allocated to consumers throughout the Midwest, including to both Illinois and Michigan electricity customers. Illinois consumers are expected to be allocated about 10% of the costs, and Michigan consumers 21%, resulting in our residents paying tens of millions of dollars for this project.¹ Our state consumers will be affected by the Commission's action in this proceeding.

¹ These allocations are based on the Illinois and Michigan load of the MISO north region. See, e.g., Ex.-Applicants-Dagenais-1 a 86; MISO 2019/2020 Planning Resource Auction (PRA) Results, available at: <u>https://cdn.misoenergy.org/20190412_PRA_Results_Posting336165.pdf</u>

While the Mid-Continent Independent System Operator (MISO) approved this project in 2011 as part of its Multi-Value Project portfolio, in the years since 2011, circumstances have changed considerably, requiring additional analysis to avoid an expenditure of hundreds of millions of dollars for a line that may not be needed. Among the changes that necessitate a full, current review of the project are:

1. Load growth has slowed down considerably since 2011, with load shrinking or remaining constant year-over-year. As a result, the growth in demand and for capacity that the line anticipated have not occurred.

2. Distributed generation, such as local solar generation, reduces the demand on long distance transmission lines. Existing and proposed solar projects in Wisconsin will affect the need for additional transmission capacity, and should be considered as part of the analysis of the need for and the costs of the line.

3. Technical developments in battery storage, especially when combined with expanded wind and solar renewable capacity, can be expected to reduce the need for additional transmission capacity, and should be considered as part of the analysis of the need for and the costs of the line.

4. The growth of renewable energy capacity in Wisconsin as well as in Illinois and Michigan since 2011 should be considered in assessing whether the transmission line is needed to meet Midwest renewable energy goals. The extent to which the line is needed to import wind energy from other states must be balanced against the fact that the proposed line is an "open access" line that any type of generation can use, not just wind. The line is not limited to renewable power.

2

The lack of recent peak load growth, associated with the expansion of distributed solar, wind and battery technologies, creates a very different situation from that analyzed in 2011 when the line was originally proposed. It is necessary to consider recent alternatives to determine whether the transmission line is needed.

The Applicants discuss several possible "futures" which show varying amounts of net benefits. However, Wisconsin PSC Staff witness Vedvik questioned the Applicants' assessment of costs and benefits, concluding that the line results in a net economic loss in the most likely future scenarios. (Direct-PSC-Vedvik-38.) In light of the substantial costs associated with the project both for Wisconsin and for Illinois and Michigan consumers, it is necessary to step back and recognize that circumstances have changed enough since 2011 to require the Applicants to provide updated transmission alternatives before receiving approval to construct the line.

For the foregoing reasons, the People of the States of Illinois and Michigan, through Attorneys General Kwame Raoul and Dana Nessel, respectively, request that the PSC accept this amicus brief pursuant to PSC 2.20(3) and reject the pending request for approval of the Cardinal-Hickory Creek transmission line. The PSC may provide the applicants, at its option, the opportunity to consider ways that solar generation, battery storage, and deployment of other advanced transmission technologies, can economically and efficiently address the current needs

for transmission in the Midwest, in light of both the flat load and the changes in technology over the past several years.

Respectfully submitted,

PEOPLE OF THE STATE OF ILLINOIS

By Kwame Raoul, Attorney General

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PEOPLE OF THE STATE OF MICHIGAN

By Dana Nessel, Attorney General

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