# STATE OF MINNESOTA BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF NORTHERN STATES POWER COMPANY AND ITC MIDWEST LLC FOR A CERTIFICATE OF NEED FOR THE HUNTLEY-WILMARTH 345 KV TRANSMISSION LINE PROJECT

DOCKET NO. E002, ET6675/CN-17-184

OAH DOCKET NO. 82-2500-35157

IN THE MATTER OF THE APPLICATION TO THE MINNESOTA PUBLIC UTILITIES COMMISSION FOR A ROUTE PERMIT FOR THE HUNTLEY-WILMARTH 345 KV TRANSMISSION LINE PROJECT DOCKET NO. E002, ET6675/RP-17-185

OAH Docket No. 82-2500-35157

DIRECT TESTIMONY OF

THOMAS C. PETERSEN

On Behalf of

NORTHERN STATES POWER COMPANY, A MINNESOTA CORPORATION

and

ITC MIDWEST LLC

September 6, 2018

Exhibit \_\_\_\_ (TCP-1)

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2		
3	Q.	PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.
4	Α.	My name is Thomas C. Petersen, and my business address is 123 Fifth Street
5		SE, Cedar Rapids, Iowa 52401.
6		
7	Q.	BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?
8	Α.	I am employed as the Director - Public Affairs for ITC Midwest LLC (ITC
9		Midwest), one of the co-applicants in this proceeding.
10		
11	Q.	PLEASE SUMMARIZE YOUR QUALIFICATIONS AND EXPERIENCE.
12	Α.	I have been in my current position since June 2017. In this role, I support
13		our capital project teams and work with stakeholders on issues of mutua
14		interest. Prior to that, I was the Director - Communications for ITC
15		Midwest for approximately nine years. In that role, I worked on a variety of
16		capital project teams, interacting with communities, news media, and
17		landowners throughout the regulatory and construction process. Before
18		working for ITC Midwest, I was employed in various positions at Allian
19		Energy Corporation and its predecessor companies. I have a Bachelor of
20		Arts degree in Journalism, a Master of Arts in Journalism, and a Master of
21		Science in Urban and Regional Planning, all from the University of Iowa
22		Additional details regarding my background are provided in my resume
23		attached as Exhibit (TCP-1), Schedule 1.
24		

I. INTRODUCTION

1

1	Q.	FOR WHOM ARE YOU TESTIFYING?
2	Α.	I am testifying on behalf of Xcel Energy and ITC Midwest (collectively,
3		Applicants) for a Certificate of Need and Route Permit for the Huntley -
4		Wilmarth 345 kilovolt (kV) Transmission Line Project (Huntley - Wilmarth
5		Project or Project).
6		
7	Q.	WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?
8	Α.	The purpose of my testimony is to describe ITC Midwest's role in the
9		Project and to introduce the other ITC Midwest witness who is providing
10		testimony in this proceeding. ITC Midwest supports the Project, given the
11		benefits it provides to Minnesota and Midwest stakeholders, and has worked
12		closely with Xcel Energy in support of the applications for a Certificate of
13		Need and Route Permit for the Project.
14		
15	Q	What portions of the Certificate of Need Application are you
16		SPONSORING?
17	Α.	I am sponsoring the ITC Midwest-specific data contained in the Application
18		relating to the Huntley Substation modifications.
19		
20	Q.	WHAT SCHEDULES ARE ATTACHED TO YOUR TESTIMONY?
21	Α.	Schedule 1: Resume of Thomas C. Petersen.
22		

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3 (	<i>)</i> .	PLEASE DESCRIBE ITC MIDWEST'S OPERATIONS AND SERVICES.

ITC Midwest was formed in 2007 to acquire the transmission assets of 4 5 Interstate Power and Light Company (IP&L), a subsidiary of Alliant Energy Corporation. ITC Midwest is a wholly-owned subsidiary of ITC Holdings 6 7 Corp., the nation's only fully-independent electric transmission company. ITC Holdings Corp. is majority-owned by Fortis Inc. and minority-owned by 8 ITC Midwest is an independent transmission 9 GIC Private Limited. 10 company and owns more than 6,600 miles of transmission lines and more 11 than 200 electric transmission substations serving more than 700 12 communities in Minnesota, Iowa, Illinois, and Missouri, and maintains 13 operating locations in Albert Lea and Lakefield, Minnesota, and in Dubuque, Iowa City, and Perry, Iowa.<sup>1</sup> ITC Midwest is a transmission-owning member 14 of the Midcontinent Independent System Operator, Inc. (MISO). 15 16 Accordingly, transmission service over facilities developed and owned by 17 ITC Midwest is provided pursuant to the MISO Open Access Transmission 18 Energy and Operating Reserve Markets Tariff.

19

## Q. Who are ITC Midwest's customers?

A. ITC Midwest provides wholesale transmission service to vertically-integrated investor-owned utilities, cooperatives, and municipal utilities in Minnesota, Iowa, and Illinois. Our customers also include independent power producers and other generators who interconnect into ITC Midwest's transmission system, reflecting a total generation capacity of more than 8,400

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<sup>&</sup>lt;sup>1</sup> As an independent transmission company, ITC Midwest does not directly serve load.

1		megawatts (MW). These generators include more than 35 individual wind
2		generators in Minnesota and Iowa totaling more than 3,670 MW of
3		renewable generation.
4		
5	Q.	What is ITC Midwest's focus in Minnesota?
6	Α.	After acquiring IP&L's system in 2007, ITC Midwest went to work to
7		update a transmission system that was sorely in need of improvements. We
8		have invested approximately \$3 billion in the ITC Midwest system, including
9		approximately \$265 million in service in Minnesota. ITC Midwest's
10		Minnesota projects include construction of the Minnesota-Iowa 345 kV
11		Transmission Line Project in Jackson, Martin, and Faribault counties (which
12		includes the Huntley Substation), investments in lines to meet North
13		American Electric Reliability requirements, and upgrades to existing 69 kV
14		lines, lines that are critical for reliable local electric service. On a day-to-day
15		basis, ITC Midwest maintains active operations of its Minnesota
16		transmission system, from restoration of lines that have experienced storm
17		damage to daily maintenance and construction activities.
18		
19		These new and upgraded facilities produce significant benefits for Minnesota
20		electricity consumers. Across the ITC Midwest system, we have seen
21		transmission outages drop by approximately 59 percent in the past 10 years,
22		as a result of improvements in the infrastructure and ITC Midwest's
23		operating and maintenance practices.
24		
25		In addition, our investments have allowed nearly 500 MW of new wind
26		generation to connect to the grid in Minnesota since 2007, with another

200 MW currently under a Generation Interconnect Agreement to connect
by 2020. These new wind resources not only provide access to a clean
energy source, they provide economic benefits through tax payments and
landowner payments in the rural areas where the turbines are located. As
detailed in the testimony of Applicants' witness Mr. Kyle Neidermire, the
Project will further capture the benefits of these wind energy developments
by reducing system congestion and expanding access to low-cost wind
energy.

Α.

10 Q. HOW WOULD THE HUNTLEY – WILMARTH PROJECT FURTHER SUPPORT THE
11 INVESTMENTS ITC MIDWEST HAS MADE IN MINNESOTA?

ITC Midwest's support of the Huntley – Wilmarth Project is consistent with the company's commitment to making improvements in the electric transmission system to provide tangible customer benefits. The company's focus has been to strengthen the regional grid to improve service and reliability and support access to generating sources. The Huntley-Wilmarth Project is consistent with ITC Midwest's approach. As demonstrated by the testimony submitted by Applicants' witness Mr. Andrew Siebenaler and MISO, the Project is a cost-effective way to address electric congestion issues that increase the cost of electricity for consumers.

The Project also builds on the new Huntley Substation, which ITC Midwest built to replace the smaller Winnebago Substation that had served the area for many years with interconnections to the 69 kV lines to serve Southern Minnesota electricity consumers. Today, the new substation is configured to accommodate the 345 kV, 161 kV, and 69 kV lines in the area. Construction

1		of the Project leverages this substation investment for the benefit of
2		consumers.
3		
4		III. HUNTLEY-WILMARTH PROJECT
5		
6	Q.	WHAT IS ITC MIDWEST'S ROLE IN THE PROPOSED PROJECT?
7	Α.	ITC Midwest will be an equal owner of the Project with Xcel Energy. ITC
8		Midwest is jointly seeking a Certificate of Need and Route Permit for the
9		Project.
10		
11		Xcel Energy will take the lead on construction and act as the construction
12		manager for all aspects of the Project, except for the work needed at the
13		Huntley Substation, for which ITC Midwest will take the lead on
14		construction. Xcel Energy also will maintain and operate the transmission
15		line once the Project is put in service. Having a single construction manager
16		for all of the transmission line work will provide for efficiencies in
17		construction and Project oversight. ITC Midwest will operate the additional
18		equipment at the Huntley Substation once constructed.
19		
20	Q.	WHAT MODIFICATIONS WILL BE MADE TO THE HUNTLEY SUBSTATION TO
21		ACCOMMODATE THE NEW 345 KV TRANSMISSION LINE?
22	Α.	The work at the Huntley Substation will be overseen and managed by the
23		ITC Midwest Project Manager, Mckenzie Dickerman. The modifications
24		will include:
25		• One new 345 kV circuit breaker;
26		• Three new 345 kV potential transformers for relays;

1		• Two new 345 kV switches;
2		• Four new 345 kV dead end structures;
3		• Five new steel stands;
4		• Three new relay panels and equipment panels and equipment;
5		• New 345 kV bus, circuit breaker control cable, ground rods, and
6		couplings; and
7		• Concrete foundations for the dead-end structure, breaker, switches,
8		wave traps, and bus supports.
9		
10		IV. ITC MIDWEST WITNESSES
11		
12	Q.	PLEASE INTRODUCE THE OTHER ITC MIDWEST WITNESS WHO IS PROVIDING
13		DIRECT TESTIMONY IN THIS PROCEEDING.
14	Α.	Benjamin Abing is also providing Direct Testimony in this proceeding.
15		Mr. Abing is a Senior Engineer with ITC Holdings Corp. and testifies
16		regarding ITC Midwest's evaluation of the externalities of different
17		transmission line alternatives in the Certificate of Need proceeding, as
18		required by the Commission. This evaluation is contained in Appendix I to
19		the Certificate of Need Application, titled "ITC Midwest's Cost of
20		Alternatives, Including Commission Externalities Values."
21		
22	Q.	Is ITC Midwest offering any other witnesses to discuss other
23		PARTS OF THE CERTIFICATE OF NEED AND ROUTE PERMIT APPLICATIONS?
24	Α.	Not at this time. ITC Midwest has worked closely with Xcel Energy on the
25		applications, providing information and input, with Xcel Energy taking the
26		lead on need analyses and testimony. ITC Midwest supports the

1		applications and Xcel Energy witnesses' testimonies that demonstrate the
2		Project meets the criteria for a Certificate of Need and a Route Permit. ITC
3		Midwest may provide additional testimony to address ITC Midwest-specific
4		questions that arise in the proceeding.
5		
6		V. CONCLUSION
7		
8	Q.	DOES THIS CONCLUDE YOUR PRE-FILED DIRECT TESTIMONY?
9	Α.	Yes.

Exhibit \_\_\_\_(TCP-1) Schedule 1 MPUC Docket No. E-002, ET6675/CN-17-184 MPUC Docket No. E-002, ET6675/TL-17-185 OAH Docket No. 82-2500-35157 Page 1 of 1

# Thomas C. Petersen, APR

123 Fifth Street SE Cedar Rapids Iowa 52401

#### **Education:**

M.S. in Urban and Regional Planning, University of Iowa

M.A. in Journalism, University of Iowa

B.A. in Journalism and Mass Communications, minor emphasis in Business Administration, University of Iowa

Additional graduate coursework in University of Iowa College of Business and Graduate College, School of Library and Information Science.

### **Professional Experience:**

ITC Midwest Director – Public Affairs, June 2017-present

Cedar Rapids, Iowa Director – Communications, January 2008-June 2017

Alliant Energy Corp. and predecessor

companies Madison, Wisconsin Cedar Rapids, Iowa Director – Strategic Projects Communications, October 2007-Dec. 2007 Director – Corporate Communications, January 2002-October 2007 Director – Marketing, Alliant Energy Integrated Services, Sept. 2000-01 Manager – Restructuring Communications, Sept. 1999 to Sept. 2000;

Manager – Account Service, February 1999 to September 1999 Sr. Communications Account Manager, April 1998 to January 1999 Communications Program Manager, March 1996 to April 1998 Sr. Communications Coordinator, October 1993 to March 1996 Communications Coordinator, July 1990 to September 1993

Leslie Associates, Inc. Omaha, Nebraska

Assistant Vice President, October 1988 to July 1990 Account Executive, March 1986 to October 1988

Daily Nonpareil Council Bluffs, Iowa General Assignment/Business Reporter, June 1985 to March 1986