

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: ITC MIDWEST LLC	DOCKET NO. E-21340
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ORDER REQUIRING AMENDMENT TO ELECTRIC FRANCHISE

PROCEDURAL BACKGROUND

On October 21, 2020, ITC Midwest LLC (ITC Midwest) filed with the Utilities Board (Board) a petition for a franchise extension of a 16.22-mile, 161 kV nominal voltage (169 kV maximum operating voltage) electric transmission line in Worth County, Iowa.

On December 1, 2020, Board Safety and Engineering staff (Staff) filed a letter explaining that ITC Midwest is required to file an amended franchise to address a switching station that bisected the previously franchised transmission line into two circuits. On January 11, 2021, ITC Midwest filed a response asserting that because the lines connecting to the switching station are within substation property, no amendment is required.

On April 21, 2021, Staff filed a third staff review letter (a second staff review letter was filed, but did not address this issue) advising ITC Midwest that Board staff still believes an amendment is necessary and requested ITC Midwest file an amendment.

On May 17, 2021, ITC Midwest filed a request for extension of time to respond to Staff's third staff review letter. On July 8, 2021, Staff filed a follow-up letter regarding

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ITC Midwest's response to the third staff review letter, allowing ITC Midwest additional time to respond. On July 20, 2021, ITC Midwest filed a response to the third staff review letter in which ITC Midwest reiterated that the substation taps are on substation property and are exempt from the franchise requirement. ITC Midwest also stated that if Staff disagreed, ITC Midwest would request a meeting with Staff to discuss this issue.

On November 22, 2021, the Board issued an order setting a technical conference for December 13, 2021. On December 9, 2021, ITC Midwest filed a request to reschedule the technical conference. On December 10, 2021, the Board issued an order rescheduling the technical conference for January 10, 2022. The technical conference was held as scheduled to discuss whether an amendment is required under Board rules.

On January 24, 2022, ITC Midwest filed comments to summarize its position regarding whether an amendment is needed in Docket No. E-21340.

DISCUSSION

During its review of the petition for an extension of the electric line franchise, Staff identified that the Barton Switching Station had been constructed, which bisected the original franchised transmission line into two circuits. Staff informed ITC Midwest that an amendment to the franchise is required because of the creation of two circuits that were previously franchised as one. ITC Midwest argues that an amendment is not required due to the substation taps from the two circuits being on property owned by ITC Midwest. The Board understands the position taken by ITC Midwest; however, the issue before the Board is not whether the switching station and taps are on electric

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company property, but whether the newly built switching station creates two circuits that require an amendment to the franchise.

Iowa Administrative Code (IAC) 199—11.6(1)(b) states that an amendment is required for construction of an additional circuit capable of operating at 69 kV or more. Board precedent established that the construction of a substation bisecting a line creates an additional circuit, which requires an amendment to the franchise. See “Order Denying Request for Hearing and Requiring Petitions for Amendment to Electric Franchises,” Docket Nos. E-22290 and E-22323 (February 5, 2021). ITC Midwest has argued that in this case all work to create the additional circuit was completed on end user property, therefore 199 IAC 11.6(4) applies and an amendment is not required.

Subrule 11.6(4) provides that an amendment is not required for a voltage increase, additional circuit, or electric line relocation where such activity takes place entirely within the boundaries of an electric company or end user. If the Board were requiring an amendment just for the taps, the Board would agree that subrule 11.6(4) would not require an amendment. However in this instance, by bisecting the transmission line with a switching station, ITC Midwest created two lines where there was one line. That change in the configuration of the line requires an amendment.

While the switching station is on electric company property, the creation of two circuits from one circuit extends beyond electric company property. The Board is not requiring ITC Midwest to franchise the transmission line taps located on electric company property. As stated, the Board is requiring ITC Midwest to file an amendment to recognize the creation of two circuits from the one franchised line. The Board will

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therefore require ITC Midwest to file an amendment to the electric transmission line franchise.

ORDERING CLAUSE

IT IS THEREFORE ORDERED:

ITC Midwest LLC shall file a petition for amendment to the electric franchise within 30 days of the date of this order in Docket No. E-21340 to address the creation of two lines from the original franchised line.

UTILITIES BOARD

Geri Huser Date: 2022.03.10
21:21:35 -06'00'

Richard Lozier Date: 2022.03.10
12:42:13 -06'00'

ATTEST:

Louis Vander Streek Louis Vander Streek
2022.03.11 09:30:32
-06'00'

Josh Byrnes Date: 2022.03.10
11:28:58 -06'00'

Dated at Des Moines, Iowa, this 11th day of March, 2022.