

## MEDIA RELEASE

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**May 17, 2022**

### **National policy expert recommends KCC deny transmission project**

In Testimony filed today on behalf of the Kansas Industrial Consumers Group, Dr. Jeff D. Makholm, Senior Partner and co-Chair of the Energy Practice of National Economic Research Associates, Inc. (“NERA”) recommended to the Kansas Corporation Commission (“KCC”), that the KCC not issue a Certificate of Convenience to NextEra for the construction and operation of an 89-mile, 345 kV electric transmission line in Kansas.

The 89-mile, 345 kV electric transmission line in Kansas, called the "Blackberry" project, is proposed to be constructed and operated by an affiliate of NextEra. It would extend from the Wolf Creek Generation Station in Coffey County, Kansas, to Jasper County, Missouri, and would be located in Allen, Anderson, Bourbon, Coffey, and Crawford counties, Kansas.

Dr. Makholm notes the following in his Testimony:

- The Wolf Creek Generation Station has been in commercial operation since 1985. The existing electric transmission system from Wolf Creek has operated efficiently and reliably and is currently adequate to serve Kansas electric demand. Kansas ratepayers have paid for the existing transmission system in the Wolf Creek area for 37 years. The proposed transmission line is not a necessity for Kansas ratepayers and would be an unreasonable additional expense for Kansas ratepayers.
- The proposed Blackberry project has not been subject to a “Kansas specific” review to determine if it is a necessity for Kansas. Whether or not this 89-mile, \$85 million project better serves a 14-state Regional Transmission Organization (Southwest Power Pool – “SPP”), does not determine whether the project is a necessity for Kansas.

- SPP and NextEra claim the transmission system is congested because of the addition of large quantities of wind energy in western Kansas. NextEra and SPP fail to consider less costly alternatives to the project - such as curtailing wind generation when transmission reliability in Kansas is at risk. Simply building more transmission and increasing the electric rates in Kansas is not the right answer – it is not a reasonable or efficient response to exporting Kansas renewables to other states.
- The Blackberry project fails to address the critical problem for Kansas – an efficient plan to export Kansas wind resources. The state of Kansas has a wonderful wind energy resource, that should be made available to other states that want more renewable energy used in their states. Those states are willing to pay and should pay for electric transmission to bring Kansas renewable energy to their states. Those transmission costs should not be the burden of Kansas ratepayers.
- NextEra contends that the Blackberry project impacts on Kansans will be trivial. This is false. Higher and higher electric rates affect employment in Kansas, and every Kansan – whether a business or a residential electric user – will suffer because of higher electric rates.
- The Blackberry project is not necessary for Kansas. As such, no rates associated with the Blackberry project can be just and reasonable electric rates under Kansas law. Kansas ratepayers should not be asked to pay any costs of the Blackberry project.

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**About:** *The Kansas Industrial Consumers Group is a coalition of large-volume energy users in Kansas. The members collectively represent billions of dollars of investment in the state and employ thousands of Kansans. They believe high energy costs are negatively impacting residential consumers, schools, hospitals, and large and small businesses.*