

March 15, 2024

VIA ELECTRONIC FILING

Debbie-Anne A. Reese
Secretary
Federal Energy Regulatory Commission
888 First Street NE
Washington, DC 20426

Re: *GridLiance Heartland LLC*, Docket No. ER24-_____
Annual Informational Filing of RY2024 Projected Revenue Requirement and
RY2022 True-Up Adjustment

Dear Secretary Bose:

Pursuant to Section VI of GridLiance Heartland LLC's (GridLiance Heartland) formula rate protocols, GridLiance Heartland submits this transmittal letter and supporting materials (Informational Filing) reflecting GridLiance Heartland's projected net transmission revenue requirement (Annual Projection) for Rate Year (RY) 2024, effective January 1, 2024, which includes its Annual True-Up Adjustment (True-Up) for RY2022. GridLiance Heartland's net revenue requirement is for its transmission facilities that are included in the Midcontinent Independent System Operator, Inc. (MISO) Open Access Transmission, Energy and Operating Reserve Markets Tariff (MISO Tariff), as well as its own Open Access Transmission Tariff (OATT) for facilities not included in MISO. As set forth in the Protocols, this Informational Filing is provided to the Federal Energy Regulatory Commission (Commission or FERC) for informational purposes only and does not require any Commission action.

I. BACKGROUND

GridLiance Heartland was formed specifically to develop, own, and operate transmission facilities within the MISO region. GridLiance Heartland and its sister transmission companies operating in other regional transmission organizations are subsidiaries of GridLiance Holdco, LLC (GridLiance). GridLiance's transmission-only (Transco) utility subsidiaries, like GridLiance Heartland, collaborate with electric cooperatives, municipal utilities, joint action agencies, and others to plan for the future of the grid, invest in necessary electric infrastructure and implement strategies to improve system reliability and resiliency and reduce overall costs to customers.

GridLiance Heartland currently owns six 161kV transmission lines ranging from between eight and ten miles in length each, two 161kV substations, and associated auxiliary equipment. These assets are located in the states of Illinois and Kentucky. GridLiance Heartland acquired the facilities from Electric Energy, Inc. on February 29, 2020, placing four of the six lines under the functional control of MISO on March 1, 2020, with the remaining two lines under the

functional control of GridLiance Heartland and operated under GridLiance Heartland's OATT.¹ On August 31, 2022, the remaining two transmission lines were migrated under the functional control of MISO.

II. INFORMATIONAL FILING

Section VI of the GridLiance Heartland Protocols provides that, by March 15 of each year, GridLiance Heartland "shall submit to FERC an Informational Filing of their projected net revenue requirement for the Rate Year, including their Annual True-Up and True-Up Adjustment." Accordingly, attached herewith are populated formula rate templates, in Microsoft Excel format, calculating GridLiance Heartland's actual net revenue requirement for the Rate Year 2022, and its projected net revenue requirement for the Rate Year 2024, including the True-Up Adjustment.

These same populated templates were posted to the GridLiance Heartland and MISO website along with the date and time of the open meetings among Interested Parties. Open meeting were held on August 9 and October 24, 2023. Interested Parties were given until December 1, 2022 to submit information and document requests. No Informal Challenges were submitted prior to the January 31 close of the Review Period, as defined in Section IV of the Protocols.

In addition, Section VI.A of the Protocols requires the Informational Filing to include information related to affiliate cost allocation. GridLiance Heartland described its affiliate cost allocation methodology its formula rate filing in Docket No. ER18-2342.² As described in that filing, GridLiance Heartland allocates affiliate costs by directly assigning direct costs incurred by it or its centralized service company, GridLiance Management, LLC (ManageCo), to GridLiance Heartland and its affiliate Transcos on whose behalf the direct costs were incurred, and allocates indirect costs incurred by ManageCo to GridLiance Heartland and its affiliate Transcos in proportion to their internal and external direct costs.³ There has been no change in GridLiance Heartland's cost allocation methodology since GridLiance Heartland submitted its August 29, 2018 compliance filing. GridLiance Heartland's RY2024 Annual Projection does not include a specific breakout of costs between affiliates. Instead, using the cost allocation methodology described above, GridLiance Heartland projected in its budgeting for RY2024 the direct costs to be incurred by each affiliate, including GridLiance Heartland, and then, according to the cost allocation methodology, allocated projected indirect costs by the ratio of direct costs.

¹ GridLiance Heartland's acquisition of the facilities was approved by the Commission on January 31, 2020 in Docket No. EC20-13. *GridLiance Heartland LLC*, 170 FERC ¶ 61,072 (2020).

² *GridLiance Heartland LLC*, Docket No. ER18-2342 (Aug. 29, 2018).

³ *Id.* at 8.

III. SERVICE

As required by Section VI of GridLiance Heartland's Protocols and to ensure that all Interested Parties receive proper notice of this Informational Filing, GridLiance Heartland will request that MISO post this filing on its website within five (5) days of this submission. A copy of this filing is being provided to all Interested Parties and GridLiance Heartland's exploder list, and GridLiance Heartland will post this filing and its docket number on GridLiance Heartland's OASIS.

IV. CONTENTS OF FILING

In addition to this transmittal letter, this filing includes:

Exhibit A: populated Microsoft Excel formula rate template reflecting GridLiance Heartland's 2023 projected net revenue requirement for its transmission facilities that are included in the MISO Tariff, effective January 1, 2024

Exhibit B: populated Microsoft Excel formula rate template reflecting GridLiance Heartland's Annual True-Up of its actual net revenue requirement for the 2022 rate year

V. CONCLUSION

For the reasons discussed herein, GridLiance Heartland respectfully requests that the Commission accept this filing for informational purposes, consistent with Section VI of the GridLiance Heartland Protocols.

Respectfully submitted,

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