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Missouri's Chance at Low-Cost Renewable Energy 'Gone with the Wind'?

Jeff Becker*

I. Introduction

The Grain Belt Express, a proposed large-scale energy transmission project, will provide abundant, low-cost wind energy to areas throughout the Midwest.¹ It will particularly benefit the state of Missouri—both economically and environmentally.² However, the project has been stalled for the past five years due to legal battles it has faced in Missouri over whether the company can exercise eminent domain authority over the landowners in its path who oppose the project.³ Although Grain Belt was eventually able to receive the state's approval in 2019,⁴ the project now faces a serious threat in the Missouri legislature with the passage of House Bill 527⁵ in late February, 2021.⁶ This legislation, now in the hands of the Missouri Senate, is specifically aimed at prohibiting the company from exercising eminent domain power, effectively blocking the Grain Belt Express from proceeding in Missouri.⁵ Because the bill would deprive Missouri of the substantial benefits the project would bring to the state and

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¹ *Route Overview*, Grain Belt Express: An Invenergy Transmission Project, https://grainbeltexpress.com/overview.html (last visited Jan. 4, 2021).

² See Protect Wind Energy, Protect Missouri Jobs, Oppose House Bill 527, SIERRA CLUB, https://www.sierraclub.org/sites/www.sierraclub.org/files/sce-authors/u2061/HB%20527%20-%20Support%20Grainbelt%20Express.pdf (last visited Feb. 7, 2021).

³ See Paul Henry, Missouri's Grain Belt Express HVDC Transmission Line Project (Easements and Eminent Domain), OWNERS' COUNSEL OF AMERICA (Sept. 17, 2020),

https://www.ownerscounsel.com/missouris-grain-belt-express-hvdc-transmission-line-project-easements-and-eminent-domain/.

⁴ In the Matter of the Application of Grain Belt Express Clean Line LLC for a Certificate of Convenience and Necessity, File No. EA-2016-0358, 2019 WL 1354055 at *29, *31 (Mo.P.S.C. Mar. 20, 2019) (Report and Order).

⁵ H.B. 527, 101st Gen. Assembly, 1st Reg. Sess. (Mo. 2021), available at https://www.house.mo.gov/billtracking/bills211/hlrbillspdf/1096H.01I.pdf.

⁶ Will Robinson, *Missouri House Passes Bill Against Eminent Domain Use*, BROWNFIELD AG NEWS (Feb. 26, 2021), https://brownfieldagnews.com/news/missouri-house-passes-bill-against-eminent-domain-use/.

⁷ See id.

would inhibit its clean energy progress, it is contrary to the state's public interest, and Missourians should emphatically oppose it.



II. Economic Benefits

The project will span across 206 miles of Missouri's northern region,⁹ delivering to the state a staggering 2,500 megawatts (MW) of wind power generated in western Kansas.¹⁰ Despite the clear environmental benefits of this substantial influx of renewable energy to Missouri's energy grid, the company has maintained its focus on the significant economic benefits of the project in its appeal to Missourians.¹¹ The company estimates that the project will bring over \$1 billion in investment to the state's economy,¹² including \$35 million in direct easement payments to the affected

⁸ Route Overview, supra note 1.

⁹ Leslie Holloway, *Grain Belt Express*, Mo. FARM BUREAU, https://mofb.org/grain-belt-express/ (last visited Jan. 5, 2021).

¹⁰ *Grain Belt Express Aims to Carry More Wind Power to Missouri*, Mo. ENERGY INITIATIVE, http://hosted-p0.vresp.com/1927911/e1a127abcc/ARCHIVE (last visited Jan. 29, 2021).

¹¹ See Route Overview, supra note 1.

¹² Beth Conley, *Grain Belt Express to Increase Local Access to Low-Cost, Homegrown Clean Energy, Adding Up to \$7B in Energy Savings for Kansas and Missouri Consumers*, INVENERGY (Aug. 25, 2020), https://invenergy.com/news/grain-belt-express-to-increase-local-access-to-low-cost-homegrown-clean-energy-adding-up-to-7b-in-energy-savings-for-kansas-and-missouri-consumers.

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landowners.¹³ Additionally, the Grain Belt Express will bring Missouri over \$7 million in annual tax revenue, create a significant number of jobs, bring Missourians substantial energy savings, and even expand broadband infrastructure to advance Missouri's rural economies.¹⁴

The three-year construction period alone will employ over 1,500 Missourians, 15 as well as about seventy-eight more that will be permanently employed to maintain the transmission line. 16 Moreover, existing employers in Missouri and residents throughout the state alike will enjoy substantial energy savings as a result of the project, given the inherently low-cost nature of wind energy. 17 In fact, wind power is one of the cheapest electricity generation technologies currently available, averaging at about \$41 per megawatt hour (MWh), as compared to coal power, which averages at about \$109/MWh and currently accounts for about 73% of Missouri's electricity generation. 19 Factoring in government subsidies—which cut the price of wind energy in *half* —Grain Belt expects its wind energy to range from about \$16.81/MWh to \$22.21/MWh, far lower than the price Missourians currently pay for their energy. 21 This cost reduction will

¹³ Route Overview, supra note 1.

¹⁴ Jeffrey Tomich, *Battle reignites over \$2.5B Midwest transmission line*, E&E NEWS (Dec. 19, 2019), https://www.eenews.net/stories/1061847775; *Route, supra* note 1.

¹⁵ Route Overview, supra note 1.

¹⁶ Marie French, Construction of wind-energy transmission line to create Missouri jobs, St. LOUIS POST-DISPATCH (Jan. 30, 2014),

https://www.stltoday.com/business/local/construction-of-wind-energy-transmission-line-to-create-missouri-jobs/article_be6e5f7f-5755-50a1-8ed4-efe299e87ad6.html.

¹⁷ See Silvo Marcacci, Renewable Energy Prices Hit Record Lows: How Can Utilities Benefit From Unstoppable Solar and Wind?, FORBES (Jan. 21, 2020),

https://www.forbes.com/sites/energyinnovation/2020/01/21/renewable-energy-prices-hit-record-lows-how-can-utilities-benefit-from-unstoppable-solar-and-wind/?sh=4b56af952c84.

¹⁸ LAZARD, LAZARD'S LEVELIZED COST OF ENERGY ANALYSIS—VERSION 13.0, at 8 (2019), https://www.lazard.com/media/451086/lazards-levelized-cost-of-energy-version-130-vf.pdf.

¹⁹ Missouri – State Profile and Energy Estimates, U.S. ENERGY INFO. ADMIN. (May 21, 2020), https://www.eia.gov/state/analysis.php?sid=MO.

²⁰ See Marcacci, supra note 17.

²¹ PA CONSULTING GROUP, ANALYSIS SUMMARY: IMPACT OF GRAIN BELT EXPRESS ON KANSAS AND MISSOURI RATEPAYERS (2020),

 $https://www.grainbeltexpress.com/documents/PAConsulting_\%20 Analysis\%20 Summary.pdf.$

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translate to an average annual savings of about \$12.8 million for Missouri residents after the Grain Belt Express is constructed.²²

What is more, the entire length of the transmission line will contain optical fiber that will expand broadband connectivity to Missouri's rural areas that are in desperate need of high-speed internet.²³ These communities—accounting for over 780,000 Missourians that currently lack access to adequate internet speeds²⁴—miss out on improved communications, education, business, and healthcare, putting them at a stark economic disadvantage.²⁵ As a result of the additional broadband infrastructure included in the Grain Belt Express line, these communities can certainly expect a boost in their economies, as well as their overall quality of life.

III. Clean Energy Progress

Notwithstanding all other considerations surrounding the Grain Belt Express and House Bill 527, Missourians should oppose the legislation simply because it would inhibit the state's energy progress. As public opinion continues to strongly favor the increased use of renewable energy sources and the decreased use of fossil fuels,²⁶ Missouri lags behind. Currently, Missouri's reliance on coal as an energy source is second only to Texas in terms of net electricity generation.²⁷ Yet, Missourians align with

²³ Kaitlyn Schallhorn, *Grain Belt line will include 'first of its kind' broadband infrastructure, impacting 1M rural Missourians*, Mo. TIMES (Feb. 6, 2020),

https://themissouritimes.com/grain-belt-line-will-include-first-of-its-kind-broadband-infrastructure-impacting-1m-rural-missourians/.

²⁴ Lee Barker, Commentary: Grain Belt Express moves Missouri in the right direction, COLUM. DAILY TRIB. (Feb. 7, 2021),

https://www.columbiatribune.com/story/opinion/columns/guest/2021/02/07/grain-belt-express-moves-missouri-right-direction-lee-barker-higginsville/4394032001/.

²⁵ Harold Selby, Commentary: Grain Belt Express provides more than clean energy in Missouri, St. Louis Bus. J. (Aug. 21, 2020),

https://www.bizjournals.com/stlouis/news/2020/08/21/commentary-grain-belt-express-provides-more-than.html.

²⁶ Public opinion on renewables and other energy sources, PEW RES. CENTER (Oct. 4, 2016), https://www.pewresearch.org/science/2016/10/04/public-opinion-on-renewables-and-other-energy-sources/ (last visited Feb. 20, 2021).

²⁷ Duggan Flanakin, Environmentalists Pushing Multiple Renewable Energy Initiatives for Missouri Ballot, HEARTLAND INST. (Apr. 8, 2020), https://www.heartland.org/news-

²² Route Overview, supra note 1.

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the rest of the American public in their support for renewables, voting 2-to-1 in favor of expanding renewable energy even back in 2008.²⁸ The Grain Belt Express is an opportunity to manifest the views of Missourians and propel the state in the right direction—towards a future of sustainable energy.

IV. Conclusion

The Grain Belt Express will bring Missouri a substantial amount of cheap, clean energy, creating thousands of jobs in the state, bringing its residents significant annual energy savings, and even boosting Missouri's rural economies by expanding broadband infrastructure. These benefits—in addition to the strong interest Missouri has in increasing renewable energy power—clearly render the project in the state's public interest. However, the Grain Belt Express may face its ultimate demise if House Bill 527 passes in the Missouri Senate. Because this bill would be harmful to the state's economy and would inhibit its progress, Missourians should strongly oppose it.

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opinion/news/environmentalists-pushing-multiple-renewable-energy-initiatives-formissouri-ballot (last visited Feb. 20, 2021).

²⁸ The Renewable Energy Standard: Boosting Missouri's Economy, NRDC (Feb. 2013), available at https://www.nrdc.org/sites/default/files/RPS-MO.pdf.