

Exhibit No.:
Issue: Neosho Ridge Wind project
Witness: J Luebbert
Sponsoring Party: MoPSC Staff
Type of Exhibit: Rebuttal Testimony
Case No.: ER-2021-0312
Date Testimony Prepared: December 20, 2021

MISSOURI PUBLIC SERVICE COMMISSION

INDUSTRY ANALYSIS DIVISION

ENGINEERING ANALYSIS DEPARTMENT

REBUTTAL TESTIMONY

OF

J LUEBBERT

**THE EMPIRE DISTRICT ELECTRIC COMPANY,
d/b/a Liberty**

CASE NO. ER-2021-0312

*Jefferson City, Missouri
December 2021*

*** Denotes Highly Confidential Information ***

1 **REBUTTAL TESTIMONY**

2 **OF**

3 **J LUEBBERT**

4 **THE EMPIRE DISTRICT ELECTRIC COMPANY,**
5 **d/b/a Liberty**

6 **CASE NO. ER-2021-0312**

7 Q. Please state your name and business address.

8 A. My name is J Luebbert and my business address is Missouri Public Service
9 Commission, P.O. Box 360, Jefferson City, MO 65102.

10 Q. Are you the same J Luebbert that provided sections in Staff's Cost of Service
11 ("COS") report in this proceeding?

12 A. Yes, I am.

13 Q. What is the purpose of your rebuttal testimony?

14 A. The purpose of my rebuttal testimony is to provide the Commission an update to
15 Staff's in-service analysis for the Neosho Ridge Wind project as well as notifying the Commission
16 of a future potential issue resulting from *** [REDACTED] ***.

17 Q. What was Staff's position in its COS report regarding the status of fulfilling the
18 agreed upon in-service criteria of the Neosho Ridge Wind project?

19 A. Staff's position in its COS report regarding the fulfillment of the in-service criteria
20 for the Neosho Ridge Wind project can be summarized as follows:

21 Staff's review of the in-service criteria for Neosho Ridge remains incomplete pending the
22 receipt of additional information from The Empire District Electric Company, d/b/a Liberty
23 ("Empire" or "Company"). Staff requested additional information and verification from Empire
24 regarding the satisfaction of term 3.c. of the agreed upon in-service criteria. Staff will continue to

1 review information provided by Empire and will provide its recommendation concerning full or
2 partial satisfaction of the MCC portion of the in-service criteria in a subsequent round of testimony.

3 Q. Can you briefly explain the importance of the fulfillment of the in-service criteria
4 for the Neosho Ridge Wind project?

5 A. Yes. In-service criteria are a set of operational tests or operational requirements
6 developed by the Staff to determine whether a new unit is “fully operational and used for service.”
7 The “fully operational and used for service” phrase comes from Section 393.135, RSMo. 2000, a
8 statute that was adopted by Initiative, Proposition No. 1, on November 2, 1976. Section 393.135,
9 RSMo. 2000, provides as follows:

10 Any charge made or demanded by an electrical corporation for service,
11 or in connection therewith, which is based on the costs of construction in
12 progress upon any existing or new facility of the electrical corporation, or any
13 other cost associated with owning, operating, maintaining, or financing any
14 property before it is **fully operational and used for service**, is unjust and
15 unreasonable, and is prohibited. [Emphasis added.]

16 Q. Has Staff’s position regarding the fulfillment of the agreed upon in-service criteria
17 of the Neosho Ridge Wind project changed since the filing of Staff’s COS Report?

18 A. Yes. Empire has provided additional information¹ and Staff has reviewed the
19 monthly construction reports in EA-2019-0010, the mechanical completion checklists for all
20 139 turbines, the commissioning certificates for all 139 turbines, turbine punch lists, performance
21 data from 10% of turbines, substation testing reports, and wind farm operating data. At this time,
22 based on the additional information provided by Empire in response to Staff data requests, Staff

¹ Supplemental information was provided by Empire’s response to Staff Data Request Nos. 0182, 0305, and 0380.

1 recommends the Neosho Ridge Wind project be considered fully operational and used for service
2 as of May 5, 2021.

3 *** [REDACTED] ***

4 Q. Earlier in your testimony you mentioned a *** [REDACTED]

5 [REDACTED]. *** Please provide some additional information regarding the specified issue.

6 A. According to Empire's response to Staff Data Request No. 0299, *** [REDACTED]

7 [REDACTED]

8 [REDACTED]

9 [REDACTED]

10 [REDACTED]

11 [REDACTED]

12 [REDACTED]

13 [REDACTED]

14 [REDACTED]

15 [REDACTED]

16 [REDACTED]

17 [REDACTED]

18 [REDACTED]

19 [REDACTED]

20 [REDACTED]

21 [REDACTED]

22 [REDACTED]

23 [REDACTED]

24 [REDACTED]

25 [REDACTED]

26 [REDACTED]

27 [REDACTED]

1 [REDACTED]
2 [REDACTED]
3 [REDACTED]
4 [REDACTED]
5 [REDACTED]
6 [REDACTED]
7 [REDACTED]
8 [REDACTED]
9 [REDACTED]
10 [REDACTED]
11 [REDACTED]² [REDACTED]
12 [REDACTED]
13 [REDACTED]
14 [REDACTED]
15 [REDACTED]³ [REDACTED]
16 [REDACTED]
17 [REDACTED]
18 [REDACTED]
19 [REDACTED]
20 [REDACTED]
21 [REDACTED]
22 [REDACTED]⁴ [REDACTED]
23 [REDACTED]
24 [REDACTED]
25 [REDACTED]

² The report is a product of UL Services Group, LLC, a UL company.

³ Underwriters Laboratories.

⁴ Engineer, Procure, and Construct.

1 [REDACTED]
2 [REDACTED]
3 [REDACTED]
4 [REDACTED]
5 [REDACTED]
6 [REDACTED]
7 [REDACTED]
8 [REDACTED]
9 [REDACTED]
10 [REDACTED]
11 [REDACTED]

12 [REDACTED]
13 [REDACTED] ⁵ ***

14 Q. Has Empire requested recovery of additional costs related to *** [REDACTED]
15 [REDACTED] *** ?

16 A. Not to my knowledge.

17 Q. Why is Staff informing the Commission of this issue if Staff is unaware of
18 requested recovery of additional costs of *** [REDACTED] *** ?

19 A. Staff is raising this issue at this time for several reasons. A non-exhaustive list is
20 included below.

- 21 1. *** [REDACTED] ⁶ [REDACTED]
22 [REDACTED] ⁷ [REDACTED] ⁸ [REDACTED]

⁵ Page 226 of Schedule TM-2 of the direct testimony of Todd Mooney.
⁶ Amended and Restated Limited Liability Compliance Agreement of Empire Wind Holdings, LLC (“LLCA”).
⁷ Tax equity partners.
⁸ Production tax credits (“PTC”).

1 [REDACTED]
2 [REDACTED]
3 [REDACTED]
4 [REDACTED]
5 [REDACTED] ⁹ [REDACTED]
6 [REDACTED]
7 [REDACTED]
8 [REDACTED]
9 [REDACTED]
10 2. [REDACTED]
11 [REDACTED]
12 [REDACTED]
13 [REDACTED] ¹⁰ ***
14 3. Performance testing has not been conducted since the issue was discovered.¹¹
15 4. *** [REDACTED]
16 [REDACTED]
17 [REDACTED]
18 [REDACTED]
19 [REDACTED] ¹²
20 5. [REDACTED]
21 [REDACTED] ¹³ ***

⁹ Empire response to Staff Data Request No. 0299.

¹⁰ CONSTRUCTION COMPLETION REVIEW Assessment of Project for Tax Equity Financing, UL Services Group, LLC, a UL company.

¹¹ Empire’s response to Staff Data Request No. 0306 indicated that, “Empire has not conducted nor contracted any performance testing for Neosho T-079 subsequent to discovery of the potential bearing issue. Such testing was not deemed necessary because any issue with the bearing in question could not reasonably be determined to negatively affect the turbine’s energy production while operating.”

¹² Ibid.

¹³ *** [REDACTED] ***

1 6. The expected life of the turbines is approximately 20 years.¹⁴

2 7. *** [REDACTED]

3 8. [REDACTED]

4 [REDACTED]

5 [REDACTED]

6 [REDACTED] ***

7 Q. Has Empire provided Staff with an estimate of the cost to *** [REDACTED]

8 [REDACTED] *** ?

9 A. *** [REDACTED]

10 [REDACTED]¹⁵ [REDACTED]

11 [REDACTED]

12 [REDACTED]

13 [REDACTED]

14 [REDACTED] ***

15 Q. What is your recommendation to the Commission?

16 A. I recommend that the Commission order Empire to provide the following
17 information to Staff:

18 1. Quarterly summary results of the *** [REDACTED]

19 [REDACTED]

20 2. [REDACTED]

21 3. [REDACTED]

22 [REDACTED]

¹⁴ Empire response to Staff Data Request No. 0026 in Case No. EO-2020-0120.

¹⁵ Empire response to Staff Data Request No. 0299.

1
2
3
4
5
6
7
8

4. [REDACTED]
5. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED] 16 [REDACTED]
[REDACTED] ***

Q. Does this conclude your rebuttal testimony?

A. Yes.

16 *** [REDACTED]
[REDACTED] ***

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of the Request of The Empire)
District Electric Company d/b/a Liberty for) Case No. ER-2021-0312
Authority to File Tariffs Increasing Rates for)
Electric Service Provided to Customers in its)
Missouri Service Area)

AFFIDAVIT OF J LUEBBERT

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COMES NOW J LUEBBERT, and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Rebuttal Testimony of J Luebbert*; and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.

J LUEBBERT 

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 16th day of December, 2021.

Dianna L. Vaughn
Notary Public

DIANNA L. VAUGHT
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: July 18, 2023
Commission Number: 15207377