BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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In the Matter of Ameren Missouri's 2014 Utility Resource Filing pursuant to 4 CSR 140 – Chapter 22

File No. EO-2015-0084

RESPONSE OF AMEREN MISSOURI TO ALLEGED DEFICIENIES AND CONCERNS

COMES NOW Union Electric Company, d/b/a Ameren Missouri (Ameren Missouri), and in response to the pleadings filed on February 27, 2015 and March 2, 2015, states as follows:

I. BACKGROUND

1. Ameren Missouri made its Chapter 22 Integrated Resource Plan (IRP)¹ filing on October 1, 2014. This filing is substantial – work to support the development of this filing commenced approximately 18 months prior to the actual filing. As part of that process, Ameren Missouri conducted several all-day meetings with stakeholders, which included most of the parties participating in the current docket.

2. On February 27, 2015 and March 2, 2015, parties in this case filed pleadings alleging certain deficiencies and raising concerns regarding the compliance of Ameren Missouri's October 1 filing with the applicable rules. The parties filing comments were the Staff of the Missouri Public Service Commission, Comverge, Inc., the Office of the Public Counsel, the Missouri Division of Energy, Natural Resources Defense Council, Sierra Club and Renew Missouri. There are other parties to this case that did not file a report or identify any deficiencies in Ameren Missouri's IRP filing.

¹ Rule 4 CSR 240-22. The Commission revised its Chapter 22 rules, effective June 30, 2011.

3. Under the applicable version of rule 4 CSR 240-22.080(10) in effect on June 30,

2011 provides:

If full agreement on remedying deficiencies or concerns is not reached, then, within sixty (60) days from the date on which the staff, public counsel, or any intervenor submitted a report or comments relating to the electric utility's triennial compliance filing, the electric utility may file a response and the staff, public counsel, and any intervenor may file comments in response to each other. The commission will issue an order which indicates on what items, if any, a hearing will be held and which establishes a procedural schedule.

II. COMMISSION CONSIDERATIONS WHEN REVIEWING ALLEGED DEFICIENCES AND CONCERNS

4. Attached to this pleading as Exhibit A is Ameren Missouri's detailed response to each of the alleged deficiencies and concerns set forth in the parties' February 27th and March 2nd filings. This pleading will not go into the details of that response, but will address several overarching themes that the Company asks the Commission to keep in mind as it considers the alleged deficiencies and concerns.

5. First, the Commission should recognize that the purpose of the IRP rules is not to reach a "perfect" plan with the perfect answer to every potential question. Rather, as the Commission itself stated in one of the Company's previous IRP filings, "The purpose of the IRP filing is to demonstrate that [the Company] has engaged in a planning process that complies with the requirements of the rule."² More recently, the Commission has held that the focus of the rules should be "…on the planning process itself rather than on the particular plans or decisions that results from that process."³ As the content of Exhibit A demonstrates, Ameren Missouri has

² File No. EO-2007-0409, *Final Order Regarding AmerenUE's 2008 Integrated Resource Plan*, February 29, 2009, p. 1.

³ <u>Id</u>, p. 5, quoting from the Missouri Register, Vol. 18, No. 1, Page 91 (January 4, 1993). This citation deals with the rules under which Ameren Missouri files this IRP. In addition, although the Commission has adopted new IRP rules, the focus is still on the planning process. In fact, in its Order of Rulemaking in Case No. EX-2010-0254, the Commission specifically rejected requests for pre-approval of certain large projects found in a utility's IRP preferred plan.

more than adequately complied with the requirements of the Commission's rules. Ameren Missouri's IRP filing reflects a thorough and robust analysis which should be found by the Commission to demonstrate compliance with the IRP rules.

6. Secondly, the Commission must weed out the alleged deficiencies that are nothing more than a party's view of how some aspect should be valued or how some analysis should be conducted, as opposed to a deficiency in the Company's planning process. Different parties will view the planning process differently. If the Company did not undertake some required analysis, there is no doubt that would be a deficiency. However, if the alleged deficiency is that Ameren Missouri should have used a different value for a particular aspect of its analysis, then it is not a deficiency. It is a difference of opinion. With the diversity of parties (and their associated agendas) involved in Ameren Missouri's IRP process, it is likely that there could not be an IRP which could gain 100% agreement. The appropriate question, as stated above, is whether the Company engaged in a planning process that complies with the requirements of the rules.

7. The third concept the Company suggests that the Commission consider is one of a practical nature. Please presume for a moment that Ameren Missouri's filing contains a deficiency. Before ordering Ameren Missouri to redo its analysis, the Commission should ask whether the change being proposed would change the Company's selection of its Preferred Resource Plan and, perhaps most importantly, whether it would change the Company's Implementation Plan (which is the next three years, until the Company files a new IRP). IRP filings under the Commission's rules represent a snapshot in time. There will always be an input that could be updated, but if re-running the analysis is not going to result in a change to the Preferred Plan selection or to the Company's Implementation Plan, then it does not make sense

for the Commission to order the Company to spend its time and resources re-working that aspect of the IRP filing.

8. Additionally, the Commission's revised IRP rules contemplate an update process, set forth in 4 CSR 240-22.080(6), including annual updates. This addition to the IRP rules obviates the need for the Commission to order the Company to update its assumptions on an ad hoc basis, as the Commission has already created a process whereby this must regularly occur.

9. Finally, as the Commission may have noticed, the Staff filing indicated that it did not find a single deficiency with Ameren Missouri's IRP filing and most of the alleged deficiencies identified by other parties are more akin to wishing the Company would use different inputs rather than alleging that Ameren Missouri did not provide the analysis required by the Commission's IRP rules. Accordingly, under 4 CSR 240-22.080(17), Ameren Missouri requests that the Commission acknowledge its Preferred Resource Plan as reasonable at this time.

WHEREFORE, Ameren Missouri asks the Commission to find that it's October 1, 2014, IRP filing complies with the requirements of 4 CSR 240-22, as it existed at the time the Company's IRP was filed and acknowledge the Company's Preferred Resource Plan as reasonable at this time.

4

Respectfully submitted,

UNION ELECTRIC COMPANY, d/b/a Ameren Missouri

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ATTORNEYS FOR AMEREN MISSOURI

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing Ameren Missouri Response to Alleged Deficiencies and Concerns was served on all parties of record via electronic mail (e-mail) on this 1st day of May, 2015.

<u>|s| Wendy K. Tatro</u>

Wendy K. Tatro