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**What is the purpose of the wind project market price protection mechanism that the Commission approved and ordered to be implemented in Case No. EA-2019-0010?**

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| The market price protection mechanism provides for the sharing of risk between customers and shareholders associated with the possibility of reduced market prices and wind production associated with the Wind Projects. (8084) | The purpose of the wind project market price protection mechanism is stated on page 9, paragraph 21 in the Non-Unanimous Stipulation and Agreement in Case No. EA-2019-0010. (288) | As reflected in the Stipulation in Case No. EA-2019-0010 which proposed the Market Price Protection Mechanism, the "mechanism seeks to provide for the sharing of risk between customers and shareholders associated with the possibility of reduced market prices and wind production associated with the Wind Projects." (8093) | As the Commission's Report and Order at p. 27 states: "In general terms, the Market Price Protection Mechanism provides for the sharing of risk between customers and shareholders associated with the possibility that the Wind Projects do not generate enough revenue." (8102) |

**To implement the wind project market price protection mechanism that the Commission approved and ordered to be implemented in Case No. EA-2019-0010, at what frequency will the rate base shown in Appendix B to the Non-Unanimous Stipulation and Agreement be calculated as an input to the mechanism?**

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| Rate base will be updated through each general rate case. (8085) | Annually. (289) | To the extent that this is not addressed in the Commission's Order in Case No. EA-2019-0010 or Appendix B (the approved Market Price Protection Mechanism), then MECG has not taken a position on this issue. (8094) | To the extent this is not addressed in the Report and Order from EA-2019-0010, rate base is generally determined at each rate case. (8103) |

**The wind project market price protection mechanism that the Commission approved and ordered to be implemented in Case No. EA-2019-0010 includes "SPP Market Revenue" in Appendix D to the Non-Unanimous Stipulation and Agreement. What are each and every one of the types of revenues that are to be included in the "SPP Market Revenue"?**

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| The revenues ought to reflect any revenue source that can be passed back to customers as an immediate offset to their base rates. Currently, the sources of those revenues are: distributions from each wind farm reflecting SPP market revenue net against operating expense and/or hedge settlement, any net revenue received for sales of renewable energy credits (REC), Paygo, and a revenue credit commensurate with the value of any production tax credits (PTC) the Company may receive. To the extent additional sources of revenue become available to be extracted from the wind projects, and to the extent those revenues can be refunded back to customers, there ought to be consideration for future inclusion of such revenues to be consistent with the spirit of the MPPM. (8086) | All SPP market revenues associated with the wind farms should be included. (290) | To the extent that this is not addressed in the Commission's Order in Case No. EA-2019-0010 or Appendix B (the approved Market Price Protection Mechanism), then MECG has not taken a position on this issue. (8095) | To the extent this is not addressed in the Report and Order from EA-2019-0010 or the Attachments approved by the Commission in that case, Renew Missouri takes no further position. (8104) |

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| **The wind project market price protection mechanism that the Commission approved and ordered to be implemented in Case No. EA-2019-0010 includes "SPP Market Revenue" in Appendix D to the Non-Unanimous Stipulation and Agreement. What are each and every one of the types of costs that are to be included in the "SPP Market Revenue"?** | | | |
| Based on the structure contemplated by the Company, and consistent with the spirit of the MPPM as presented in the aforementioned docket, costs would include operational expenses directly relating to Wind Farm operations and, in a future period, reductions to net income from the wind farms as a result of the tax equity distributions (years 6-10) as presented and required by the Commission in EA-2019-0010. (8087) | No costs were to be included as a SPP Market Revenue. (291) | To the extent that this is not addressed in the Commission's Order in Case No. EA-2019-0010 or Appendix B (the approved Market Price Protection Mechanism), then MECG has not taken a position on this issue. (8096) | To the extent this is not addressed in the Report and Order from EA-2019-0010 or the Attachments approved by the Commission in that case, Renew Missouri takes no further position. (8105) |
| **If, after 10 years, the costs of the wind projects exceed the revenues associated with them, what is the maximum amount of the net of those costs and revenues that Liberty will flow to its Missouri retail customers through their rates?** | | | |
| Pursuant to the Market Price Protection Mechanism approved in EA-2019-0010, "Any regulatory liability existing at the end of the Guarantee Period shall be amortized starting with the effective date of rates in the first rate case after the end of the Guarantee Period. The appropriate amortization period will be determined in such rate case. If the cumulative Annual Wind Value exceeds the Guarantee amount of $52,500,000 (Missouri jurisdictional) at the end of the Guarantee period, the treatment of any amounts above the Guarantee shall be determined in the first rate case after the end of the Guarantee Period." Ultimately, the final decision of what costs customers bear is subject to a future rate case. (8088) | Per the Non-Unanimous Stipulation and Agreement in Case No. EA-2019-0010, if the Annual Savings Value Sum exceeds the guarantee amount of $52,500,000 (Missouri jurisdictional) at the end of 10 years, the treatment of any amounts above the guarantee amount shall be determined in the first rate case after the end of the 10 years. (292) | To the extent that this is not addressed in the Commission's Order in Case No. EA-2019-0010 or Appendix B (the approved Market Price Protection Mechanism), then MECG has not taken a position on this issue. (8097) | The Report and Order in EA-2019-0010 states at p. 28: "If there is a harm caused, there is a sharing mechanism with a Missouri-jurisdictional cap of $52.5 million for Empire to reduce costs to customers, while if the Wind Projects perform as projected, customers retain 100% of the upside." (8106) |

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| **If, after 10 years, the costs of the wind projects exceed the revenues associated with them, what is the maximum amount of the net of those costs and revenues that Liberty's Missouri retail customers will bear through Liberty's rates?** | | | |
| Pursuant to the Market Price Protection Mechanism approved in EA-2019-0010, "Any regulatory liability existing at the end of the Guarantee Period shall be amortized starting with the effective date of rates in the first rate case after the end of the Guarantee Period. The appropriate amortization period will be determined in such rate case. If the cumulative Annual Wind Value exceeds the Guarantee amount of $52,500,000 (Missouri jurisdictional) at the end of the Guarantee period, the treatment of any amounts above the Guarantee shall be determined in the first rate case after the end of the Guarantee Period." Ultimately, the final decision of what costs customers bear is subject to a future rate case. (8089) | Per the Non-Unanimous Stipulation and Agreement in Case No. EA-2019-0010, if the Annual Savings Value Sum exceeds the guarantee amount of $52,500,000 (Missouri jurisdictional) at the end of 10 years, the treatment of any amounts above the guarantee amount shall be determined in the first rate case after the end of the 10 years. (293) | To the extent that this is not addressed in the Commission's Order in Case No. EA-2019-0010 or Appendix B (the approved Market Price Protection Mechanism), then MECG has not taken a position on this issue. (8098) | The Report and Order in EA-2019-0010 states at p. 28: "If there is a harm caused, there is a sharing mechanism with a Missouri-jurisdictional cap of $52.5 million for Empire to reduce costs to customers, while if the Wind Projects perform as projected, customers retain 100% of the upside." (8107) |
| **What is the purpose of the PPA Replacement value in the wind project market price protection mechanism?** | | | |
| The purpose of the PPA Replacement value in the MPPM is to reflect the value that the new wind farms will have regarding meeting the Renewable Energy Standards as a replacement for the current wind purchase power agreements when they expire (December 2024 for Elk River Wind Farm and December 2028 Meridian Way Wind Farm). (8090) | The MPPM and the inclusion of the PPA replacement value within the mechanism were the result of settlement negotiations. Per the Non-Unanimous Stipulation and Agreement in Case No. EA-2019-0010 the PPA replacement value is the value associated with replacing the existing wind PPAs during the period of the guarantee. (294) | To the extent that this is not addressed in the Commission's Order in Case No. EA-2019-0010 or Appendix B (the approved Market Price Protection Mechanism), then MECG has not taken a position on this issue. (8099) | The PPA Replacement Value is defined in Appendix B attached to the Commission's Report and Order in EA-2019-0010. (8108) |

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| **How is the PPA replacement value of the wind project market price protection mechanism calculated?** | | | |
| The MPPM takes the sum of wind production for both PPA wind farms over a period of 8 years (2018-2025) leading up to the Elk River PPA expiration and divides the sum by 8. The MPPM then reduces this total each full year by the generation received from Meridian Way Wind Farm to produce an estimated Allocated Benefit of PPA replacement. After Meridian Way Wind Farm PPA expires, the calculation simply retains the 8-year average of wind production from 2018-2025. This value is then multiplied by the production and wind revenue requirement of actual wind from North Fork Ridge, Kings Point, and Neosho Ridge to provide a PPA Replacement Value. See attachment Confidential Settlement MPP April 5.xlsx for a more granular walkthrough. (8091) | Per the Non-Unanimous Stipulation and Agreement in Case No. EA-2019-0010 the PPA replacement value is the value associated with replacing the existing wind PPAs during the period of the guarantee. (295) | To the extent that this is not addressed in the Commission's Order in Case No. EA-2019-0010 or Appendix B (the approved Market Price Protection Mechanism), then MECG has not taken a position on this issue. (8100) | To the extent this is not addressed in the Report and Order from EA-2019-0010 or the Attachments approved by the Commission in that case, Renew Missouri takes no further position. (8109) |
| **How, described in detail, does Liberty's FAC interact with the wind project market price protection mechanism as Liberty is proposing to implement them?** | | | |
| The Market Price Protection Mechanism ("MPPM"), approved by the Commission as a mechanism that protects customers, does not specifically contemplate interaction with the FAC. The Company proposes, however, that revenues and costs associated with the wind farms be accurately represented in the MPPM so that the spirit of the protection mechanism is maintained. (8092) | Liberty's FAC and the MPPM consist of shared components, but the FAC does not impact the MPPM calculation and the MPPM does not impact the FAC. Per the Non-Unanimous Stipulation and Agreement in Case No. EA-2019-0010, any regulatory liability existing at the end of the Guarantee Period shall be amortized starting with the effective date of rates in the first rate case after the end of the Guarantee Period. (296) | To the extent that this is not addressed in the Commission's Order in Case No. EA-2019-0010 or Appendix B (the approved Market Price Protection Mechanism), then MECG has not taken a position on this issue. (8101) | To the extent this is not addressed in the Report and Order from EA-2019-0010 or the Attachments approved by the Commission in that case, Renew Missouri takes no further position. (8110) |