1	_			
2		hibit No.:	Solar rebates	
3		sues:		
4		itness:	Brenda Wilbers	
5	Sp	onsoring Party:	Missouri Department of	
6			Economic Development	
7 8	Tv	no of Exhibit:	Division of Energy Surrebuttal Testimony	
9		pe of Exhibit: ase No.:	ET-2014-0085	
10		130 110	L1 2014 0000	
11				
12	SURREBU	SURREBUTTAL TESTIMONY		
13	0.5			
14		OF		
15 16	BDE	NDA WILBERS		
17	BKL	NDA WILDLIS		
18				
19	MISSOURI DEPARTMEN	T OF ECONOMI	C DEVELOPMENT	
20				
21	DIVISI	ON OF ENERGY	•	
22				
23				
24	NOV			
25 26	NOVEMBER 1, 2013			
20 27				
28				
29				
30				
31	BEFORE THE PUB	LIC SERVICE C	OMMISSION	
32	OF THE S	TATE OF MISSO	URI	
33				
34				
35 36	A RAEDEN RAIC	SOURI'S APPLI	CATION	
36 37		SOURI'S APPLI SOLAR REBATE		
38	10 303FEND S	OLAN NEDATE		
39	CASE	NO.ET-2014-008	5	
40	3/102		-	
41				

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Ameren Missouri's) Application for Authorization to Suspend) Case No. ET-2014-0085 Payment of Certain Solar Rebates)			
AFFIDAVIT OF BRENDA WILBERS			
STATE OF MISSOURI)			
Cľ) ss TY OF JEFFERSON)		
	Brenda Wilbers, of lawful age, being first duly sworn, deposes and states:		
1.	My name is Brenda Wilbers. I am employed by the Missouri Department of Economic Development -		
	Division of Energy as Program Director.		
2.	Attached hereto and made a part hereof for all purposes is my Surrebuttal Testimony on behalf of the		
	DED Division of Energy.		
3.	I hereby swear and affirm that my answers contained in the attached testimony to the questions therein		
	propounded are true and correct to the best of my knowledge and belief. Brenda Wilbers		
No	bscribed and sworn to before me this day of November 2013. Mary Public KAY A. JOHANNPETER Notary Public - Notary Seal STATE OF MISSOURI Cole County My Commission Expires: Aug. 4, 2015 Commission # 11551987		

- 1 Q. Please state your name and business address.
- 2 A. My name is Brenda Wilbers. My business address is 1101 Riverside Drive,
- 3 Jefferson City, MO 65101.

- 5 Q. By whom are you employed and in what capacity?
- 6 A. I am Program Director with the Missouri Division of Energy. Effective August 28,
- 7 2013 the Division of Energy was transferred from the Department of Natural
- 8 Resources to the Department of Economic Development by Governor Nixon's
- 9 Executive Order 13-03 issued on February 4, 2013.

10

- 11 Q. Please describe your education and experience.
- 12 A. I have 22 years of experience in energy and environmental policy with the
- Department of Natural Resources (DNR) and DNR Director's Office and I am
- currently responsible for two program areas in the Division of Energy: energy
- policy and energy efficiency programs. I have degrees in Business Administration
- 16 from Lincoln University and a Master of Public Administration from the University
- 17 of Missouri-Columbia.

18

- 19 Q. What is the purpose of your testimony?
- 20 A. To respond to rebuttal testimony of several parties, primarily Mr. Glueck and
- 21 Dr. Hausman.

22

- 23 Q. Dr. Hausman expressed concerns with including the costs of future wind
- 24 projects in Ameren's integrated resource plan in 2018 and beyond in the
- 25 calculation of retail rate impact (RRI). What is your response?

¹ Rebuttal testimony, Dr. Hausman, pg.16-17

- A. Rigid interpretation and application of the PSC's Renewable Energy Standard
- 2 (RES) rule regarding calculation of the rate impact of compliance may not
- 3 adequately consider the market realities or implications of the RRI calculation,
- 4 especially in light of the link to integrated resource planning (IRP). The
- 5 changeability and uncertainty of preferred resource plans are built into the
- 6 Commission's IRP rule where "if the utility determines that the preferred resource
- 7 plan or acquisition strategy is no longer appropriate," the plan can be changed with
- a 60-day filing.² A utility's preferred resource plan may include the acquisition of
- 9 renewable energy in future years, but the utility may change the preferred plan
- prior to such acquisition due to any number of factors, including planned and
- unplanned-for contingencies and management decisions. Projected renewable
- energy additions in an IRP, therefore, involve significant uncertainty.

14

- Q. Do you agree with the concerns that Mr. Glueck stated regarding the
- solar industry in Missouri and the significant ramifications of a Commission
- 16 decision in this case?
- 17 A. Generally, the motivation for a renewable energy standard is to encourage the
- increased use of renewable energy resources to generate power above and
- beyond the status quo. The solar rebate provisions of Missouri's RES are resulting
- 20 in actual solar installations in the state, with associated energy savings,
- 21 environmental benefits, jobs and economic activity. The negotiated terms of HB
- 22 142 acknowledge and confirm that the solar installation boom days are likely a
- 23 short-term proposition absent other developments. However, the termination of
- rebates so soon after HB 142's terms were negotiated with the solar industry
- would negate the orderly phase-out that was intended.

26

² 4 CSR 240-22.080(12)

- According to the Missouri Partnership, a nonprofit economic development
- organization, Missouri solar installations have increased from 101 kilowatts in
- 2009 to over 7.8 megawatts (MW) in 2011, more than a 7,000% increase in three
- 4 years. Mr. Glueck's testimony, which presumably accounts for additional years'
- 5 data, states that Missouri has installed over 25 MW of distributed solar generation
- 6 since Missouri voters approved the RES in November 2008.4 The Missouri Solar
- 7 Energy Industry Association (MOSEIA) reports at least 30 Missouri solar
- installation businesses and a Missouri ranking of 6th in the country for solar jobs
- 9 with over 1,200 Missourians working in the solar industry. This economic growth is
- undoubtedly largely attributable to Missouri's RES solar rebate requirement. Many
- Missourians have embraced the solar option and committed themselves
- financially. Therefore, it is important that a determination by the Commission on
- whether the 1% RRI has been reached is based on accurate and reliable
- information and applied in a manner that is consistent with the policy behind the
- 15 **RES**.

17

Q. What are these concerns and what are the implications?

- 18 A. The Missouri Division of Energy is concerned that the Commission is being
- asked to make a determination to discontinue all solar rebates in the Ameren
- Missouri service territory with potentially adverse impacts on Missouri's solar
- 21 energy industry and consumers who have invested in solar energy installations in
- 22 anticipation of a solar rebate. Such determination will rely on an untested model
- being used for the first time with this round of RES compliance filings. There are
- 24 several questions related to the RRI calculation (including the appropriate method
- for scale-down if the cap is reached), different interpretations of the process and

 $^{^3 \ \}underline{\text{http://www.missouripartnership.com/Industries/Energy-Solutions/Category1D/13}$

⁴ Rebuttal testimony, Mr. Glueck, pg. 2

- data inputs used for the calculation, and questions regarding the proper
- 2 categorization and accounting for solar rebate costs. The Commission staff itself
- once stated that it "considers the level of detail required for the rate impact
- 4 calculation to be subjective" in dismissing the need for Ameren to perform the
- 5 calculation in the 2012 RES compliance plan filing, and Staff recommended that a
- 6 waiver should be granted even though not requested.⁵ The Commission has at
- 7 least the flexibility exercised and recommended by the Staff in 2012.

9

Q. What is your recommendation in this regard?

- 10 A. The Missouri Division of Energy recommends consideration of a short-term
- approach that allows a reasonable ramp-down of solar rebates to occur, as
- contemplated by HB 142. This is appropriate due to the current circumstances
- including an unexpected announcement that the 1% RRI threshold would soon be
- reached and the use of a new model for the first-time calculation with data inputs
- that are disputed. This first application of the RRI calculation demonstrates the
- need for consideration of a more transparent process for such calculations and
- clarity on how the RRI calculation is to be performed. The Missouri Division of
- 18 Energy concurs with Staff that an appropriate forum for the discussion and
- resolution of these issues is the HB 142 rulemaking workshop docket (Case No.
- EW-2014-0092). The Commission has an opportunity to temper the adverse
- implications for the Missouri customers who have embraced renewable energy
- installations in Missouri and the solar industry that would result from terminating
- 23 solar rebates precipitously.
- 24 Does this conclude your testimony?
- 25 A. Yes.

⁵ Staff Report and Conclusion on Ameren Missouri's 2012 Renewable Energy Standard Compliance Plan, May 31, 2012, pg. 5