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Certificate of Convenience Claire M. Eubanks, P.E. MoPSC Staff Rebuttal Testimony EA-2016-0208 September 7, 2016

# MISSOURI PUBLIC SERVICE COMMISSION COMMISSION STAFF DIVISION

**ENGINEERING ANALYSIS** 

REBUTTAL TESTIMONY

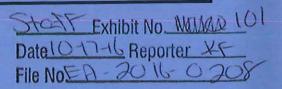
OF

CLAIRE M. EUBANKS, P.E.

UNION ELECTRIC COMPANY, d/b/a AMEREN MISSOURI

CASE NO. EA-2016-0208

Jefferson City, Missouri September 2016



1	REBUTTAL TESTIMONY				
2	OF				
3	CLAIRE M. EUBANKS				
4 5	·				
6	CASE NO. EA-2016-0208				
7	Q. Please state your name and business address.				
8	A. Claire M. Eubanks and my business address is Missouri Public Service				
9	Commission, P.O. Box 360, Jefferson City, Missouri, 65102.				
10	Q. By whom are you employed and in what capacity?				
11	A. I am employed by the Missouri Public Service Commission ("Commission")				
12	as a Utility Regulatory Engineer I in the Engineering Analysis Unit, Operational Analysis				
13	Department, Commission Staff Division. My credentials are attached as Schedule CME-r1 to				
14	this testimony.				
15	Q. Does Staff recommend the Commission approve the Non-unanimous				
16	Stipulation and Agreement filed on August 31, 2016?				
17	A. Yes.				
18	Q. Are you familiar with Case No. EA-2015-0256?				
19	A. Yes. I participated in that case on behalf of Staff. It pertained to an				
20	application for a certificate of convenience and necessity related to an Application requesting				

a certificate of convenience and necessity to construct, own, and operate a solar electric

generation facility in rural Jackson County, Missouri, filed by KCP&L Greater Missouri

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Operations Company ("GMO")

- Q. Did the Commission's Report and Order in the GMO solar case provide any guidance as to whether need for compliance with the RES and the least-cost generation should be the sole determinative of the appropriateness of a grant of a certificate of convenience and necessity for a solar facility?
- A. Yes. Of particular relevance, the Commission made the following conclusions of law regarding application of the "Tartan Criteria."

Id. Is GMO's proposed project economically feasible? GMO readily agrees that construction of the proposed pilot solar plant is not the least-cost alternative for obtaining an additional three megawatts of electric power it is not even the least cost alternative for obtaining that three megawatts of electric power from a renewable resource – wind power would be cheaper. But the purpose of this pilot solar plant is not solely to provide the cheapest power possible to GMO's customers. Rather, its purpose is to help GMO to develop more and cheaper solar power in the future. The benefits GMO and its ratepayers will ultimately receive from the lessons learned from this pilot project are not easily quantifiable since there is no way to measure the amounts saved by avoiding mistakes that might otherwise be made. But it is likely that future savings will be substantial. The Commission concludes that as a pilot project, GMO's solar power plant is economically feasible.

le. Does GMO's proposed project promote the public interest? GMO's customers and the general public have a strong interest in the development of economical renewable energy sources to provide safe, reliable, and affordable service while improving the environment and reducing the amount of carbon dioxide released into the atmosphere. It is clear, solar power will be an integral part of this development, building a bridge to our energy future. The Commission can either act to facilitate that process or temporarily hinder it. GMO's proposed pilot solar plant will do the former and, thus, it will promote the public interest.

<sup>&</sup>lt;sup>1</sup> In In the Matter of the Application of Tartan Energy Company, LLC, d/b/a Southern Missouri Gas Company, 3 Mo P.S.C. 3d 173, 177 (1994). (See also Section 393.170, RSMo (2000)), the Commission's Order listed five criteria to include in the consideration when making a determination on whether a utility's proposal meets the standard of being "necessary or convenient for the public service":

<sup>1.</sup> Is the service needed?;

<sup>2.</sup> Is the applicant qualified to provide the service?;

<sup>3.</sup> Does the applicant have the financial ability to provide the service?;

<sup>4.</sup> Is the applicant's proposal economically feasible?; and

<sup>5.</sup> Does the service promote the public interest?

#### Stipulation and Agreement

- Q. Does the Stipulation and Agreement filed August 31, 2016 reflect modification of Ameren Missouri's solar partnership regarding the economic feasibility and public interest of the program in a manner consistent with the Commission's Report and Order in Case No. EA-2015-0256?
- A. Yes. Through extensive negotiations with the parties, the signatories were able to reach an agreement that made significant changes to the Solar Pilot Partnership as originally proposed; changes that Staff concluded both met the guidance regarding the public interest and economic feasibility considerations provided in Case No. EA-2015-0256 and provided more reasonable ratepayer protections. The following changes to the program are of particular interest to Staff:
  - Provides clarification on how interested customers would host a solar facility;
  - Provides clarification to Ameren Missouri's process of selecting interested customers;
  - Allows Staff and Signatories to review site selection for compliance with criteria and conditions outlined in the Appendix A;
  - Caps Ameren Missouri's capital investment of the program to \$10 million and limits the investment per site to \$2.20/Watt DC; and
  - Includes learning objectives and reporting on those objectives, which will
    update the Commission and stakeholders on lessons learned and other pertinent
    data gathered.

Although the modified application does not result in least cost options that are necessary for capacity or solar RES compliance, given the Commission's guidance in EA-2015-0256, along with negotiated concessions, Staff supports in this case, under these facts, a limited pilot program to meet Ameren Missouri's objectives.

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#### Filing Requirements

- Q. Has Ameren Missouri provided all the information required for approval under Rule 4 CSR 240-3.105?
- A. At this time, Ameren Missouri has not provided the information required for approval under Rule 4 CSR 240-3.105 because site location(s) have not yet been selected. However, the Non-unanimous Stipulation and Agreement includes a requirement that Ameren Missouri submit the required information along with the other criteria and conditions outlined in Appendix A.
  - Q. Does this conclude your rebuttal testimony?
  - A. Yes, it does.

### BEFORE THE PUBLIC SERVICE COMMISSION

## OF THE STATE OF MISSOURI

In the Matter of the Application of Union  Electric Company d/b/a Ameren Missouri for  Permission and Approval and a Certificate of  Public Convenience and Necessity  Authorizing it to Offer a Pilot Distributed  Solar Program and File Associated Tariff  Case No. EA-2016-0208  Case No. EA-2016-0208
AFFIDAVIT OF CLAIRE M. EUBANKS, PE
STATE OF MISSOURI )
COUNTY OF COLE ) ss.
mind and lawful age; that she contributed to the foregoing Rebuttal Testimony and that the same is true and correct according to her best knowledge and belief.  Further the Affiant sayeth not.  **Dairl M Eubau Ka-**
CLAIRE M. EUBANKS, PE
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 day of
September, 2016.
D. SUZIE MANKIN Notary Public - Notary Seal State of Missouri Commissioned for Cole County My Commission Expires: December 12, 2016 Commission Number: 12412070  D. SUZIE MANKIN Notary Public Notary Public

#### CLAIRE M. EUBANKS, PE

#### PRESENT POSITION:

I am a Utility Regulatory Engineer I in the Engineering Analysis Unit, Operational Analysis Department, of the Commission Staff Division of the Missouri Public Service Commission.

#### EDUCATIONAL BACKGROUND AND WORK EXPERIENCE:

I received my Bachelor of Science degree in Environmental Engineering from the University of Missouri – Rolla, now referred to as Missouri University of Science and Technology, in May 2006. I am a licensed professional engineer in the states of Missouri and Arkansas. Immediately after graduating from UMR, I began my career with Aquaterra Environmental Solutions, Inc., now SCS Aquaterra, an engineering consulting firm based in Overland Park, Kansas. During my time with Aquaterra, I worked on various engineering projects related to the design, construction oversight, and environmental compliance of solid waste landfills. I began my employment with the Commission in November 2012. My primary responsibility in my current positon is related to the Renewable Energy Standard. Additionally, over the past two years I have served on work groups related to the Clean Power Plan.

#### CASE HISTORY:

Case Number	Utility	Туре	Issue
EA-2012-0281	Ameren	Rebuttal	Certificate of Convenience and Necessity
EC-2013-0379 EC-2013-0380	KCP&L KCP&L GMO	Rebuttal	RES Compliance
EO-2013-0458	Empire	Memorandum	RES Compliance Plan & Report
EO-2013-0462	Ameren	Memorandum	RES Compliance Report
EO-2013-0503	Ameren	Memorandum ·	RES Compliance Plan
EO-2013-0504	KCPL	Memorandum	RES Compliance Plan & Report
EO-2013-0505	GMO	Memorandum	RES Compliance Plan & Report
ET-2014-0059	KCP&L GMO	Rebuttal	RES Retail Rate Impact
ET-2014-0071	KCP&L	Rebuttal	RES Retail Rate Impact
ET-2014-0085	Ameren	Rebuttal	RES Retail Rate Impact
ER-2014-0258	Ameren	Cost of Service Report, Surrebuttal	RES, In-Service

## cont'd Claire M. Eubanks, PE

Case Number	Utility	Туре	Issue
EO-2014-0287	KCPL	Memorandum	RES Compliance Plan
EO-2014-0288	GMO	Memorandum	RES Compliance Plan
EO-2014-0289	KCPL	Memorandum	RES Compliance Report
EO-2014-0290	GMO	Memorandum	RES Compliance Plan
ER-2014-0370	KCP&L	Cost of Service Report	RES
EX-2014-0352	N/A	Live Comments	RES rulemaking
EC-2015-0155	GMO	Memorandum	Solar Rebate Complaint
EO-2015-0260	Empire	Memorandum	RES Compliance Plan & Report
EO-2015-0263	KCPL	Memorandum	RES Compliance Report
EO-2015-0264	GMO	Memorandum	RES Compliance Report
EO-2015-0265	KCPL	Memorandum	RES Compliance Plan
EO-2015-0266	GMO	Memorandum	RES Compliance Plan
EO-2015-0267	Ameren	Memorandum	RES Compliance Plan & Report
EO-2015-0252	GMO	Staff Report	Integrated Resource Plan – Renewable Energy Standard
EO-2015-0254	KCPL	Staff Report	Integrated Resource Plan – Renewable Energy Standard
ER-2016-0156	KCP&L GMO	Rebuttal	RESRAM Prudence Review
EA-2015-0256	KCP&L GMO	Live Testimony	Greenwood Solar CCN
EO-2015-0279	Empire	Memorandum	RES Compliance Plan & Report
EO-2016-0280	KCPL	Memorandum	RES Compliance Report
EO-2016-0281	GMO	Memorandum	RES Compliance Report
EO-2016-0282	KCPL	Memorandum	RES Compliance Plan
EO-2016-0283	GMO	Memorandum	RES Compliance Plan
EO-2016-0284	Ameren	Memorandum	RES Compliance Plan & Report