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122 Policy Summary Jamie S. Myers

Sponsoring Party:

MoPSC Staff

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Case No.:

EA-2018-0202

Date Testimony Prepared:

September 28, 2018

# MISSOURI PUBLIC SERVICE COMMISSION **COMMISSION STAFF DIVISION**

SURREBUTTAL TESTIMONY

OF

JAMIE S. MYERS

UNION ELECTRIC COMPANY d/b/a AMEREN MISSOURI

CASE NO. EA-2018-0202

Jefferson City, Missouri September 2018

Staff Exhibit No. 122

Date 10/31/18 Reporter 599

File No. 2A - Zo18 - OZOZ

### 1 SURREBUTTAL TESTIMONY 2 OF 3 JAMIE S. MYERS 4 UNION ELECTRIC COMPANY, d/b/a AMEREN MISSOURI 5 6 CASE NO. EA-2018-0202 7 Q. Please state your name and business address. 8 A. My name is Jamie Myers. My business address is 200 Madison Street, 9 Jefferson City, Missouri 65101. 10 Q. By whom are you employed and in what capacity? 11 I am employed by the Missouri Public Service Commission ("Commission") A. 12 as Commission Staff Deputy Director. 13 Q. Please describe your education and relevant work experience. I received a Bachelor's of Arts Degree in Environmental Studies and 14 A. 15 Juris Doctor from the University of Missouri. I began employment at the Commission in 16 May 2014 in the Staff Counsel Department. I transitioned to my current position as 17 Commission Staff Deputy Director in April 2017. Prior to my employment at the 18 Commission I spent four years working in education and research. 19 My job duties include assisting the Commission Staff Director in overseeing all 20 aspects of the Commission Staff. Previously, I was the designated lead on the general 21 review of the Commission's rules, pursuant to Executive Order 17-03. In my prior position 22 at the Commission I was the assigned attorney on several rate cases, complaints, and 23 various applications.

- Q. Have you previously testified before the Commission?
  - A. Yes. I testified before the Commission in Case Numbers GR-2017-0215, GR-2017-0216, and GR-2018-0013.

### **EXECUTIVE SUMMARY**

- Q. What is the purpose of your testimony?
- A. The purpose of my testimony is to present a summary of Staff's response to OPC witness Dr. Geoff Marke's statement in rebuttal that it is not clear the Commission should grant Ameren Missouri's request for a certificate of convenience and necessity (CCN) in this case. I will also summarize Staff's response to Dr. Marke's statement that Ameren Missouri should be denied a Renewable Energy Standard Rate Adjustment Mechanism (RESRAM) if Ameren Missouri elects Plant-in-Service Accounting (PISA) treatment.
  - Q. Please describe Ameren Missouri's request.
- A. On May 21, 2018, Ameren Missouri filed its Application seeking a CCN authorizing it to construct, install, own, operate, maintain, and otherwise control and manage a wind generation facility ("Project") to be constructed in Schuyler and Adair Counties, Missouri, pursuant to a build transfer agreement (BTA) with the special-purpose entity, TG High Prairie Holdings, LLC. Ameren Missouri is also seeking authority to merge the special-purpose entity into Ameren Missouri. As part of the Application, Ameren Missouri is requesting approval of a RESRAM and certain variances from the Commission's RESRAM rules.

On August 17, 2018, Ameren Missouri and Staff filed a non-unanimous Stipulation and Agreement, which contained terms and conditions agreed upon that would resolve the issues in this case. Several of the terms and conditions of the Stipulation and Agreement require Ameren Missouri to work with Staff and file additional information with the Commission, including quarterly progress reports on plans and specifications of the Project and an update on permits obtained; work with Staff to develop and file in-service criteria; and meet with Staff's Auditing Department while developing the accounting process for the RESRAM to ensure costs are tracked appropriately. Renew Missouri filed in support of the Stipulation and Agreement, whereas OPC, MIEC and MDC filed objections. MIEC has since joined a Second Non-Unanimous Stipulation and Agreement, with Ameren Missouri, Staff, and Renew Missouri, filed on September 24, 2018. The Second Non-Unanimous Stipulation and Agreement contains all of the terms and conditions in the non-unanimous Stipulation and Agreement but adds explicit terms on how Ameren Missouri will reflect Production Tax Credits (PTCs) in the RESRAM and additional terms, conditions, and commitments Ameren Missouri has made regarding Wildlife.

OPC witness Dr. Geoff Marke filed rebuttal testimony cautioning the Commission against granting a CCN in this case, and stating if Ameren Missouri elects PISA treatment under Section 393.1400 then Ameren Missouri's request for a RESRAM should be denied. Staff continues to support the terms and conditions of the *Second Non-Unanimous Stipulation and Agreement*, and Staff's surrebuttal testimony supports those terms and conditions that have been objected to or rebutted in testimony.

<sup>&</sup>lt;sup>1</sup> Ameren Missouri filed its Notice of PISA Election on September 1, 2018, in File No. EO-2019-0044.

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Q. What is Staff's recommendation on the Application?

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CCN in this case, consistent with the terms and conditions agreed in Second Non-Unanimous Stipulation and Agreement. Staff has concluded that Ameren Missouri's application sufficiently meets the elements of the Tartan Criteria,<sup>2</sup> and the Commission's

Staff recommends the Commission grant Ameren Missouri's request for a

rule on CCN application requirements, 4 CSR 240-3.105, as noted by the following Staff

witnesses sponsoring surrebuttal testimony:

Cedric E. Cunigan: Need

Claire M. Eubanks: Ability to Construct, Own, Operate; Public Interest; 4 CSR 240-3.105

Jason Kunst: Economic Feasibility

David Murray: Financial Ability

Staff also supports the Commission approving Ameren Missouri's request to merge the special purpose entity, TG High Prairie Holdings, LLC, into Ameren Missouri, with Ameren Missouri being the surviving entity. Staff witness David Murray's testimony confirms the BTA between Ameren Missouri and TG High Prairie Holdings, LLC reduces Ameren Missouri's financing risk associated with the Project.

On advice of Staff Counsel, Staff does not read any provision of Senate Bill 564 to prohibit Ameren Missouri from electing PISA treatment under Section 393.1400 while also establishing a RESRAM for the remainder of the Renewable Energy Standard (RES) compliance costs that are not being deferred in the PISA regulatory asset. As such, Staff supports the Commission approving Ameren Missouri's request to establish a RESRAM and

<sup>&</sup>lt;sup>2</sup> In Re Tartan Energy, GA-94-127, 3 Mo.P.S.C.3d 173, 177 (1994).

Surrebuttal Testimony of Jamie S. Myers

1 granting Ameren Missouri certain variances, as set forth in the Second Non-Unanimous 2 Stipulation and Agreement and explained by the following Staff witnesses sponsoring surrebuttal testimony: 3 4 Lisa M. Ferguson: RESRAM Variance 5 Jason Kunst: RESRAM Accounting 6 Sarah L.K. Lange: Variances 7 Q. Does this conclude your testimony? 8 A. Yes.

# OF THE STATE OF MISSOURI

n the Matter of the Application of Union Electric Company d/b/a Ameren Missouri for Permission and Approval and a Certificate of Convenience and Necessity Authorizing it to Construct a Wind Generation Facility	) ) )	Case No. EA-2018-0202
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## AFFIDAVIT OF JAMIE S. MYERS

State of Missouri ) ) ss County of Cole )

COMES NOW Jamie S. Myers, and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Surrebuttal Testimony*; and that the same is true and correct according to her best knowledge and belief.

Further the Affiant sayeth not.

#### **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 Add day of September 2018.

NOTARY PUBLIC

D. SUZIE MANKIN
Notary Public - Notary Seal
State of Missouri
Commissioned for Cote County
My Commission Expires: December 12, 2020
Commission Number: 12412070