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Issue(s): Green Solution Program
Witness: James Owen
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Sponsoring Party: Renew Missouri Advocates
File No.: EA-2024-0292

Testimony Filed: May 7, 2025

## MISSOURI PUBLIC SERVICE COMMISSION

FILE NO.

EA-2024-0292

REBUTTAL TESTIMONY

**OF** 

**JAMES OWEN** 

 $\mathbf{ON}$ 

**BEHALF OF** 

**RENEW MISSOURI** 

May 7, 2025

### INTRODUCTION

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A:

- 2 Q: Please state your name, title, and business address.
- 3 A: James Owen, Executive Director, Renew Missouri Advocates d/b/a Renew Missouri
- 4 ("Renew Missouri"), 501 Fay Street, Suite 206, Columbia, MO 65201.
- 5 Q: Please describe your current position, your education, and background.
  - Renew Missouri is an advocacy group appearing before regulatory agencies such as the Missouri Public Service Commission ("PSC" or the "Commission"), the Kentucky Public Service Commission, and the Kansas Corporation Commission in the role as expert witnesses on clean energy, energy efficiency, and transmission development policy. Our work involves engaging as intervenors on utility rate cases, applications for certificates of convenience and necessity ("CCNs"), mergers and acquisitions, Accounting Authority Orders ("AAOs"), and energy efficiency investment portfolios. Renew Missouri also routinely engages in workshops and rulemaking by providing comments. We have also lent our expertise and knowledge on legislative matters in Missouri and Kansas as well as the federal level on issues ranging from energy efficiency investments to securitization of debts incurred from closing coal plants to helping rural electric cooperatives obtain financing for clean energy projects. Additionally, I have testified before regulatory agencies on general policy involving power generation, transmission, and distribution. Attached as Schedule JO-1 is a list of my case participation.

Regarding my background, I was an attorney in private practice by trade. I was appointed as an Associate Circuit Court Judge in Webster County, Missouri prior to my experience in utility ratemaking. As far as my education goes, I obtained a law degree

- from the University of Kansas in Lawrence, Kansas as well as a Bachelor of Arts in Business and Political Science from Drury University in Springfield, Missouri.
- 3 Q: What work does Renew Missouri conduct in the field of energy policy?
- 4 In my role as Executive Director at Renew Missouri, I provide information and testimony A: 5 on pieces of proposed legislation that may impact how utility regulators approach energy efficiency and renewable energy. Renew Missouri staff and I have developed and offered 6 7 educational programs on topics related to energy law and policy in Missouri on topics including FERC Order 2222, the Inflation Reduction Act, and our year-end update 8 9 covering state and federal rulemakings, PSC appeals, and energy efficiency/renewable 10 energy updates. We have provided nearly one hundred hours of continuing legal education 11 credit over the past six years.
- 12 Q: Please summarize your professional experience in the field of utility regulation.
- A: Before becoming Executive Director of Renew Missouri, I served as Missouri's Public

  Counsel, a position charged with representing the public in all matters involving utility

  companies regulated by the State of Missouri. While Public Counsel, I was involved in

  several rate cases, CCN applications, mergers, and complaints as well as other filings. As

  Public Counsel, I also answered legislators' inquiries regarding legislation impacting the

  regulation of public utilities.
- 19 Q: Have you been a member of, or participant in, any workgroups, committees, or 20 other groups that have addressed electric utility regulation and policy issues?
- 21 A: Yes. In May 2016, I attended the National Association of Regulatory Utility
  22 Commissioners ("NARUC") Utility Rate School. For the past several years, I attended the

Financial Research Institute's Public Utility Symposium on safety, affordability, and reliability. While I was Public Counsel, I was also a member of the National Association of State Utility Consumer Advocates ("NASUCA") and, in November 2017, the Consumer Council of Missouri named me the 2017 Consumer Advocate of the Year.

More recently, I was appointed by then-Chairman Ryan Silvey to serve on the Net Metering and Distributive Energy Resources Task Force formed by the Legislature in 2022. The work of the Task Force spanned 2023 and included hearing testimony, reviewing evidence, and drafting a report regarding the need for the State to provide a value of solar study ("VOSS") as a requisite part of developing new rates for customers who incorporate net metering and/or DER into their distributive system.

# 11 Q: What is the purpose of your testimony?

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- 12 A: The purpose of my testimony is to provide Renew Missouri's support for the granting of the solar CCNs as well as implementation of the Green Solutions Program (GSP).
- 14 Q: Could you please briefly summarize your testimony as well as your 15 recommendations?
- 16 A: I begin by briefly summarizing Evergy Missouri West's (EMW) and other similar current 17 solar subscription offerings, the reception to these offerings, and the desire of customers to 18 participate in this currently proposed GSP, as well as benefits to non-participant customers 19 in approving the CCN and GSP outlined in EMW's application.
- Q: What is Evergy Missouri West's (EMW's) current Solar Subscription Program(SSP)?
- 22 A: The Solar Subscription Program (SSP)

1 "is a hassle-free, high-impact way for Evergy customers to support clean energy 2 through solar power, without the need to install solar panels on [their] home, 3 apartment, or business. Through a monthly subscription fee that is only somewhat 4 above [their] regular energy charges, residential customers can subscribe to Solar 5 Blocks in 10 percent increments up to 50% of their 12-month energy usage. Non-6 residential [small and medium business] customers can subscribe to Solar Blocks 7 up to 100% of their 12-month energy usage. The number of solar shares needed to 8 achieve [their] chosen percentage will be rounded down to the lowest whole 9 number. Customers who enroll in Solar Subscription may subscribe for up to the 10 25-year life of the program, with a required minimum of one year. Nonresidential customers who subscribe to 25 percent of the available solar shares must commit 11 for a minimum term of five years."1 12 Who is eligible to subscribe to the program? 13 0: 14 "All residential and non-residential [small and medium business] customers taking service A: 15 in Evergy's Missouri Metro and Missouri West jurisdictions are currently eligible to participate."2 16 To clarify, are commercial and industrial (C&I) customers eligible to participate in 17 Q: 18 EMW's SSP?

# 21 Q: Does EMW offer any additional renewable programs?

22 A: EMW offers a Low Income (LI) Solar Subscription Pilot Program "served by 1 MW...of 23 the Hawthorn array, which was used to fulfill the requirements of SB564 legislation 24 (393.1665 RSMo.)."<sup>4</sup> There is also a Renewable Energy Rider (RER) Program, which "was 25 developed for non-residential customers seeking subscription to a renewable asset under a

No, C&I customers are not eligible to participate. This is only for residential and small or

medium businesses.<sup>3</sup>

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A:

https://www.evergy.com/-/media/documents/smart-energy/subscriptions/solar-subscription-faq-2024-missouri.pdf.

Direct Testimony of Kimberly H. Winslow, p. 12.

<sup>&</sup>lt;sup>2</sup> <u>Id.</u>

<sup>&</sup>lt;sup>3</sup> <u>Id.</u>

<sup>&</sup>lt;sup>4</sup><u>Id.</u> p. 4-6.

1 price certain contract and receipt of associated RECs from the renewable generation," but 2 this is fully subscribed and doesn't address current C&I customer needs.<sup>5</sup>

3 O: Again, to clarify, are C&I customers eligible to participate in the LI Solar 4 **Subscription Pilot or RER programs?** 

> No, C&I customers are not eligible to participate in the LI Solar Subscription Pilot, and the RER program is at full capacity (and likely not appealing to modern C&I customers as the "design introduces more price uncertainty and risk than a large customer today may be seeking").6

Q: Why would customers want to participate in any of EMW's renewable programs?

According to EMW's 2024 Solar Subscription FAQs, "While standard electricity rates may fluctuate over time, the Solar Block cost is fixed for the term of your participation."<sup>7</sup> Because "the Solar Block Energy Charge will not increase during [a customer's] participation," this will help "to mitigate bill changes in the future." Additionally, a "subscription supports the deployment of additional renewable energy resources by Evergy MO West and makes a positive environmental impact throughout our region. With [a customer's] participation in Solar Subscription, [the customer] take[s] a leadership position in supporting solar growth and green energy in Missouri."9

Would the stated reasons - mitigating future bills, supporting additional renewable energy resources, making a positive environmental impact, and taking a leadership

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Q:

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<sup>&</sup>lt;sup>5</sup> <u>Id.</u> p. 6 & 13. <sup>6</sup> <u>Id.</u> p. 13. <sup>7</sup> <u>Id.</u>

<sup>&</sup>lt;sup>8</sup> <u>Id.</u> p. 2.

<sup>&</sup>lt;sup>9</sup> *<u>Id.</u>* p. 1.

1 position in supporting solar growth and green energy - be appealing to C&I customers wanting to enroll in EMW's proposed Green Solutions Program (GSP)? 2 3 A: Yes, C&I customers would benefit from and seek all of those same outcomes. Many C&I 4 customers have emissions targets and want to be viewed as leaders in supporting clean 5 energy consumption. 6 Q: Are EMW's current renewable programs fully subscribed? 7 Yes. "As of September 27, 2024, Evergy MO West has 255 customers (1,708 shares) A: 8 enrolled in the SSP Program and a waiting list of 99 customers (589 shares)." "As of 9 September 27, 2024, Evergy MO West currently has 31 customers (217 shares) on an active 10 waitlist for the LI Solar Subscription Pilot Program" with enrollment and billing beginning in December 2024. 11 The RER Program was fully subscribed "soon after the RER program 11 12 was offered" and as of 2022, had eight participants. 12 13 Q: Does EMW have a need to expand their renewable energy offerings to customers? 14 It is clear from the numbers above there is a high demand, in general, for access to A: 15 renewable energy by EMW's customers. Furthermore, EMW does not have a program 16 currently available for C&I customers, while other comparable Missouri investor-owned 17 utilities do, like Ameren Missouri. Is Ameren Missouri's program for C&I customers similar to EMW's proposed GSP? 18 Q:

#### 21 Q: Is Ameren's program for C&I customers fully subscribed?

interest and outcomes between the programs.

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A:

Yes. While not identical, the programs are similar, and one can reasonably expect similar

<sup>&</sup>lt;sup>10</sup> <u>Id.</u> p. 5. <sup>11</sup> <u>Id</u>. p. 6. <sup>12</sup> <u>Id.</u>

- 1 A: Yes, it is fully subscribed, and confidential information and reports provided by Ameren
- 2 Missouri support expectations of a continuing successful program.
- 3 Q: While understanding the programs are not identical, is it reasonable to assume there
- 4 would be similar demand from EMW's C&I customers?
- 5 A: Yes, this is a reasonable assumption.
- 6 Q: When EMW offered the RER program designed for larger customers, was demand
- 7 high?
- 8 A: Yes, the RER Program was fully subscribed "soon after the RER Program was offered." 13
- 9 Q: You stated there were only eight subscribers to the RER Program. Is it reasonable to
- suggest there are more than eight C&I customers in the EMW service area that might
- want to participate in a renewable program?
- 12 A: Yes, that is a reasonable assumption. Furthermore, as previously referenced, the RER
- Program has an outdated design that would not likely be appealing to all C&I customers.
- 14 Q: Why would C&I customers want to participate in a renewable energy program?
- 15 A: According to Ameren Missouri, their C&I customers participate in their Renewable
- Solutions Program (RSP) to support "sustainability goals; reduce your carbon footprint;
- lower local emissions, support the renewable energy market;" contribute towards being
- "good stewards of the Missouri environment; [and] show[ing] you use clean energy to your
- shareholders, customers, community and employees."<sup>14</sup> Furthermore, the RSP "offer[s]
- 20 Ameren Missouri commercial and industrial customers and communities a pathway to meet
- 21 their sustainability goals with local renewable energy while reducing costs and risk for all

<sup>&</sup>lt;sup>13</sup> *Id.* p. 6.

<sup>&</sup>lt;sup>14</sup> https://www.ameren.com/-/media/missouri-site/files/cleanenergycustomerprograms/renewable-solutions/renewable-solutions-phase-2.ashx, p. 6

Ameren Missouri customers."15 It is logical that EMW's C&I customers would have 1 similar incentives and receive similar benefits by participating in a similar program. 2 Is Evergy Missouri West working towards net zero carbon emissions? 3 0: 4 Yes, as outlined on EMW's press release, their 2023 Sustainability Report, and other A: 5 statements on their website, EMW's goal is "to reduce carbon emissions by 70 percent by 2030 compared to 2005 levels, and to achieve net-zero carbon emissions by 2045."<sup>16</sup> 6 7 Does solar generation, like that produced at the proposed GSP facilities, produce **Q**: emissions of carbon dioxide? 8 9 A: As established in front of the Missouri Public Service Commission when expanding Ameren Missouri's RSP and echoed in Mr. VandeVelde's testimony, "Solar generation 10 produces no emissions of carbon dioxide."17 11 Would creating the GSP contribute towards Evergy Missouri West reaching their 12 Q: 2030 and 2045 carbon emission goals and renewable resource goals in its Integrated 13 Resource Plan (IRP)? 14 Yes. To meet these goals and IRP plan, Evergy Missouri West must expand their emission-15 A: free generation. Sunflower Sky will generate 65 MW and Foxtrot will generate 100 MW 16

https://www.ameren.com/-/media/missouri-

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of the 150 MW needed for solar capacity in 2027 that was identified in EMW's 2024

site/files/environment/irp/2024/2024 ameren irp annual update.ashx, p. 19.

https://investors.evergy.com/news-releases/news-release-details/evergy-plan-maintains-lowest-cost-approach-meeting-growing#:~:text=Evergy's%20goal%20is%20to%20reduce,Central%20portion%20of%20the%20plan; https://www.evergy.com/-/media/documents/smart-energy/sustainability--report-2023.pdf; https://www.evergy.com/smart-energy/environmental-impact-link/sustainability-hub; https://www.evergy.com/smart-energy/renewable-resources-link/our-energy-mix

<sup>&</sup>lt;sup>17</sup> In the Matter of the Application of Union Electric Company d/b/a Ameren Missouri for a Certificate of Convenience and Necessity for a Solar Facility, Approval of a Subscription-Based Renewable Energy Program, and Authorization to Establish Tracking Mechanism, File No.EA-2022-0245, Report and Order, p. 17; Ex. 3, Direct Testimony of Matt Michels, p. 3, see also Direct Testimony of Cody VandeVelde, p. 3.

Triennial IRP.<sup>18</sup> Furthermore, this "is below the cost of 2027 solar that was modeled and selected as the least cost resource addition in the 2024 IRP."<sup>19</sup>

3 Q: Do any of Evergy Missouri West's customers have similar net zero emissions goals?

4 A: Yes, Google, for example, has a "goal to reach net-zero emissions across all of [their]
5 operations and value chain, which includes running on 24/7 carbon-free energy on every
6 grid where [they] operate" by 2030.<sup>20</sup>

7 Q: Why is this relevant or important to EMW or the region?

A: Having access to renewable energy is vital to keep Missouri economically competitive and appealing for C&I customers. EMW's own economic development mission statement says, "The mission of the Evergy Economic Development team is to attract new businesses, nurture existing customers, and invest in strategic partnerships, creating an ecosystem where businesses and communities thrive together." Not only does EMW have to have generation capacity for C&I customers, but EMW also has to offer the *type* of energy these customers want.

Q: Is current GSP demand higher than current GSP capacity?

A: Yes, as stated, there currently is not a program available for C&I customers, and the previous RER Program is fully subscribed (and uses a model that might not be appealing to all C&I customers).<sup>22</sup> There is no renewable capacity available, thus demand is higher than capacity. Also as stated, EMW's C&I customers have their own emissions goals they are attempting to meet, which means there is inherent demand for cleaner energy.

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<sup>&</sup>lt;sup>18</sup> Direct Testimony of Cody VandeVelde, p. 12;

Direct Testimony of John Carlson, p. 4-5;

<sup>&</sup>lt;sup>19</sup> Id

<sup>&</sup>lt;sup>20</sup> https://sustainability.google/operating-sustainably/

<sup>21</sup> https://www.evergyed.com/

<sup>&</sup>lt;sup>22</sup> Direct Testimony of Kimberly H. Winslow, p. 6 & 13.

- 1 Q: What are the potential implications if EMW's C&I customers (or potential future
- 2 customers) cannot access clean energy through EMW?
- 3 A: They will either look at ways to generate their own clean energy or they will look to locate
- 4 elsewhere.
- 5 Are there regional economic benefits to creating the GSP now? **Q**:
- 6 A: Yes, "access to renewable energy generation is increasingly vital to a region's competitive 7 economic development. Offering its larger customers an option to purchase renewable energy is one way...to help prevent these customers from leaving, or seeking to expand 8 outside, the...service territory."<sup>23</sup> Additionally, "surveys in the latest edition of a prominent 9 10 economic development trade publication showed that 74% of corporate respondents 11 indicated that access to renewable resources was either very or somewhat important to their 12 company, and 91% of site consultant respondents indicated that access to renewable energy resources was either very or somewhat important to their clients' location decisions. Real 13 14 business investment decisions are being made based on renewable energy access, and states 15 that can provide access to renewables are succeeding in some of the largest economic development opportunities in the country."24 16
- 17 **Q**: Would creating the GSP raise costs for all EMW customers?
- No, Mr. VandeVelde stated in his direct testimony, "the solar projects included in this 18 A: application are forecasted to reduce the costs for EMW customers" (emphasis added).<sup>25</sup> 19 20 He further explained,

<sup>&</sup>lt;sup>23</sup> In the Matter of Union Electric Company d/b/a Ameren Missouri's Tariffs to Adjust its Revenues for Electric Service, File No. ER-2024-0319, Report and Order, p. 16; Ex. 6, Dixon Surrebuttal Testimony, p. 12.; Ex. 7, Forsberg Direct Testimony, p. 6.

<sup>&</sup>lt;sup>24</sup> Id. Report and Order, p. 16; Ex. 6, Dixon Surrebuttal Testimony, pp. 12-13; Ex. 6, Dixon Surrebuttal Testimony, p. 14

25 Direct Testimony of Cody VandeVelde, p. 6.

1		These resources will provide long-term low-cost energy, which provides a neage			
2		against fuel price-driven market price volatility or regulation-driven (e.g., the			
3		Environmental Protection Agency's recent Greenhouse Gas Rule) market price			
4		increases. Additionally, there is currently very little solar in the SPP resource mix,			
5		and incremental solar resources are expected to have high summer accreditation			
6		and provide peak-correlated energy. These characteristics generally allow solar			
7		energy to be a hedge to market prices during times of peak conditions. These			
8		attributes, as well as the availability of solar investment and production tax credit			
9		incentives from the Inflation Reduction Act make these solar projects attractive to			
10		meet customer needs at lowest cost" (emphasis added). <sup>26</sup>			
11	Ο.	Waldanaka dha CCD andalada da landa anda lan ƙar Easan Misanai Wad			
12	Q:	Would creating the GSP contribute to keeping rates low for Evergy Missouri West			
13		customers?			
14	A:	Yes, EMW's website states that renewable resources will result in "reduced costs"			
15		"through a careful, responsible transition away from older, aging facilities and fuel			
16		sources." <sup>27</sup>			
17	Q:	If the creation of the GSP were built but not fully subscribed, would Evergy Missouri			
18		West own the Renewable Energy Certificates (RECs) resulting from the unsubscribed			
19		energy produced?			
20	A:	Yes, Evergy Missouri West would own the RECs. <sup>28</sup>			
21	Q:	If an expansion of the GSP were built but not fully subscribed, would this harm			
22		Evergy Missouri West's financial standing?			
23	A:	No, any surplus of unsubscribed GSP RECs Evergy Missouri West might produce would			
24		result in a reduction in need for purchased RECs, would enable them to carry the RECs			
25		forward to future years, or would enable them to sell RECs to C&I customers, which is			
26		very lucrative. **			

Direct Testimony of Cody VandeVelde, p. 8.

https://www.evergy.com/manage-account/rate-information-link/energy-value
https://www.epa.gov/green-power-markets/renewable-energy-certificates-recs

1		**29 In short, EMW's financial standing would not be harmed and			
2		customers would not lose out.			
3	Q:	What action does Evergy Missouri West need to take in order to meet their emission			
4		reduction goals and help their customers meet their emissions goals?			
5	A:	Evergy Missouri West needs to create the GSP for their C&I customers. In doing so, they			
6		will allow their customers to partake in renewable energy subscriptions, move closer			
7		towards their own sustainability goals, potentially reduce the number of RECs they may			
8		have to purchase in future years, and ultimately keep prices low for all EMW customers.			
9	Q:	Does this conclude your testimony?			
10	A:	Yes.			
11					

<sup>&</sup>lt;sup>29</sup> EMW's Response to the Staff Missouri Public Service Commission Data Request 29.

# BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Application of Evergy	)	
Missouri West, Inc. d/b/a Evergy Missouri	)	
West for Permission and Approval of	)	
Certificates of Convenience and Necessity	Ú	File No. EA-2024-0292
Authorizing It to Construct, Install, Own,	)	
Operate, Manage, Maintain, and Control	)	
Two Solar Generation Facilities	)	

### **AFFIDAVIT OF JAMES OWEN**

STATE OF MISSOURI	)	
	)	SS
COUNTY OF BOONE	)	

COMES NOW James Owen, and on his oath states that he is of sound mind and lawful age; that he prepared the foregoing Rebuttal Testimony; and that the same is true and correct to the best of his knowledge and belief.

Further the Affiant sayeth not.

James Owen

Subscribed and sworn before me this 3<sup>rd</sup> day of May, 2025.

Notary Public

SHANE D. ONEIL
Notary Public - Notary Seal
STATE OF MISSOURI
Boone County
My Commission Expires: Sept. 2, 2026
Commission #14013214