

Exhibit No. 108

Exhibit No.:
Issue(s): *Renewable Solutions
Program*
Witness: *Cedric E. Cunigan, PE*
Sponsoring Party: *MoPSC Staff*
Type of Exhibit: *Surrebuttal Testimony*
Case No.: *EA-2022-0245*
Date Testimony Prepared: *January 18, 2023*

MISSOURI PUBLIC SERVICE COMMISSION

INDUSTRY ANALYSIS DIVISION

ENGINEERING ANALYSIS DEPARTMENT

SURREBUTTAL TESTIMONY

OF

CEDRIC E. CUNIGAN, PE

**UNION ELECTRIC COMPANY,
d/b/a Ameren Missouri**

CASE NO. EA-2022-0245

*Jefferson City, Missouri
January 2023*

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1 **SURREBUTTAL TESTIMONY**

2 **OF**

3 **CEDRIC E. CUNIGAN, PE**

4 **UNION ELECTRIC COMPANY,**
5 **d/b/a Ameren Missouri**

6 **CASE NO. EA-2022-0245**

7 Q. Please state your name and business address.

8 A. My name is Cedric E. Cunigan and my business address is 200 Madison Street,
9 Jefferson City, MO 65102.

10 Q. Are you the same Cedric E. Cunigan that previously filed rebuttal testimony in
11 this docket?

12 A. Yes, I am.

13 Q. What is the purpose of this rebuttal testimony?

14 A. The purpose of this testimony is to respond to the rebuttal testimonies of
15 Missouri Industrial Energy Consumers (“MIEC”) witness Maurice Brubaker and Walmart, Inc.
16 witness Andrew D. Teague.

17 **RESPONSE TO MIEC**

18 Q. What does Mr. Brubaker propose in his testimony?

19 A. Mr. Brubaker proposes to reduce the Renewable Resource Charge (“RRC”) by
20 5% to account for estimated changes to the net present value of the Boomtown solar facility
21 after Ameren Missouri chose to utilize production tax credits (“PTC”) instead of investment
22 tax credits (“ITC”) through a tax equity partner. He states “I recommend that at least 50% of
23 the \$15.7 million increase in benefits from switching to use of PTCs be provided to

1 the subscribing customers. This can be accomplished by a 5% reduction in the annual
2 Renewable Resource Charge.¹”

3 Q. Should the RRC be reduced by 5%?

4 A. No. At this time, it is unclear the magnitude of benefits that would be received
5 by changing from ITCs to PTCs. Staff witness Michael L. Stahlman discusses this calculation
6 of benefits more in his rebuttal testimony. Further, Staff’s understanding at present is that
7 Ameren Missouri is still determining which type of tax credit will be utilized due to an increase
8 in estimated project costs. It is Staff’s recommendation that the Commission reject the
9 Renewable Solutions Program (“RSP”). However, if the Commission should choose to approve
10 the RSP, Staff recommends that all costs of the renewable generation facilities in the program
11 shall be borne by the subscribers and/or shareholders while the RSP phase is in effect. Any
12 recalculation of the RRC should ensure that program and facilities costs are fully covered during
13 the program phase.

14 **RESPONSE TO WALMART**

15 Q. What does Mr. Teague propose in his rebuttal testimony regarding the RSP?

16 A. Mr. Teague recommends changing the language in the proposed RSP Rider to
17 reflect the Company’s proposal to retire RECs on the customer’s behalf.

18 Q. What is Staff’s opinion of this change?

19 A. Staff primarily recommends that the Commission reject the RSP. However, if
20 the Commission chooses to approve the RSP, Staff would support adding language to the tariff

¹ Rebuttal Testimony of Maurice Brubaker page 2, lines 11-13.

1 outlining the retirement of RECs on the customers behalf, in addition to the following
2 conditions Staff proposed in Rebuttal:

- 3 1. All costs of the renewable generation facilities in the program shall
4 be borne by the subscribers and/or shareholders while the RSP phase is
5 in effect.
- 6 2. In addition to an in-service evaluation at the time the facility is initially
7 placed into rates, Ameren Missouri shall demonstrate the facility is fully
8 operational at the time the RSP program ends.
- 9 3. The costs of the generation facilities to be placed on ratepayers will be
10 determined at the time the RSP program ends. The valuation of the
11 facility will take into account the current book cost, the state of the
12 facilities, depreciation, degradation over time, and current market prices
13 for similar sized assets. The least cost option will be chosen.

14 Q. Does this conclude your surrebuttal testimony?

15 A. Yes.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

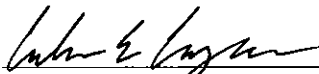
In the Matter of the Application of Union)
Electric Company d/b/a Ameren Missouri for) Case No. EA-2022-0245
Approval of a Subscription-Based Renewable)
Energy Program)
)

AFFIDAVIT OF CEDRIC E. CUNIGAN, PE

STATE OF MISSOURI)
)
COUNTY OF COLE)
) ss.

COMES NOW CEDRIC E. CUNIGAN, PE, and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Surrebuttal Testimony of Cedric E. Cunigan, PE*; and that the same is true and correct according to his best knowledge and belief.

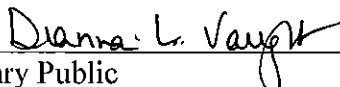
Further the Affiant sayeth not.



CEDRIC E. CUNIGAN, 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 18th day of January, 2023.



Notary Public

