

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of Ameren Missouri's Request for a Variance)
Regarding its Renewable Energy Standard Compliance.) Case No. EE-2022-

REQUEST FOR VARIANCE AND WAIVER OF 60-DAY NOTICE REQUIREMENT

COMES NOW, Union Electric Company, d/b/a Ameren Missouri ("Ameren Missouri" or the "Company"), and for its request under 20 CSR 4240-20.100(11) for a variance from a portion of the Missouri Public Service Commission's ("Commission") Renewable Energy Standard ("RES") rules, specifically a portion codified at 20 CSR 4240-20.100(3)(J), and for a waiver of the 60-day notice requirement in 20 CSR 4240-4.017(1), states as follows:

**REQUEST FOR VARIANCE FROM 10% LIMITATION
ON REC RETIREMENTS IN 2022 FOR 2021**

1. Under the RES rule at 20 CSR 4240-20.100(3)(J), utilities either must retire Renewable Energy Credits ("RECs") within the compliance calendar year (here, 2021) or retire RECs the following year by April 15th (here, 2022) for the prior year, as long as the retirements in the following year do not exceed 10% of the total RECs retired for the compliance year.

2. For reasons explained below, the requirement that 90% of the RECs be retired in the compliance year can be problematic unless the utility has a large bank of RECs to retire. Previously, Ameren Missouri had a large bank of RECs that it could retire in order to comply with the RES requirement. Ameren Missouri no longer has a large REC bank and does not expect to have a large REC bank in the future. Accordingly, Ameren Missouri is using and will continue to use RECs generated during the compliance year in order to comply with the requirements of the RES regulations.

3. One issue that has always complicated compliance with the 90% requirement is the fact that Ameren Missouri does not know its total sales until well after the compliance year has ended. In order to know the total number of RECs to be retired, the utility must know what its sales were for the compliance year. Sales information comes from MISO¹ and there is an approximate 60-day lag in obtaining MISO settlement data ("MISO S55 data"). Consequently, Ameren Missouri will not know its total sales in 2021 until approximately the end of February of 2022. In the past, Ameren Missouri dealt with this uncertainty by retiring more than 90% of its estimated needs from its then existing large bank of RECs.

4. At this time, Ameren Missouri anticipates the need to retire October, November and December 2021 generated RECs to comply with the 2021 compliance year. To do this, the Company uses the Commission approved registry, the North American Renewable Registry ("NARR"), for REC tracking and retirement. However, the RECs are not transferred to the Company account in NARR until the month following receipt of the MISO S55 data. If the Company needs to retire RECs generated in October, November or December 2021, it won't be able to until the RECs have been created and transferred into Company inventory, which is not possible in January, February and March, 2022 respectively.

5. These factors, taken together, make it difficult to ensure the Company is retiring 90% of the needed RECs during the compliance year. To mitigate the risk of failing to comply with the 90% requirement, the Company would likely need to err on the side of caution and purchase additional RECs at least 60-90 days prior to the end of the compliance year if the then forecast suggests there might be a shortfall in separately meeting the 90% requirement. However, doing so run the risk of incurring additional RES compliance costs that may end up being

¹ Midcontinent Independent System Operator, Inc.

unnecessary if the actual sales for the compliance year turn out to be lower than forecasted. This could result in additional and perhaps ultimately unnecessary costs being incurred for RES compliance. While REC costs have been low in previous years, those costs have been increasing and currently are around \$7.00 per REC. Ameren Missouri could spend that money and then it may turn out that there was no shortfall (or that the shortfall was smaller), which may mean that the purchased RECs were a compliance expense that could have been avoided but for the 90% requirement.

6. Especially in the face of higher and still rising REC costs, Ameren Missouri submits that the 90% requirement poses an ongoing risk of forcing the Company (and ultimately, its customers) to incur RES compliance costs that it may be able to avoid. Ameren Missouri requests the Commission find there exists good cause to grant the Company a variance from the 90% requirement for REC retirements for compliance year 2021 and for future compliance years.

REQUEST FOR VARIANCE FROM 60-DAY NOTICE REQUIREMENT

7. 20 CSR 4240-4.017(1) requires a 60-day notice in advance of filing a case, with a “case” being defined as “Any matter filed before the commission for its determination except working dockets, rulemaking dockets, and investigatory dockets.” 20 CSR 4240-4.015(1).

8. The 60-day notice requirement can be waived for good cause shown and the rule itself establishes that good cause in fact exists if the party seeking the waiver files “a verified declaration . . . that it has had no communication with the office of the commission within the prior one hundred fifty (150) days regarding any substantive issue² likely to be in the case . . .” A verified declaration meeting those requirements is attached to this Application. Consequently, good cause has been established.

² The phrase “substantive issue” is defined by 20 CSR 4240-4.015(14).

WHEREFORE, Ameren Missouri requests the Missouri Public Service Commission grant it a variance from the provisions of 20 CSR 4240-20.100(3)(J) for the 2021 compliance year and for future compliance years and requests that the Commission waive the 60-day notice requirement of 20 CSR 4240-4.017(1) for good cause shown, as set forth above.

Respectfully submitted,

/s/ Wendy K. Tatro

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VERIFIED DECLARATION

I hereby declare that neither Ameren Missouri nor any other person on its behalf has had a communication with the office of the Commission regarding any substantive issue likely to be in the case created by this filing within the 150-day period prior to this filing.

Under penalty of perjury, I declare that the foregoing declaration is true and correct to the best of my knowledge and belief

/s/ Warren Wood

Warren Wood, Vice-President
Regulatory and Legislative Affairs