

*Exhibit No.:*  
*Issue:* *Resource Adequacy*  
*Witness:* *Jordan T. Hull*  
*Sponsoring Party:* *MoPSC Staff*  
*Type of Exhibit:* *Rebuttal Testimony*  
*Case No.:* *ER-2021-0312*  
*Date Testimony Prepared:* *December 20, 2021*

**MISSOURI PUBLIC SERVICE COMMISSION**

**INDUSTRY ANALYSIS DIVISION**

**ENERGY RESOURCES DEPARTMENT**

**REBUTTAL TESTIMONY**

**OF**

**JORDAN T. HULL**

**THE EMPIRE DISTRICT ELECTRIC COMPANY,  
d/b/a Liberty**

**CASE NO. ER-2021-0312**

*Jefferson City, Missouri  
December 2021*

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**JORDAN T. HULL**

**THE EMPIRE DISTRICT ELECTRIC COMPANY,  
d/b/a Liberty**

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1 **REBUTTAL TESTIMONY**

2 **OF**

3 **JORDAN T. HULL**

4 **THE EMPIRE DISTRICT ELECTRIC COMPANY,**  
5 **d/b/a Liberty**

6 **CASE NO. ER-2021-0312**

7 Q. Please state your name and business address.

8 A. Jordan T. Hull, 200 Madison Street, Jefferson City, MO 65101.

9 Q. By whom are you employed and in what capacity?

10 A. I am employed by the Missouri Public Service Commission (“Commission” or  
11 “PSC”) as an Associate Engineer.

12 Q. Are you the same Jordan T. Hull that provided sections in Staff’s Cost of Service  
13 (“COS”) report in this proceeding?

14 A. Yes, I am.

15 **EXECUTIVE SUMMARY**

16 Q. Please summarize your rebuttal testimony in this proceeding.

17 A. The purpose of my rebuttal testimony is to respond to the Office of the  
18 Public Counsel’s (“OPC”) witness Ms. Lena M. Mantle’s direct testimony regarding  
19 resource adequacy.

20 Q. What does Ms. Mantle state in her direct testimony about resource adequacy?

21 A. Ms. Mantle contends that “Empire does not have resources that can meet the  
22 needs of its customers every hour, even though it exceeds the SPP planning reserve margin

1 requirement. Further, the retirement of this dispatchable resource (Asbury) greatly decreased  
2 Empire's ability to meet its customer's needs with its own resources."<sup>1</sup>

3 Q. Does Staff agree with Ms. Mantel's assertions about Empire's lack of resource  
4 adequacy?

5 A. No. Staff currently has no reason to believe that Empire does not have adequate  
6 resources to meet customers' needs.

7 **RESPONSE TO MS. MANTLE'S RESOURCE ADEQUACY TESTIMONY**

8 Q. Does Staff agree with Ms. Mantle's definitions of planning reserve and  
9 resource adequacy?

10 A. Yes

11 Q. Does Staff agree with Ms. Mantle that Empire's planning reserve margin set by  
12 SPP is 12%?

13 A. Yes.

14 Q Did the retirement of Asbury bring Empire below that 12% requirement?

15 A. No. Ms. Mantle stated the same in her testimony. She stated, "The summer  
16 after retiring Asbury, Empire barely met the SPP planning requirement with a reserve margin  
17 for the summer of 2020 of 12.05%. With the additional capacity from its wind projects,  
18 Empire's 2021 summer SPP planning reserve margin increased to 16.02%."<sup>2</sup> Staff also  
19 acknowledges there are new wind accreditation policies planned for 2023, but these policies  
20 would still not bring Empire's reserve margin below what is set by SPP, which is 12%.

21 Q. Has retiring Asbury affected Empire's resource adequacy?

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<sup>1</sup> Lena M. Mantle direct testimony, pg. 5.

<sup>2</sup> Lena M. Mantle direct testimony, pg. 4.

1           A.     Decreasing the number of resources can potentially affect resource adequacy.  
2     However, even with Asbury's retirement, Empire will have adequate resources to serve its  
3     customers. It must have greater than 12% reserve margin at calculated system peak.

4           Q.     Is Empire lacking resource adequacy?

5           A.     No. According to Empire's most recent Integrated Resource Plan ("IRP")<sup>3</sup> and as  
6     Ms. Mantle acknowledged in her direct testimony, Empire has a reserve capacity margin of  
7     16.02%.<sup>4</sup> Therefore, at the calculated peak for Empire, it has a roughly 16% reserve capacity  
8     margin, meaning Empire should always have adequate resources under typical operation  
9     according to its calculated system peak.

10          Q.     Ms. Mantle states in her direct testimony (pg. 6, line 2) that generation resources  
11     are hedges to market prices. Are generation resources hedges to the market prices?

12          A.     They can be, but there are an abundance of variables that go into that. When  
13     market prices are higher Empire could use its generation resources to hedge against higher  
14     market prices but there are also times when it can be more expensive to run its generation  
15     compared to the market prices.

16          Q.     Did Empire consider resource adequacy when deciding to retire Asbury?

17          A.     To the best of my knowledge, yes. In its most recent triennial IRP (Case No.  
18     EO-2019-0049), Empire's capacity balance in its preferred plan never drops below the 12%  
19     reserve margin in the 20 year planning horizon, even after the retirement of Asbury. In other  
20     words, Empire has in excess of 12% of its system peak usage at all times for the next 20 years

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<sup>3</sup> Case No. EO-2019-0049.

<sup>4</sup> Lena M. Mantle direct testimony, pg. 4.

1 based on its preferred plan. Therefore, Empire has adequate resources to meet its customers'  
2 needs based on the calculated system peak.

3 Q. Should the calculated system peak be reviewed closer after Storm Uri?

4 A. Yes, Staff believes Empire should closely review its calculated system peak  
5 during its next IRP to ensure it has sufficient planning reserve margin and resource adequacy  
6 during extreme weather events. This is consistent with the Commission's order in Case No.  
7 EO-2022-0057, dated October 27, 2021, regarding what issues Empire should include in its  
8 2022 triennial IRP filing: "Given the recent Covid pandemic and Winter Storm Uri weather  
9 event, provide details of its plan for handling future emergency events such as these. The details  
10 provided should give a clear plan for maintaining supply-side resource generation and public  
11 welfare during emergency events."<sup>5</sup>

12 Q. Does this conclude your rebuttal testimony?

13 A. Yes.

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<sup>5</sup> EO-2022-0057 Commission Order-Special Contemporary issue 1C, pg. 3.

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

In the Matter of the Request of The Empire        )  
District Electric Company d/b/a Liberty for        )  
Authority to File Tariffs Increasing Rates for     )  
Electric Service Provided to Customers in its     )  
Missouri Service Area                                )

Case No. ER-2021-0312

**AFFIDAVIT OF JORDAN T. HULL**

STATE OF MISSOURI        )  
                                      )  
COUNTY OF COLE        )        ss.

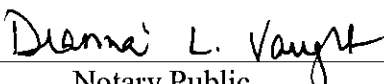
**COMES NOW JORDAN T. HULL**, and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Rebuttal Testimony of Jordan T. Hull*; and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.

  
\_\_\_\_\_  
**JORDAN T. HULL**

**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 17<sup>th</sup> day of December, 2021.

  
\_\_\_\_\_  
Notary Public

DIANNA L. VAUGHT Notary Public - Notary Seal State of Missouri Commissioned for Cole County My Commission Expires: July 18, 2023 Commission Number: 15207377
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