

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of a Determination of Special)
Contemporary Resource Planning Issues to)
be Addressed by Ameren Missouri in its) File No. EO-2023-0099
Next Triennial Compliance Filing or Next)
Annual Update Report)

SIERRA CLUB’S LIST OF SUGGESTED SPECIAL CONTEMPORARY ISSUES

Pursuant to 20 CSR 4240-22.080(4), Sierra Club hereby recommends the following as special contemporary issues for consideration, analysis, and documentation by Ameren Missouri (the “Company”):

1. Update all modeling and planning scenarios to incorporate the Inflation Reduction Act, which fundamentally changes the resource planning landscape. Such updates should include, without limitation, consideration of:
 - a. Expanded and Extended Clean Energy Tax Credits. Ameren should revise its modeling to include the expanded tax credits. Under the IRA, all zero emitting resources will be permitted to take a 30% Investment Tax Credit (“ITC”) or a Production Tax Credit (“PTC”) valued at \$25/MWh if the generator pays prevailing wages.¹ Such projects are eligible for a 10% adder if the project is located in an “energy community,” generally defined as one with a history of fossil fuel generation, extraction, transport, or processing, a brownfield, or where a coal-burning electric generating unit or coal mine has closed.² Zero emitting resources are also eligible for an additional 10% increase to the credit if U.S.

¹ Inflation Reduction Act, Section 13701 and 13702.

² Inflation Reduction Act, Section 13701 and 13702.

manufactured components are used.³ The expanded credits extend for construction that begins at least through December 31, 2032.⁴ Ameren should be ordered to model zero-GHG-emitting resources that qualify for the “base” credits and those that would receive the bonus credits.

- b. Low-Income Community Energy Credits.⁵ The Inflation Reduction Act provides even larger tax credits for small-scale solar and wind facilities that service low-income communities. In its IRP, Ameren should be ordered to explore options for taking advantage of those credits to the benefit of its customers.
 - c. Electric Transmission. The Inflation Reduction Act⁶ and the Infrastructure Investment and Jobs Act⁷ provide vast subsidies and streamlined siting for new electric transmission lines that facilitate construction of clean energy or that better connect the grid. Ameren should be ordered to ensure that Missouri taxpayers get their share of these benefits by exploring opportunities to secure funding for new transmission, including better interconnection between SPP and MISO.
2. Analyze and develop as candidate resource options the satisfaction of St. Louis municipal clean energy goals.
 3. Analyze and document the net present value of continuing to operate each of Ameren’s coal-burning units, including consideration of known and potential compliance costs. Ameren should be ordered to study whether retaining each unit in operation benefits customers in comparison with an alternative suite of resources.

³ Inflation Reduction Act, Section 13701 and 13702.

⁴ Inflation Reduction Act, Section 13701 and 13702.

⁵ Inflation Reduction Act, Section 13103.

⁶ Inflation Reduction Act, Section 50151 and 50152.

⁷ Infrastructure Investment and Jobs Act, Sec. 40105.

4. Generate, analyze, and evaluate plans using a capacity expansion model that prioritizes economic optimization.
 - a. As Sierra Club explained in prior IRP comments,⁸ Ameren models pre-selected portfolios where unit retirements and replacement resources are fixed. Ameren models these hard-coded portfolios under three “critical uncertain factors” including load growth (low, mid, and high), gas price (low, mid, and high), and carbon regulation (with and without). While we agree that these three factors are indeed critical and their associated risk should be evaluated in the resource plan, Ameren’s modeling is limited because it fails to allow for economic retirements or replacements in response to any of the three factors. Ameren’s methodology is problematic because it leaves potentially lower-cost portfolios unexplored—unless by utter and unlikely coincidence Ameren happened to have pre-selected the lowest-cost portfolio. Instead, Ameren should conduct capacity expansion modeling that allows for economic retirement and replacement of resources due to the key factors it has identified; this would produce an objective, optimized portfolio comprised of resources that have been economically justified.
5. Analyze the comparative public health impacts of each of the alternative resource plans considered by the Company.
 - a. At a minimum, the Company should quantify the public health impacts of each generating unit by evaluating the cost that each generating unit’s emissions have on public health, including consideration of, but not limited to, sulfur dioxide

⁸ Comments of Sierra Club, Docket No. EO-2020-0280 (May 18, 2020), available at https://www.efis.psc.mo.gov/mpsc/commoncomponents/view_itemno_details.asp?caseno=EO-2020-0280&attach_id=2020020489.

(SO₂), nitrogen oxides (NO_x), particulate matter (PM), and mercury, using publicly available resources and data (such as EPA’s BenMAP-CE, EPA’s EJSCREEN, and Missouri Department of Natural Resources Air Quality Reports). Compliance with Missouri IRP Rules requires consideration of pollutants, including air emissions,⁹ and the “fundamental objective” of the IRP process is “to provide the public with energy services that are safe . . . and in a manner that serves the public interest,”¹⁰ thus Ameren should document the quantified health impacts of each portfolio in its IRP as public health is an aspect of the general public interest.

Respectfully submitted,

/s/ Sarah Rubenstein

Sarah Rubenstein (MO Bar No. 48874)
Great Rivers Environmental Law Center
319 N. Fourth St., Ste. 800
314 231-4181
srubenstein@greatriverlaw.org

Attorney for Sierra Club

⁹ 20 CSR 4240-22.060(4)(B)(7).

¹⁰ 20 CSR 4240-22.010(2).

CERTIFICATE OF SERVICE

I hereby certify that a true and correct PDF version of the foregoing was filed on EFIS and sent by email on this 15th day of September, 2022, to all counsel of record.

/s/ Sarah Rubenstein
Sarah Rubenstein