2020 IRP Special Contemporary Issues
Ameren Missouri Comments

Introduction

The Commission's rules governing electric utility resource planning include consideration of special contemporary issues as ordered by the Commission. The rule characterizes special contemporary issues generally as, "evolving regulatory, economic, financial, environmental, energy, technical, or customer issues," that utilities must adequately address in their resource planning.

It is of paramount importance to consider what is likely to be most impactful to a utility's resource decisions, especially in the near-term when real resource commitments are being made – customer demand-side programs are being approved and implemented, bids for new renewable resources are being solicited, and new generation projects are being permitted, engineered and constructed. This ensures that the limited time, resources and focus of the utility are directed to the most important questions. While it is tempting to pursue every question that might impact resource decisions at some time in some way, low-value pursuits inevitably become distractions from what is most important. It is also important that the Commission not duplicate or override the requirements of its own rules in assigning special contemporary issues and create the potential for confusion with regard to required analyses. In that light, Ameren Missouri provides below its recommended prioritization of suggested special contemporary issues, as well as one issue suggested by the Company for the Commission's consideration.

Highest Priority Issues

Ameren Missouri believes the following issues to be of greatest importance and urgency for inclusion in its 2020 IRP analysis and preparation and thus are appropriate special contemporary issues:

- **Assess the Potential for Clean Electrification in Ameren Missouri's Service Territory (Staff Issue B, SC Issue 1)** – Electrification of end uses currently powered by fossil fuels has the potential to provide benefits to customers and the environment. This includes electric vehicles and other applications. An assessment of the potential load impacts of electrification is highly important in assessing a utility's future resource needs and options.
- **Assess the Need for and Cost of Transmission Infrastructure Associated with Coal Plant Retirements (Staff Issue C, SC Issue 10)** – The potential need for transmission infrastructure when considering retirement of existing coal-fired facilities may have

significant implications for both the cost (potentially hundreds of millions of dollars) and timing of unit retirements and the location and timing of new resources.

- **Assess the Implications of Current and Potential Environmental Regulations (Including Recent Court Decisions) on the Company's Coal Energy Centers (OPC Issue 5, SC Issues 8, 9, 13)** – Environmental regulations may have a material impact on the cost and operations of the Company's coal-fired generation fleet. The options for compliance and their associated costs should be evaluated, including the potential for unit retirements. Because this can be a complex issue, specific alternative resource plans to evaluate such implications should be reviewed with stakeholders prior to analysis rather than being explicitly specified now.
- **Assess the Potential for Securitization in Conjunction with Coal Retirements (NRDC Issue 3, SC Issue 3)** – Securitization is being used in conjunction with coal retirements and investment in cleaner energy resources in other jurisdictions. An evaluation of its potential as a funding mechanism for investments in cleaner energy sources and the potential cost implications for customers would be useful, particularly in the context of the coal plant retirement-related analyses mentioned above.

Moderate Priority Issues

The issues listed below have the potential for moderate impacts on resource decisions in the near term and potentially greater impacts in the long term and the Company does not object to them being considered special contemporary issues:

- **Describe and Document Programs and Plans for Providing Customers Access to Renewable Energy (NRDC Issue 2, SC Issue 2)** – Customers of various sizes are seeking access to greater levels of renewable energy resources. The Company should describe and document current programs and plans for future programs to help customers meet these goals.
- **Assess the Potential for Integrated Distribution Planning (NRDC Issue 1)** – Integrated distribution planning is being pursued in other jurisdictions in varying manners and to varying degrees. An assessment of how integrated distribution planning could affect resource decisions could provide valuable insights. While the sophistication of such analysis today would be limited, it could provide a basis for expanded consideration as technologies, systems and process advance.

Issues Covered by Existing DSM Planning

The following suggested issues are addressed as a matter of course in the Company's IRP process and thus should not be considered special contemporary issues:

- Foreseeable demand response technologies (Staff Issue A.i)
- Assess needs for information and financing for building owners (NRDC Issue 4)
- Assess various levels of demand-side potential (SC Issue 14)
- Assess potential for combined heat and power (SC Issue 15)

Issues Covered by Existing Supply Side Planning

The following suggested issues are addressed as a matter of course in the Company's IRP process and thus should not be considered special contemporary issues:

- Foreseeable energy storage resources (Staff Issue A.ii)
- Foreseeable distributed energy resources (Staff Issue A.iii) [Note: This suggested issue also includes providing a database of existing distributed generation. The Company can work with Staff to determine how best to satisfy this request given the sensitive nature of customer-specific information.]
- Combinations of renewable and storage resources (SC Issue 4)
- Costs and performance characteristics for utility scale wind and solar resources (SC Issue 16)

Issues Covered by Existing Risk Analysis Process

The following suggested issues are addressed as part of the Company's existing risk analysis process and modeling and should not be considered special contemporary issues:

- Assumptions for climate policy (e.g. CO_2 prices) (SC Issue 5)
- Assumptions for power prices (SC Issue 6) [Note: Power price scenarios are developed based on assumptions for various levels of key drivers such as natural gas prices.]
- Various levels of off-system sales (SC Issue 7) [Note: Off-system sales are an output of modeling and are a function of the modeled dispatch of the Company's generators using the above-mentioned power price assumptions and assumptions for the cost and operating characteristics of the Company's generators.]

Issues of Low Potential Impact/Urgency

The following suggested issues appear to have little potential for impact to utility resource decisions in the near or medium term and should not be considered special contemporary issues:

- Concrete block energy storage (OPC Issue 1)
- Additive manufacturing (OPC Issue 2)
- Virtual power plant (OPC Issue 3)
- Customer renewable rate impacts (OPC Issue 4)
- Performance building hub (NRDC Issue 4)

Issues Associated with the Commissions Self-Commit Inquiry

Several suggested issues (NRDC Issue 5, SC Issues 11, 12) as well as a side discussion in Staff's filed comments on special contemporary issues address the determination of unit operating status (e.g., must-run). Such determinations are made for current operations and applied to long-term planning. The Company has stated its position on this issue in the appropriate docket and believes it is a matter best addressed in another forum, whether it be the ongoing workshop docket on in individual prudence reviews or, where appropriate, individual rate proceedings. Should such reviews result in a change in the operating status of the Company's units, any resultant changes will be appropriately incorporated into the Company's planning.