Exhibit No.: Issue(s): Voltage/SEP Projects Witness: James D. Huss Type of Exhibit: Rebuttal Testimony Sponsoring Party: Union Electric Company File No.: ER-2021-0240 Date Testimony Prepared: October 15, 2021

MISSOURI PUBLIC SERVICE COMMISSION

FILE NO. ER-2021-0240

REBUTTAL TESTIMONY

OF

JAMES D. HUSS

ON

BEHALF OF

UNION ELECTRIC COMPANY

D/B/A AMEREN MISSOURI

St. Louis, Missouri October 15, 2021

TABLE OF CONTENTS

| I. | INTRODUCTION | 1 |
|-----|--------------------------------|---|
| II. | VOLTAGE OPTIMIZATION GENERALLY | 2 |

REBUTTAL TESTIMONY

OF

JAMES D. HUSS

FILE NO. ER-2021-0240

| 1 | I. | INTRODUCTION | |
|----|---------------------------------|---|---------------------|
| 2 | Q. Please state yo | our name and business address. | |
| 3 | A. My name is Ja | ames D. Huss. My business address is On | e Ameren Plaza, |
| 4 | 1901 Chouteau Ave., St. Louis | s, Missouri. | |
| 5 | Q. By whom are y | you employed and what is your position? | • |
| 6 | A. I am employe | ed by Union Electric Company d/b/a A | meren Missouri |
| 7 | ("Company" or "Ameren Miss | souri") as Director Operations Excellence. | |
| 8 | Q. Please descri | ibe your educational background an | id employment |
| 9 | experience. | | |
| 10 | A. I am a registere | ed professional engineer with the state of N | /lissouri. I have a |
| 11 | Bachelor's and Master's degre | ees in Electrical Engineering from Univers | ity of Missouri – |
| 12 | Columbia. I joined Union Elec | ctric Company in 1991 and worked at the C | Callaway Nuclear |
| 13 | Plant in electrical design engi | ineering and was responsible for various p | lant systems and |
| 14 | modifications until 1995. Be | eginning in 1995, I worked as a Distrib | oution Operating |
| 15 | Engineer with responsibilities | s for substation operations, SCADA, meter | ering, and power |
| 16 | quality and reliability. In 20 | 008, I was promoted to a Supervising | Engineer in the |
| 17 | Distribution Operating organiz | zation. In that role, I was responsible for t | he formation and |
| 18 | oversight of a Distribution | Systems Technology team that designed | d, installed, and |
| 19 | maintained a variety of smart | grid equipment including switching device | es and sensors. In |

Rebuttal Testimony of James D. Huss

| 1 | 2014, I was prom | noted to Senior Manager, Distribution Operating with responsibility for | |
|----|--|--|--|
| 2 | operation and ove | ersight of the St. Louis and Jefferson City Distribution Control offices and | |
| 3 | the SCADA engi | neering team. I was promoted to Director, Distribution Operating with | |
| 4 | responsibilities in | ncluding the two Distribution Control offices, Metro St. Louis first | |
| 5 | responders, SCAI | DA Engineering, and Distribution System Technology in 2015. In 2019, | |
| 6 | I transferred to the Director, Operations Excellence and I was assigned oversight of | | |
| 7 | Distribution System Planning, Distribution Construction Standards, Joint Use, Damage | | |
| 8 | Prevention, SCAl | DA/ADMS engineering, and oversight of capital allocations and project | |
| 9 | selection and exec | cution for Ameren Missouri. | |
| 10 | Q. W | hat are your responsibilities in your current position? | |
| 11 | A. M | y primary responsibilities are System Planning, Engineering Standards, | |
| 12 | and oversight of | the five-year capital budgeting and forecasting process for Ameren | |
| 13 | Missouri's Energy Delivery function. | | |
| 14 | Q. W | hat is the purpose of your rebuttal testimony? | |
| 15 | A. Th | ne purpose of my rebuttal testimony is to address the Office of Public | |
| 16 | Counsel ("OPC") |) witness Dr. Geoff Marke's request in his direct testimony that the | |
| 17 | Company address | s why it has not included a voltage optimization plan similar to that of its | |
| 18 | affiliate, Ameren | Illinois Company ("Ameren Illinois"), in its smart grid investments. | |
| 19 | 1 | II. VOLTAGE OPTIMIZATION GENERALLY | |
| 20 | Q. Di | d you review Dr. Marke's direct testimony regarding a voltage | |
| 21 | optimization pla | n? | |
| 22 | A. Yes. | | |

2

1

Q. What does Dr. Marke recommend?

A. Dr. Marke states he supports a voltage optimization plan as part of Ameren Missouri's grid investment plan and points out that Ameren Illinois has a Voltage Optimization program. Dr. Marke would like the Company to explain why Ameren Missouri does not have a voltage optimization plan similar to Ameren Illinois' Voltage Optimization Plan ("VO Plan").¹

7 Q. How does Dr. Marke describe Ameren Illinois' Voltage Optimization
8 plan?

9 A. Dr. Marke does not provide an explanation of Ameren Illinois' VO Plan or 10 indicate whether there are similarities between Ameren Illinois' and Ameren Missouri's 11 electric systems. Dr. Marke's recommendation assumes Ameren Illinois' VO Plan would 12 produce the same benefits in Missouri as Illinois. As I discuss below, that is a poor 13 assumption.

14 Q. Please explain why Ameren Illinois implemented a Voltage 15 Optimization Plan.

A. Ameren Illinois implemented its VO Plan under Section 8-104B(b-20) of the Illinois Public Utilities Act ("PUA"). The PUA allows Ameren Illinois to include costeffective voltage optimization measures in its energy-efficiency and demand response plan. Ameren Illinois' VO Plan was based on a pilot test on four circuits in 2012 and 2013 that evaluated the CVR factor² associated with each circuit.³ The pilot confirmed the CVR potential in the Ameren Illinois service territory (based on the four circuits) and established

¹ File NO. ER-2021-0240, Direct Testimony of Geoff Marke, PhD., on behalf of OPC, p. 15, ll. 22-25.

² The "CVR factor" is a measure of how much energy consumption is reduced as voltage is lowered.

³ See ICC Docket No. 18-0211, Ameren Ex. 1.0 and 1.2.

Rebuttal Testimony of James D. Huss

a CVR factor of 0.8 for use in measuring the impact of the voltage optimization measures.
 Ameren Illinois' VO Plan includes a selection of VO investments for feeder level
 deployment operating at 20 kV or less. The Illinois Commerce Commission found the plan

reasonable and approved the VO Plan in Docket No. 18-0211.

5

4

Q. How does Ameren Illinois control the system voltage levels today?

6 Differently than Ameren Missouri does. Ameren Illinois⁴ does not use Load A. 7 Tap Changers ("LTCs") to regulate voltage at the substation transformer and instead, 8 Ameren Illinois heavily relies on voltage regulators and capacitor banks downstream of the 9 substation on the circuits to regulate voltage. In contrast, Ameren Missouri controls the 10 voltage at the substation while Ameren Illinois controls voltage at the circuit level. Due to 11 this system design, Ameren Illinois sets its normal operating voltage at its substations at 12 125V, which is higher than Ameren Missouri. I address the use of LTCs later in my rebuttal 13 testimony.

14

15

Q. How does this system design difference impact Ameren Illinois' deployment of its VO Plan?

A. Since Ameren Illinois relies on voltage regulation on individual circuits as opposed to at the substation, its VO Plan fits with the operating design of its distribution system and allows Ameren Illinois to apply its VO Plan to only the individual circuits with the best benefit potential, instead of including all the circuits on a substation, which Ameren Missouri does. Ameren Illinois' VO Plan utilizes the voltage regulators and

⁴ Ameren Illinois' distribution system is comprised of legacy Illinois utilities (Central Illinois Public Service Company, Central Illinois Light and Power Company, and Illinois Power), which merged with, or were acquired by Ameren Corporation over the past twenty-plus years. The designs and operations of the Illinois legacy utilities are different in certain respects, including the reliance on LTCs, from Ameren Missouri's system.

Rebuttal Testimony of James D. Huss

1 capacitor banks already installed on its distribution system, with the addition of 2 communication control devices, to actively adjust the voltage downstream of the substation 3 on the circuit as designed by the voltage optimization control system. Additionally, this 4 operating design allows Ameren Illinois a larger potential benefit from voltage 5 optimization as it is starting from a higher baseline compared to Ameren Missouri.

6

Q. Would you expect a voltage optimization program to provide the same 7 results for Ameren Missouri as it does for Ameren Illinois?

- 8 No, for several reasons, including how voltage is controlled on each system, A. 9 the substation voltage differences between the systems, and for other reasons I discuss further below. 10
- 11

Q. What is the first of those other reasons?

12 A. Ameren Missouri has tested the voltage reduction concept from time-to-13 time over the past 20 years, including just a few months ago. Specifically, on February 14, 14 2021, the Ameren Missouri service territory experienced a severe cold spell ("February 15 2021 Event"). Ameren Missouri executed a 2.5% voltage reduction at its Horseshoe Bend 16 substation in an area with a representative concentration of electric space heating to address 17 a potential overload condition. However, due to the customer load characteristics, the 2.5% 18 substation voltage reduction only resulted in a 0.4% load reduction, which equates to a 19 CVR factor of just 0.16. This is only 20% of the CVR factor applicable for Ameren Illinois. Additionally, more than 20 years ago (on July 29, 1999) Ameren Missouri used voltage 20 21 reduction due to generation shortfalls on the overall system. A 2.5% voltage reduction was 22 applied to the system and resulted in a CVR factor of only approximately 0.4, which is half 23 of the Ameren Illinois factor.

Q. Do you have an opinion regarding why the observed Ameren Missouri CVR factors are different from Ameren Illinois?

3 A. First, Ameren Illinois measured its CVR factor for their VO Plan in 2012 4 and 2013,⁵ a time when incandescent lighting was more widely used by customers than 5 today. Incandescent bulbs are a purely resistive load, which means when voltage is 6 reduced, power is reduced and the only impact to customers is a slightly dimmer light (i.e., 7 the light output is reduced more than the energy saved). Lighting at 60W and 100W per 8 bulb accounted for a fairly steady percentage of customer electric usage in the early 2000's. 9 This resistive load has since been replaced. First with CFL, and now with LED lighting, 10 which uses a fraction of the energy, and will not see energy reduction when reducing 11 voltage. They are engineered to operate as a constant power load and will draw more amps 12 if voltage is reduced to achieve the same output.

13 Second, while only about 14% of Illinois residents use electricity for heating, about 30% of Missouri residents use electricity for heating.⁶ This is important because these 14 15 space heating loads are primarily thermostatically-controlled resistive loads. If they are 16 supplied at a lower voltage, they will not consume less energy because the heating 17 appliances will simply need to run longer to produce the same amount of heat (i.e., to kick off the thermostat).⁷ The same is true for both water heating and electric cooking. In 18 19 Missouri, space and water heating represents close to 60% of the state's energy 20 consumption. A voltage optimization program would have little or no impact on the energy 21 used for these load types.

⁵ See GM 3, p. 10.

⁶ Estimates based on U.S. Energy Information Administration 2009 residential state-wide energy consumption study.

⁷ Heat output = Voltage x Amps of the heater x time.

Q. You mentioned earlier that LTCs are used by Ameren Missouri but not
 by Ameren Illinois, and that this impacted the effectiveness of voltage optimization.
 Please elaborate.

4 As noted, Ameren Missouri utilizes substation transformers with LTCs. The A. 5 LTCs regulate the substation bus voltage within an allowable range (121.5V to 124.5V) 6 which is then provided to all of the circuits fed from the substation bus. These guidelines 7 allow for voltage drop in the system such that the voltage is at least 114V at the point of 8 utility interconnection to the customers' premises. These standards account for voltage 9 drop that naturally occurs in the high voltage primary and secondary circuits between the 10 substation and the load. If Ameren Missouri were to further reduce the voltage at the 11 substation, it would need to install a number of devices downstream on the circuits, 12 primarily line voltage regulators and capacitor banks. This would be in order to counteract 13 the voltage reduction at the substation and boost the voltage back up into the allowable 14 voltage ranges defined by state and industry standards. Providing power at voltages outside 15 the allowable range would force customers to operate their equipment at voltages for which 16 the equipment was not designed, risking mis-operation or damage to the equipment.

17

18

Q. Can Ameren Missouri target voltage optimization only on circuits with low- to moderate- income customers, as Dr. Marke suggests?

A. No. As previously described, since Ameren Missouri typically controls distribution system operating voltage via LTCs on substation transformers, all feeders served by a substation would need to be equipped for voltage leveling if voltage optimization were employed. All customers served by a substation would be affected by the deployment of voltage optimization. Since substations are not situated to serve only Rebuttal Testimony of James D. Huss

low- to moderate-income customers, it is not feasible to target only low- to moderateincome customers for the deployment of voltage optimization. And while I am not an attorney, it is my understanding that investing in the equipment needed to gain circuit-bycircuit control of voltage only on circuits that might serve only low- to moderate-income customers (if we could even identify such circuits), may raise concerns of undue discrimination in violation of Missouri law.

Q. What were the estimated costs of a voltage optimization program in 8 Missouri?

9 While we do not have refined estimates, we have done some sampling of A. 10 substations and circuits and applied engineering assumptions to come up with a rough 11 estimate that it would cost nearly \$100 million to implement a voltage optimization 12 program throughout Ameren Missouri's electric distribution system. In addition to the 13 initial capital investment, we roughly expect that a voltage optimization program would 14 require approximately \$2 million of incremental maintenance expenses on an annual basis 15 for the life of the program. The primary driver of this is the labor costs to monitor and 16 operate software needed to control the system, and to install and maintain the capacitor 17 banks and regulators that would have to be added.

Q. Based on the above discussion, do you have an opinion regarding whether implementing a voltage optimization program in Missouri would be a good use of customer funds?

A. Yes, my opinion is that it would not be. As incandescent light bulb use continues to decline or be eliminated entirely, savings opportunities from voltage optimization will also continue to decrease. The composition of loads in Missouri versus

8

Rebuttal Testimony of James D. Huss

1 Illinois also lowers the potential for benefit from voltage optimization in Missouri. CVR 2 factors like the 0.16 factor we witnessed when we last employed voltage optimization for 3 other reasons are very poor and don not justify the investments needed to pursue a voltage 4 optimization program. As discussed in Ameren Missouri witness Mark Birk's rebuttal 5 testimony, we have more needed projects to address foundational needs of the system and 6 otherwise prepare it for future grid needs than we have investment dollars each year, and I do not support diverting those dollars to a voltage optimization program that, at best, might 7 8 deliver some marginal benefits. 9

- Does that conclude your rebuttal testimony? Q.
- Yes. 10 A.

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

)

)

In the Matter of Union Electric Company d/b/a Ameren Missouri's Tariffs to Adjust) Its Revenues for Electric Service.

Case No. ER-2021-0240

AFFIDAVIT OF JAMES D. HUSS

STATE OF MISSOURI)) ss **CITY OF ST. LOUIS**)

James D. Huss, being first duly sworn on his oath, states:

My name is James D. Huss, and on his oath declare that he is of sound mind and lawful age; that he has prepared the foregoing Rebuttal Testimony; and further, under the penalty of perjury, that the same is true and correct to the best of my knowledge and belief.

> /s/ James D. Huss James D. Huss

Sworn to this 15th day of October, 2021.