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Jennifer Martin Sponsoring Party: Union Electric Company
Type of Exhibit: Surrebuttal Testimony Case No.: EO-2013-0307

Date Testimony Prepared: February 22, 2013

MISSOURI PUBLIC SERVICE COMMISSION

Case No. EO-2013-0307

SURREBUTTAL TESTIMONY

OF

JENNIFER MARTIN

ON

BEHALF OF

UNION ELECTRIC COMPANY d/b/a Ameren Missouri

> St. Louis, Missouri February 22, 2013

1	SURREBUTTAL TESTIMONY	
2		OF
3		JENNIFER MARTIN
4		CASE NO. EO-2013-0307
5	Q.	Please state your name and business address.
6	A.	My name is Jennifer Martin. My business address is Center for Resource
7	Solutions, 1012 Torney Ave, 2 nd Floor, San Francisco, California, 94129.	
8	Q.	By whom and in what capacity are you employed?
9	A.	I am employed by Center for Resource Solutions as Executive Director.
10	Q.	Please describe Center for Resource Solutions.
11	A.	Center for Resource Solutions (CRS) is a 501(c)(3) nonprofit organization
12	whose mission is to develop policy and market solutions to advance sustainable energy. CRS	
13	was founded in 1997. CRS manages an array of programs that aim to increase the use of	
14	renewable sources of energy and mitigate climate change. CRS's programs address	
15	renewable energy policy and market issues in the United States and abroad. CRS works in a	
16	variety of areas, including providing expert assistance at the state, regional, and national level	
17	on renewable energy policy issues; advising organizations on options for using renewable	
18	energy and how to appropriately describe that renewable energy use; and offering consumer	
19	protection and certification programs under the Green-e brand. Launched in 1997, Green-e	
20	Energy is a certification program serving the voluntary renewable energy market in North	
21	America. Green-e Energy is a voluntary program for sellers of green power products,	
22	including utility green pricing programs, competitive electricity products offered in	
23	deregulated electricity markets, and renewable energy certificates (RECs). Participation in	

1 the program requires adherence with the program's standards—the Green-e Energy National 2 Standard and Green-e Energy Code of Conduct and Customer Disclosure Requirements—for 3 renewable energy product quality and consumer protection. The Green-e Energy National 4 Standard was developed and is periodically revised through open stakeholder engagement 5 processes, and substantive changes to the Standard are approved by the Green-e Governance 6 Board, an independent Board comprising environmental NGOs; renewable energy advocates; 7 and renewable energy technology, market, and consumer-protection experts. Union Electric 8 d/b/a Ameren Missouri's ("Ameren Missouri") Pure Power Program is a Green-e Energy 9 certified utility green pricing program. 10 Q. Please describe your employment history with Center for Resource 11 Solutions. 12 A. I was hired by CRS in 2005 as the Director of Certification and Verification 13 Services. In 2008, I became Deputy Director, and in 2010 I became Executive Director of 14 the organization. 15 Q. Please describe your duties and responsibilities as Executive Director. 16 A. As Executive Director, I am responsible for the overall management and 17 strategic direction of the organization. I oversee the management of CRS's programs, 18 including the Green-e Energy program. 19 Q. Please describe your qualifications. 20 I have over 20 years of experience in the electric power and renewable energy A. 21 industries. I have worked for private sector and nonprofit organizations addressing 22 renewable energy, energy efficiency, distributed generation, electricity markets, technology 23 development, and electricity sector and climate-change policy and regulation. I am a member

Ameren Missouri's Pure Power program.

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- of the Western Renewable Energy Generation Information System Stakeholder Advisory
- 2 Committee, a member of the State-Federal RPS Collaborative Advisory Group, and served as
- 3 technical chairperson of the WREGIS Operating Rules Committee. I earned my Bachelor of
- 4 Arts degree from Pomona College and a Master of Public Policy from Duke University.

Q. What is the purpose of your surrebuttal testimony?

- A. The purpose of my surrebuttal testimony is to respond to parts of the rebuttal testimony of Michael Ensrud, including describing the role of Green-e Energy certification for utility green power programs, providing the Commission with background information on utility green pricing programs in general, and commenting on the structure and design of
 - Q. What benefits does Green-e Energy certification provide to utility green pricing programs?
 - A. Green-e Energy provides consumer protection to utility customers, and certification allows the utility's stakeholders to know that the program meets the requirements of the leading national standard for high-quality, voluntary renewable energy products. Utilities that choose to participate in Green-e Energy must abide by the program's requirements, which include provision of specific types of information to consumers prior to their enrollment in the renewable energy option, complying with Green-e Energy rules regarding marketing and claims, and completion of an annual verification audit that ensures the program is abiding by the requirements in the *Green-e Energy National Standard*. These requirements include that the resource mix of the renewable energy option is disclosed to the consumer prior to purchase in the form of a Product Content Label, that potential customers have access to information about the product and can easily locate utility customer service

1 representatives knowledgeable about the product, and that any charges—including 2 termination fees—need to be disclosed to the potential customer prior to their enrollment in 3 the green power program. Green-e Energy verifies through the annual audit that the 4 renewable energy product is in fact provided to the customer in the quantity and of the 5 quality described during enrollment, that there is no double counting or double selling of 6 renewable energy, and that voluntary program sales are above and beyond any renewable 7 energy procured by the utility to meet a law or regulation. Green-e Energy also requires that 8 participating sellers abide by the Green-e Energy Code of Conduct and Customer Disclosure 9 Requirements, which includes rules and guidelines for clear and accurate marketing and 10 claims. CRS uses the U.S. Federal Trade Commission's Guides for the Use of 11 Environmental Marketing Claims as a guide, and aims to keep Green-e Energy's standards and guidance at or above the FTC requirements. For organizations, purchase of Green-e 12 13 Energy certified products meets the requirements for several green power recognition and 14 environmental ratings systems, including the U.S. Environmental Protection Agency's Green 15 Power Partnership program and the U.S. Green Building Council's LEED rating system. 16 Green-e Energy also provides a search function on its website that helps consumers and 17 organizations find certified products. 18 Q. **Green-e Energy certification program?** 19

What does a utility green pricing program have to do to participate in the

A. All participants in Green-e Energy must apply to and sign a contract with CRS before representing their product as certified. A utility green pricing program must submit a marketing plan as part of its application and contract with CRS. Utility green pricing programs also must undergo a 21-day open stakeholder comment period. During this period,

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¹ www.ftc.gov/bcp/grnrule/guides980427.htm

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stakeholders in the state(s) served by the utility are given access to information about the utility's proposed product, including the marketing plan and the renewable resources the utility proposes to use in the product. Stakeholders include, but are not limited to, utilities, regulators, renewable energy advocates, and consumer and environmental-protection interests in the relevant state(s). Any interested stakeholder is welcome to comment, and Green-e Energy encourages stakeholders to circulate the information to any other interested parties for comment. These submitted application materials are posted on the Green-e Energy website. After comments are received, the utility is given an opportunity to respond in writing. After the 21-day stakeholder comment period, Green-e Energy staff forward the application materials, stakeholder comments (if any), and utility responses to those comments to the Green-e Governance Board. Certification is subject to the approval of this Board. If the Board raises issues, this triggers a meeting of the Green-e Governance Board Green Pricing Subcommittee to resolve them, after which the subcommittee will re-submit the issue and its recommendations to the full Green-e Governance Board for consideration. Once the application is reviewed and accepted, in order to maintain certification utilities must comply with Green-e Energy requirements related to annual verification, adhere to the Green-e Energy Code of Conduct and Customer Disclosure Requirements, submit to periodic review of their marketing materials, and pay an the annual fee. Q. Does Green-e Energy have any requirement regarding the pricing of utility green power products? The Green-e Energy National Standard requires that utility green pricing A.

programs be approved by the appropriate regulatory or oversight body before they apply for

- 1 certification. In addition, the *Green-e Energy National Standard* states: "In no case should
- 2 the above market costs of the energy used directly for a certified utility green pricing
- 3 program be allocated to customers who are non-participants in the program. If such costs
- 4 are related to public policy initiatives deemed acceptable by their regulators, a utility may
- 5 appeal to the Green-e Governance Board for approval." The Green-e Energy program does
- 6 not have any requirements related to the price level or pricing structure of certified green
- 7 power products.

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Q. Do all utilities with green pricing programs participate in the Green-e

Energy certification program?

- 10 A. No, not all utilities with green pricing programs participate in Green-e Energy.
- Green-e Energy is a voluntary program. Utilities must apply for certification, and their
- programs must meet the criteria set out in the *Green-e Energy National Standard*. Green-e
- Energy currently certifies 29 utility green pricing products, offered by 221 utilities,
- 14 cooperatives and distribution utilities. Utility programs certified by Green-e Energy
- 15 consistently rank high in the National Renewable Energy Laboratory's (NREL's) Top Ten
- 16 rankings in terms of customer participation rate, total number of subscribers, and total MWh
- $17 \quad \text{sold.}^3$

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Q. How prevalent are utility green pricing programs like Ameren

Missouri's?

- A. Many utilities offer their customers a green power option. According to
- 21 NREL⁴, which collects data on green power options, utility green pricing programs are

² Green-e Energy National Standard, version 2.2, page 10, http://www.green-e.org/getcert_re_stan.shtml.

³ U.S. Department of Energy, Green Power Network,

http://apps3.eere.energy.gov/greenpower/markets/pricing.shtml?page=3

⁴ U.S. Department of Energy, Green Power Network, http://apps3.eere.energy.gov/greenpower/markets/pricing.shtml.

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- offered in 41 states. There are over 220 utilities, 53 of which are investor owned utilities,
- 2 that offer these programs. Including all associated cooperative and distribution utilities, there
- 3 are over 860 providers offering a utility green pricing option to customers across the country.

4 Q. Is Ameren Missouri's program architecture typical for these types of 5 programs?

A. Ameren Missouri's program design is common among utilities that offer a green pricing program. Utilities often offer customers either a block product (containing a predetermined amount of kWh per month), a percent of monthly electricity usage product, or a choice of either product type. Utilities procure supply for their programs from both REC purchases and bundled electricity purchases (electricity and RECs purchased together from a single generator). Among the utility green power programs that participated in Green-e Energy in 2011, 39% supplied their programs through REC-only purchases, 47% through only bundled electricity purchases, and 14% through a combination of REC and bundled electricity purchases.⁵ Green-e Energy requires all utilities with certified green power programs to source their RECs or bundled electricity purchases from within their region (NERC region, ISO, RTO, and state are all acceptable boundaries), or to deliver power eligible under the Green-e Energy National Standard into their region from an adjacent region. Green-e Energy certified renewable electricity programs are required to source their renewable energy purchases, be they RECs or bundled electricity contracts, from resources eligible under the *Green-e Energy National Standard*, which contains specific requirements for resource type, age of generator, emissions, and other resource-specific criteria. The Green-e Energy National Standard also includes product-specific criteria, including minimum levels for the block size and percentage use products.

⁵ Note that some utilities use owned generator facilities to supply RECs or bundled energy to their green pricing programs.

1 Q. Is the pricing of Ameren Missouri's product typical for these types of programs? 2 3 A. CRS and the Green-e Energy program do not collect data on utility green 4 pricing program pricing. NREL does collect such data, and according to this data the 5 Ameren Missouri Pure Power product's pricing falls within the range of prices offered by 6 other utility programs. According to NREL, prices for utility green power products range 7 from less than the standard utility offer to over 11 cents/kWh for a solar-only product. Most product premiums are in the 0.5–3 cents/kWh range.⁶ 8 9 Do other utility programs partner with outside vendors for REC Q. 10 procurement and marketing support? 11 Yes, there are other utilities that partner with third parties to administer utility A. 12 green pricing programs. Green-e Energy certifies several such programs, including programs 13 offered by the City of Palo Alto Utilities, PacifiCorp, and Dominion Virginia Power. In 14 addition to 3Degrees, Bonneville Environmental Foundation, and Community Energy are 15 examples of third party providers that work with utilities to market and/or supply utility 16 green power programs. Some utilities market green power programs offered by multiple third 17 party suppliers to their customers. An example of such a program is NSTAR's Renewable 18 Energy Certificates program, where NSTAR customers can choose between multiple 19 suppliers of RECs. Some, but not all, of the suppliers working with NSTAR offer Green-e 20 Energy certified REC products. 21 Q. Are you familiar with 3Degrees, the company who supports the Ameren

Missouri Pure Power Program?

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⁶ U.S. Department of Energy, Green Power Network, http://apps3.eere.energy.gov/greenpower/markets/pricing.shtml?page=1.

16

Q.

A.

Yes, it does.

Yes. 3Degrees has one REC product certified with Green-e Energy that it 1 A. 2 markets itself, and this product has been continuously certified since 2002. 3Degrees is also 3 involved in supporting six utility programs that are Green-e Energy certified, including 4 Ameren Missouri's. 5 Do you consider 3Degrees a reputable third-party provider? Q. 6 My experience with 3Degrees as a participant in the Green-e Energy program A. 7 leads me to believe that they are a reputable company. 3Degrees has submitted the requested 8 verification documentation, including independent audit reports, to demonstrate that their 9 Green-e Energy certified sales are in compliance with the Green-e Energy National Standard 10 for each year that 3Degrees participated as a seller of a Green-e Energy certified product. In 11 addition, 3Degrees has won several awards from the U.S. Department of Energy and U.S. 12 Environmental Protection Agency for achievements in green power marketing. 3Degrees, 13 through its own sales and its partnerships with utilities, is one of the leading sellers of Green-14 e Energy certified renewable energy nationally by volume of MWh.

Does this conclude your surrebuttal testimony?

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BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Union Electric Company d/b/a Ameren Missouri's Voluntary Green Program/Pure Power Program Tariff Filing. Case No. EO-2013-0307 Tariff No. JE-2013-0197			
AFFIDAVIT OF JENNIFER MARTIN			
STATE OFCalifornia)			
Jennifer Martin, being first duly sworn on her oath, states:			
My name is Jennifer Martin. I am employed by Center for Resource Solutions as			
Executive Director.			
2. Attached hereto and made a part hereof for all purposes is my Surrebuttal			
Testimony on behalf of Union Electric Company, d/b/a Ameren Missouri, consisting of9_			
pages (and Schedules M/A through M/A if any), all of which have been prepared in written form for			
introduction into evidence in the above-referenced docket.			
3. I hereby swear and affirm that my answers contained in the attached testimony to			
the questions therein propounded are true and correct. Jeginfer Martin			
Jewnifer Martin			
Subscribed and sworn to before me this 22 day of February, 2013. And French Richs Notary Public			
My commission expires: 1. 23.2015			

WENDY A. FRANKLIN-RICKS
Commission # 1922984
Notary Public - California
San Mateo County
My Comm. Expires Jan 23, 2015