

Exhibit No.:	
Issues:	High Prairie Wind Energy Center; Keeping Current Program
Witness:	James Owen
Sponsoring Party:	Renew Missouri Advocates
Type of Exhibit:	Rebuttal Testimony
Case Nos.:	ER-2021-0240
Date Testimony Prepared:	October 15, 2021

MISSOURI PUBLIC SERVICE COMMISSION

ER-2021-0240

REBUTTAL TESTIMONY

OF

JAMES OWEN

ON BEHALF OF

RENEW MISSOURI ADVOCATES

October 15, 2021

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

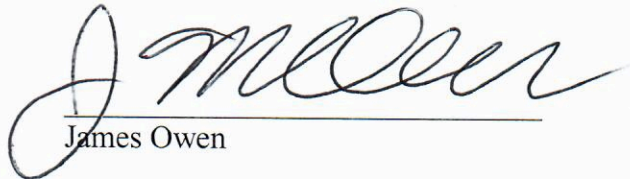
In the Matter of Union Electric Company)
d/b/a Ameren Missouri's Tariffs to Adjust)
its Revenues for Electric Service) File No. ER-2021-0240

AFFIDAVIT OF JAMES OWEN

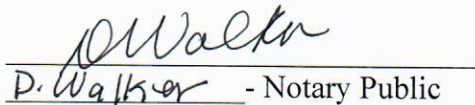
STATE OF MISSOURI)
)
COUNTY OF BOONE) **ss**

COMES NOW James Owen, and on his oath states that he is of sound mind and lawful age; that he prepared the attached rebuttal testimony; and that the same is true and correct to the best of his knowledge and belief.

Further the Affiant sayeth not.


James Owen

Subscribed and sworn before me this 15th day of October 2021.


D. Walker - Notary Public

D. WALKER Notary Public - Notary Seal STATE OF MISSOURI County of Boone My Commission Expires 4/29/2022 Commission # 14436330
--

My commission expires: 4/29/2022

TABLE OF CONTENTS

<u>Testimony</u>	<u>Page</u>
Introduction	1
Purpose and summary of testimony	3
High Prairie Wind Energy Center	4
Keeping Current Program	9

1 **I. Introduction**

2 **Q: Please state your name, title, and business address.**

3 A: James Owen, Executive Director, Renew Missouri Advocates d/b/a Renew Missouri
4 (“Renew Missouri”), 409 Vandiver Dr. Building 5, Suite 205, Columbia, MO 65202.

5 **Q: Please describe your current position, your education, and background.**

6 A: Renew Missouri is an advocacy group based in Missouri that appears before regulatory
7 agencies such as the Missouri Public Service Commission (“MPSC”) and the Kentucky
8 Public Service Commission (“KPSC”) as well as monitoring and providing comments on
9 matters before the Kansas Corporation Commission. (“KCC”). Our work involves
10 engaging as intervenors on utility rate cases, applications for certificates of convenience
11 and necessity (“CCNs”), merger and acquisition, Accounting Authority Orders (“AAOs”),
12 and energy efficiency investment portfolios. Before the KPSC, I have provided general
13 testimony on rate increases, rate design, and opposition to utility proposals involving
14 excessive fees against net metered customers.

15 Renew Missouri routinely engage in workshops, providing comments and serving
16 on panels before Commissioners, regulators, and other stakeholders. Most recently, we
17 have engaged in dockets involving co-generation rulemaking as well as utility responses
18 to the COVID-19 crisis. I have provided testimony before these agencies on general policy
19 involving the generation, transmission, and distribution of power. Attached as Schedule
20 JO-1 is a list of my case participation. We have also lent our expertise and knowledge on
21 legislative matters between the two states that includes issues ranging from energy
22 efficiency investments to securitization of debt held by utility companies as well as
23 community solar.

1 In regards to my background, I am an attorney by trade and was appointed as an
2 Associate Circuit Court Judge prior to my experience in utility ratemaking. As far as my
3 education goes, I obtained a law degree from the University of Kansas in Lawrence, Kansas
4 as well as a Bachelor of Arts in Business and Political Science from Drury University in
5 Springfield, Missouri.

6 **Q: What experience does Renew Missouri have in advocating for low-income**
7 **ratepayers.**

8 A: Renew Missouri is deeply engaged with obtaining policy results that provide access for
9 low-income residents to renewable energy and energy efficiency. Through our
10 representation of nationwide groups such as National Housing Trust (“NHT”) and Energy
11 Efficiency for All (“EEFA”), Renew Missouri has secured energy efficiency programs for
12 all ratepayers as well as crafting on-bill financing tariff programs designed to aid low-
13 income customers in making improvements to their living spaces. Before the KPSC, I have
14 provided testimony for a coalition that includes the Metropolitan Housing Coalition located
15 in Louisville, KY in regards to rate increases proposed during the COVID-19 crisis.
16 Additionally, Renew Missouri has worked with utility companies to develop pilots to
17 provide community solar to low-income neighborhoods. We have worked to expand these
18 efforts throughout Missouri and Kansas.

19 **Q: What work does Renew Missouri conduct in the field of energy policy?**

20 A: In my role as Executive Director at Renew Missouri, I continue to provide information and
21 testimony on pieces of proposed legislation that may impact how utility regulators
22 approach energy efficiency and renewable energy. Most recently, Renew Missouri staff
23 and myself have been developing and offering educational programs on topics related to

1 energy law and policy in Missouri on topics including demand response aggregation,
2 accounting authority orders, and our year-end update covering state and federal
3 rulemakings, PSC appeals, and energy efficiency/renewable energy updates. We have
4 provided nearly sixty hours of continuing legal education credit over the past three years.

5 **Q: Please summarize your professional experience in the field of utility regulation.**

6 A: Before becoming Executive Director of Renew Missouri, I served as Missouri’s Public
7 Counsel, a position charged with representing the public in all matters involving utility
8 companies regulated by the State of Missouri. While I was Public Counsel, I was involved
9 in several rate cases, CCN applications, mergers, and complaints as well as other filings.
10 As Public Counsel, I was also involved in answering legislators’ inquiries regarding
11 legislation impacting the regulation of public utilities.

12 **Q: Have you been a member of, or participant in, any workgroups, committees, or
13 other groups that have addressed electric utility regulation and policy issues?**

14 A: In May 2016, I attended the National Association of Regulatory Utility Commissioners
15 (“NARUC”) Utility Rate School. In the Fall of 2016, I attended Financial Research
16 Institute’s 2016 Public Utility Symposium on safety, affordability, and reliability. While I
17 was Public Counsel, I was also a member of the National Association of State Utility
18 Consumer Advocates (“NASUCA”) and, in November of 2017, the Consumer Council of
19 Missouri named me the 2017 Consumer Advocate of the Year.

20 **II. Purpose and summary of testimony**

21 **Q: What is the purpose of your testimony?**

22 A: First, to respond to the testimony filed by Office of the Public Counsel (“OPC”) witness
23 Geoff Marke and MIEC witness Greg Meyer related to disallowances for the High Prairie

1 Wind Energy Center (“High Prarie”). Second, I respond to the recommendations in the
2 Staff’s Report related to the administration of the Keeping Current Program.

3 **Q: What is your recommendation to the Commission in this case?**

4 A: The Commission should reject the disallowances proposed by MIEC and OPC related to
5 High Prairie. In addition, to increase the benefits to customers, Ameren should include
6 education about low-income and other energy efficiency program offers to all customers
7 receiving assistance under the Keeping Current Program.

8 **III. High Prairie Wind Energy Center**

9 **Q: Please summarize the testimony offered by OPC on this issue.**

10 A. OPC discusses the approach Ameren has taken to minimize the impact on bats and birds
11 by curtailing High Prairie nightly turbine use. Dr. Marke ultimately recommends “that 25%
12 of the costs related to the High Prairie Wind Farm be removed from the revenue
13 requirement to account for the fact that High Prairie is only operational 75% of the year.”¹
14 He recommends this disallowance because ratepayers should not “be responsible for any
15 costs related to Ameren’s poor managerial decisions in electing to site its wind farm where
16 it did.”²

17 **Q: How do you respond?**

18 A: As background, the Commission granted Ameren a CCN for High Prairie in Case No: EA-
19 2019-0202. Both OPC and MIEC participated in that case and the CCN was resolved by a
20 Stipulation and Agreement. The location of the project was specifically called out in the
21 stipulation:

22 Ameren Missouri, Staff, Renew Missouri, MIEC, DE, the Sierra Club, the
23 NRDC, and OPC agree that, with the conditions provided below, the

¹ Marke Direct, p. 10.

² Marke Direct, p. 10.

1 Missouri Public Service Commission ("Commission") should grant Ameren
2 Missouri's request for a CCN pursuant to Section 393.170.1 to **construct**
3 **and own a wind generation facility to be constructed in Schuyler and**
4 **Adair Counties in Missouri**, under the Build Transfer Agreement ("BTA")
5 with TG High Prairie Holdings, LLC (the "Project") as set forth in the
6 Company's Application.³

7 Furthermore, the stipulation addressed the prudence of acquiring the High Prairie facility
8 under the terms of the Build Transfer Agreement ("BTA") which necessarily included the
9 site of the project:

10 Prudence: The Signatories agree that they shall not challenge the prudence
11 of the decision to acquire the facility under the terms of the BTA, including
12 Non-Compliant wind turbine generators under the terms of the BTA, and to
13 merge TG High Prairie, LLC into Ameren Missouri if the acquisition of the
14 facility closes pursuant to the BTA. Nothing in this Stipulation limits the
15 ability of any Signatory or other party from challenging the prudence of the
16 design, construction costs, interconnection costs, and all other project
17 related costs, including costs impacted by construction duration.⁴
18

19 The Stipulation and Agreement also identified conditions related to wildlife impacts as a
20 result of issues raised by Missouri Department of Conservation and OPC in that case.

21 Wildlife: Appendix A attached hereto and incorporated herein by this
22 reference reflects terms and conditions agreed upon by the Signatories
23 relating to conservation issues raised in testimony in this case.⁵
24

25 Dr. Marke acknowledges that wildlife concerns were raised in that docket in his testimony
26 and that parties advised "the Company against the siting of High Prairie."⁶ Appendix A of
27 the Stipulation and Agreement describes that Ameren is required to take certain actions
28 related to conservation of wildlife, including spelling out that some curtailment was a
29 possibility:

30 8. Prior to commencement of operations at 6.9 meters/second or higher
31 during the active bat season at night when temperatures are 50 degrees

³ *Third Stipulation and Agreement*, p. 2 (Emphasis added).

⁴ *Third Stipulation and Agreement*, pp. 3-4.

⁵ *Third Stipulation and Agreement*, p. 3.

⁶ Marke Direct, p. 9.

1 Fahrenheit or above, the Company will in good faith work with MDC
2 toward the goal of reaching agreement on a research plan involving post-
3 construction monitoring for a limited time period (between one and three
4 years) and with appropriate confidentiality protections, to be conducted at
5 the Company's expense for research purposes as a part of a collaboration
6 between the Company and MDC relating to conservation issues with wind
7 facilities, with such research plan to be implemented if an Incidental Take
8 Permit for bats is not obtained and/or the Company operates the Project
9 during the active season at a cut-in speed of 6.9 meters/second or higher.⁷

10 The Commission approved the *Third Stipulation and Agreement*,⁸ and, after a hearing
11 unrelated to the CCN where OPC challenged the company's ability to use a RESRAM
12 cost-recovery mechanism, approved the requested RESRAM.⁹ OPC appealed the
13 RESRAM issue in court and the Court of Appeals affirmed the PSC decision.¹⁰

14 **Q: How do you respond to OPC's proposed disallowance related to siting of the**
15 **project?**

16 OPC signed the Third Stipulation and Agreement for the CCN, which included the siting
17 of the project in Schuyler and Adair Counties pursuant to the BTA. It also agreed not to
18 challenge the prudence of acquiring High Prairie under the terms of the BTA except for
19 discrete items. These items did not include the project site. OPC's recommendation violates
20 the *Third Stipulation and Agreement* and Dr. Marke should rescind this recommendation
21 in his surrebuttal.

22 **Q: Please summarize the testimony offered by MIEC on this issue.**

23 A: MIEC witness Greg Meyer provides his calculations about foregone wind generation due
24 to nighttime curtailment at High Prairie to mitigate wildlife impact. He proposes "to reduce
25 the return portion paid by ratepayers for the High Prairie investment to recognize the

⁷ *Third Stipulation and Agreement*, Appendix A.

⁸ *Order Approving Third Stipulation and Agreement*, Case No. EA-2018-0202, Doc. No. 101.

⁹ *Report and Order*, Case No. EA-2018-0202, Doc. No. 142.

¹⁰ *Office of The Public Counsel v. Missouri Public Service Commission*, 591 S.W.3d 478.

1 reduced output the wind farm is currently not generating.”¹¹ His calculations appear to
2 apply this reduction to the entire lifetime value of High Prairie rather than the discrete, and
3 possibly temporary, ongoing curtailment time-periods.¹² He states that because the
4 curtailments are related to improperly-identified “environmental” concerns – it is more
5 accurate to describe them as “wildlife concerns” - customers should not pay for the entire
6 wind project.¹³

7 **Q: How do you respond to MIEC?**

8 A: As a signatory to the stipulation and agreement, MIEC is also bound not to challenge the
9 prudence of acquiring the project at the High Prairie site. Despite raising similar concerns
10 and project disallowance as OPC, MIEC couches its objections to full recovery as because
11 of Ameren’s decision to curtail High Prairie’s generation at certain nighttime periods due
12 to wildlife impacts. While MIEC’s position is not a black-letter violation of the Stipulation
13 and Agreement, while OPC’s position very much is such a violation, it should still be
14 rejected.

15 MIEC was a party and participant to the CCN case where wildlife issues and
16 mitigation were discussed. I noted above this stipulation and agreement signed by MIEC
17 specifies that curtailment would occur. Ameren’s curtailment of High Prairie’s wind
18 turbines to comply with regulations was a foreseeable part of approving the CCN. Mr.
19 Meyer’s logic behind for his calculation of his disallowance is flawed and unreasonable.

20 **Q: Is the periodic curtailment of generation at High Prairie permanent?**

¹¹ Meyer Direct, p. 21.

¹² Meyer Direct, p. 22.

¹³ Meyer Direct, p. 23.

1 A: For the moment, we don't know. What we do know is Ameren is in the process of taking
2 additional steps to manage conservation impact while maximizing energy production. In
3 response to Staff Data Request ("DR") 0855 on mitigation efforts, Ameren stated:

4 [It] is working on a multipronged strategy to minimize the impacts to
5 protected bat species from operation of the High Prairie wind turbines and
6 to ensure regulatory compliance. This multipronged approach includes
7 outside engineering investigations of bat behaviors and habits, studies of
8 meteorological tower data, development and procurement of an active
9 curtailment system, development of a model curtailment system, as well as
10 a trial installation and development of a deterrent system. These multiple
11 efforts are intended to significantly reduce operational curtailments of the
12 wind farm.¹⁴

13 MIEC's position and method assumes the curtailment periods will be permanent. Given
14 the availability of technology and Ameren's efforts noted in response to DR 0855, its
15 unreasonable to assume the project will be curtailed permanently.

16 **Q: Do you have any other issues with MIEC's method of calculating a disallowance.**

17 A: Yes. For High Prairie to produce the wind energy portion that MIEC is not challenging,
18 100% of the investment made would still have to be made. Consider, if Ameren invested
19 25-28% (MIEC's proposed disallowance) less on the wind turbines, the output – even if
20 never curtailed – would not be as great. It is the totality of the investment that allows the
21 current, albeit reduced, level of wind production. Disallowing a return on a portion of the
22 wind turbine plant is akin to challenge the prudence of the BTA – which MIEC pledged
23 not to challenge when it signed the Stipulation and Agreement.

24 **Q: Is there any other information to note about High Prairie project?**

25 A: By siting this facility in Missouri, Ameren customers benefit from the 1.25 REC adder.
26 Meaning, even if the facilities production is temporarily curtailed 25% to minimize wildlife

¹⁴ Ameren Response to Staff DR 0855.

1 impacts, customers either remain in the status quo or in fact are in a better position than if
2 the project had been built out of state.

3 **Q: Do you have any other comments about the High Prairie wind project?**

4 In addition to allowing customers to benefit from clean and economically affordable
5 renewable generation, wind projects create a variety of other benefits, including: payments
6 to landowners, construction jobs, and increased state and local tax revenues. Wind
7 technicians are the fastest growing profession in the nation, and one of the fastest-growing
8 job sectors in Missouri. Farmers can lease their land to wind energy producers and make
9 money while continuing to farm their land. Counties see increased tax revenue. Building
10 this wind farm here is good for Missouri, including Ameren's customers.

11 **IV. Keeping Current Program**

12 **Q: How can Ameren improve its Keeping Current Program?**

13 A: First, I want to note my support for the program and general agreement with the
14 recommendations identified in Staff's report in pages 187-189 related to administration of
15 the program. One aspect that can be improved is to ensure that all customers receiving low-
16 income utility assistance are provided opportunities to reduce their bills in the long-term.
17 When customers use energy more efficiently, their demand is reduced and their bills will
18 be lower. There are both short-term and long-term benefits.

19 **Q: What specific recommendation do you have?**

20 A: In its Report, the Staff lists a series of recommendations from APPRISE, Inc. on the
21 program. Recommendation Number 14 states:

22 Energy Efficiency: Ameren should prioritize high usage Keeping Current
23 Program participants for weatherization. They should educate landlords
24 about the Program and encourage landlords to provide authorization for
25 program measures.

1 In addition to weatherization, Ameren also has several low-income MEEIA
2 programs - including the new PAYS® program. When a customer receives
3 Keeping Current Funds, Ameren should educate them about its MEEIA offerings.
4 In particular, I think the PAYS® program home assessments would be especially
5 valuable in helping these customers.

6 **Q: Why would offering Keeping Current recipients the PAYS® home assessment**
7 **be an improvement to the program?**

8 A: Yes. The home assessment for PAYS® is a comprehensive energy audit. The audit
9 includes blower door and duct evaluation, historic usage analysis, and estimating
10 the cost and expected savings of the upgrades. During the home assessments, there
11 is an opportunity to distribute direct install measures that are pre-defined and
12 installed during the assessment.

13 If the assessment shows that improvements - such as insulation, air sealing,
14 HVAC replacement, duct sealing, smart thermostats, and additional lighting create
15 more savings to customers than the costs – customers could participate under
16 PAYS® to lower their bills while saving energy more permanently.

17 **Q: Are you suggesting that customers receiving energy assistance funds be**
18 **required to participate in PAYS®?**

19 A. No. Although, I am a strong advocate for the program as a way for customers to
20 reduce energy consumption and save money, I do not believe customers should be
21 required to participate. However, even if a customer does not choose to participate,
22 there is still value and savings to conducting the home assessment. This value
23 includes, among other things, savings from direct install measures.

1 Q: Does this conclude your testimony?

2 A: Yes.

**CASE PARTICIPATION OF
JAMES OWEN**

<u>Date</u>	<u>Proceeding</u>	<u>Docket No.</u>	<u>On Behalf of:</u>	<u>Issues</u>
10/20/2017	In the Matter of a Working Case to Explore Emerging Issues in Utility Regulation	EW-2017-0245	Renew Missouri Advocates	Comments: Distributed Energy Resources
2/7/2018	In the Matter of the Application of The Empire District Electric Company for Approval of Its Customer Savings Plan	EO-2018-0092	Renew Missouri Advocates	Rebuttal: Customer savings plan, wind generation, Asbury retirement, federal tax changes
Rebuttal 7/27/2018 Surrebuttal (9/4/2018)	In the Matter of KCP&L Greater Missouri Operations Company's Request for Authority to Implement a General Rate Increase for Electric Service In the Matter of Kansas City Power & Light Company's Request for Authority to Implement a General Rate Increase for Electric Service	ER-2018-0145/ER-2018-0146	Renew Missouri Advocates	Rebuttal: Demand Response Program Surrebuttal: Demand Response Program
6/8/2018	In the Matter of the Application of Union Electric	ET-2018-0063	Renew Missouri Advocates	Surrebuttal: Eligibility parameters, wind generation

	Company d/b/a Ameren Missouri for Approval of 2017 Green Tariff			
9/17/2018	In the Matter of Union Electric Company d/b/a Ameren Missouri's 3rd Filing to Implement Regulatory Changes in Furtherance of Energy Efficiency as Allowed by MEEIA	EO-2018-0211	Renew Missouri Advocates	Surrebuttal: Statutory Requirements of MEEIA
9/28/2018	In the Matter of the Application of Union Electric Company d/b/a Ameren Missouri for Permission and Approval and a Certificate of Public Convenience and Necessity Authorizing it to Construct a Wind Generation Facility	EA-2018-0202	Renew Missouri Advocates	Surrebuttal: Second Non-unanimous Stipulation and Agreement; Need for the project; Conservation conditions
11/16/2018	In the Matter of the Application of Union Electric Company d/b/a Ameren Missouri for	ET-2018-0132	Renew Missouri Advocates	Surrebuttal: Charge Ahead Programs

	Approval of Efficient Electrification Program			
1/15/2019	In the Matter of a Workshop Docket to Explore the Ratemaking Process	AW-2019-0127	Renew Missouri Advocates	Comments: Ratemaking Process
1/22/2019	In the Matter of the Application of Union Electric Company d/b/a Ameren Missouri for Permission and Approval and a Certificate of Convenience and Necessity Authorizing it to Construct a Wind Generation Facility	EA-2019-0021	Renew Missouri Advocates	Surrebuttal: Conservation conditions; Tax revenue; Benefits of wind generation
1/28/2019 9/16/2019	In the Matter of Kansas City Power & Light Company's Notice of Intent to File an Application for Authority to Establish a Demand-Side Programs Investment Mechanism	EO-2019-0132/ EO-2019-0133 (GMO)	Renew Missouri Advocates	Rebuttal: PAYS Program Surrebuttal: Energy Efficiency Policy; Additional programs
3/5/2019	In the Matter of the Application of The Empire	EA-2019-0010	Renew Missouri Advocates	Surrebuttal: Benefits of wind generation;

	District Electric Company for Certificates of Convenience and Necessity Related to Wind Generation Facilities			Conservation conditions; OPC's CCN standard
3/27/2019	In the Matter of the Joint Application of Invenergy Transmission LLC, Invenergy Investment Company LLC, Grain Belt Express Clean Line LLC and Grain Belt Express Holding LLC for an Order Approving the Acquisition by Invenergy Transmission LLC of Grain Belt Express Clean Line LLC	EM-2019-0150	Renew Missouri Advocates	Rebuttal: Commission standard; Benefits of transaction
7/15/2019	In the Matter of the Application of Union Electric Company d/b/a Ameren Missouri for Permission and Approval and a Certificate of Public Convenience and Necessity	EA-2019-0181	Renew Missouri Advocates	Rebuttal: Benefits of wind generation

	Under 4 CSR 240-3.105			
10/7/2020	Electronic Application of Kentucky Power Company for (1) A General Adjustment of its Rates for Electric; (2) Approval of Tariffs and Riders; (3) Approval of Accounting Practices to Establish Regulatory Assets and Liabilities; (4) Approval of a Certificate of Public Convenience and Necessity; and 5) All Other Required Approvals and Relief	KPSC Case No. 2020-00174	Mountain Association, Kentuckians For The Commonwealth, and the Kentucky Solar Energy Association	Rebuttal: AMI meters, Net-metering, Energy Efficiency Programs, PAYS®, Economic Impacts, Rate design, Customer charge
3/5/2021	Electronic Application of Kentucky Utilities Company for an Adjustment of its Electric Rates, a Certificate of Public Convenience and Necessity to Deploy Advanced Metering	KPSC Case No. 2020-00349 / Case No. 2020-00350	Mountain Association, Kentuckians For The Commonwealth, the Metropolitan Housing Coalition, and the Kentucky Solar Energy Association.	Direct: AMI meters, Energy Efficiency Programs, PAYS®, Economic Impacts, Rate design, Customer charge

<p>7/13/2021</p> <p>8/5/2021</p>	<p>Infrastructure, Approval of Certain Regulatory and Accounting Treatments, and Establishment of a One-Year Surcredit.</p> <p>Electronic Application of Louisville Gas and Electric Company for an Adjustment of its Electric and Gas Rates, a Certificate of Public Convenience and Necessity to Deploy Advanced Metering Infrastructure, Approval of Certain Regulatory and Accounting Treatments, and Establishment of a One- Year Surcredit.</p>			<p>Supplemental Direct Testimony: Value of Solar</p> <p>Supplemental Rebuttal Testimony: Value of Solar</p>
<p>4/16/2021</p>	<p>In the Matter of the Investigation into the Sustainability Transformation Plan of Evergy Metro, Inc., Evergy Kansas Central, Inc., and Evergy</p>	<p>Kansas Corporation Commission Docket No. 21-EKME-088-GIE</p>	<p>Climate + Energy Project (“CEP”)</p>	<p>Comments: DER, Electrification, Securitization, Transmission upgrades, Solar Resources, Wind Resources, Equitable access</p>

4/30/2021	South, Inc. (collectively Evergy)			to sustainable energy Cross-Answer Comment of Climate + Energy Project Investment in Transmission and Distribution, Merger Conditions,