

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

In the Matter of the Application of The)
Empire District Electric Company for) **File No. EA-2019-0010**
Certificates of Convenience and Necessity)
Related to Wind Generation Facilities)

INITIAL POST-HEARING BRIEF OF THE MISSOURI DIVISION OF ENERGY

COMES NOW the Missouri Department of Economic Development – Division of Energy (“DE”) before the Missouri Public Service Commission (“Commission”), and for its *Initial Post-Hearing Brief* in the above-captioned matter, respectfully states as follows:

Along with The Empire District Electric Company (“Empire” or “Company”), Midwest Energy Consumers Group, Commission Staff, and Renew Missouri Advocates, DE signed a Non-Unanimous Stipulation and Agreement (“Stipulation”) dated April 5, 2019 that constitutes a resolution of most issues in this case.¹ Following an objection to the Stipulation filed on April 12, it is now a joint position of the Signatories.

The Stipulation would enable the Company to construct the three proposed wind farms that are the subject of this case. Two of these wind farms would be located in southwest Missouri.² The proposed wind projects would create economic development benefits and improve the diversity and security of Missouri’s energy supply. All of these factors support Missouri’s ability to perform more competitively on the national economic stage. The projects are also consistent with recent Commission orders and meet the Commission’s criteria regarding “need” and “public interest.”³

¹ An agreement between the Company and the Missouri Department of Conservation was filed on the same day. DE does not oppose that agreement.

² Ex. No. 400, pp. 2-3, ll. 19-23 and 1.

³ *Id.*, p. 2, ll. 8-17.

In addition, the Stipulation contains several conditions that DE supports. One of these conditions, the market price protection mechanism, would provide additional affordability-related benefits in the unlikely event that the wind projects do not create net positive outcomes for ratepayers over the first ten years of operations.⁴ Provision 17(a) of the stipulation reaffirms the Company's commitment to protections contained in an agreement with the union employees at the Asbury plant. Most of the employees at the Asbury plant are members of IBEW #1474. The agreement with these employees states that they will be offered job opportunities if the Asbury plant is sold or retired, and that the Company's relocation policy will apply for those affected employees who may need to move within the Company. The agreement with the Asbury employees also includes mention of training opportunities for these employees.⁵

On the whole, the Stipulation would lead to outcomes that are consistent with DE's goals to move toward a more affordable, reliable, and diverse portfolio of energy resources. DE also has an interest in ensuring that Asbury-related workforce development opportunities and local economic impacts are addressed. Approval of the Stipulation would promote the public interest by enabling investment in in-state wind generation that would improve the diversity and security of the state's energy supply, create the opportunity for more affordable rates for Empire's customers, and support local and Missouri state economic development. The market price protection mechanism would further promote the public interest by making rates more affordable in the unlikely event that the wind projects do not perform as expected. The Asbury workforce provision is in the public interest because the opportunities for which it provides support not only the

⁴ Ex. No. 401, p. 2.

⁵ *Id.*, pp. 1-2.

workers at the plant, but their families and the Missouri economy.⁶ For all of these reasons, DE supports the Stipulation and recommends its approval by the Commission.

WHEREFORE, the Division of Energy respectfully offers its *Initial Post-Hearing Brief*.

Respectfully submitted,

/s/ Rochelle L. Reeves

Rochelle L. Reeves, Bar #51058

General Counsel

Missouri Department of Economic Development

P.O. Box 1157

Jefferson City, MO 65102

573-526-2423

reeves.deenergycases@ded.mo.gov

**Attorney for Missouri Department of Economic
Development – Division of Energy**

CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing have been emailed to the certified service list this 29th day of April, 2019.

/s/ Rochelle L. Reeves

⁶ *Id.*, pp. 2-3.