BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Renewable Energy Standard Compliance Plan 2016 and Renewable Energy Standard Compliance Plan 2017-2019	)))	File No. EO-2017-0268

COMMENTS OF RENEW MISSOURI REGARDING
AMEREN MISSOURI'S RES COMPLIANCE FILINGS

COMES NOW, Renew Missouri Advocates ("Renew Missouri"), pursuant to rules 4 CSR 240-20.100(8) and 4 CSR 240-2.080, as well as the Commission's April 13, 2017 *Order Directing Notice and Setting Filing Deadline*, and submits these Comments regarding Union Electric Company d/b/a Ameren Missouri's ("Ameren" or "the Company") 2016 RES Compliance Report and 2017-2019 RES Compliance Plan.

INTRODUCTION

On April 13, 2017, Ameren submitted its Renewable Energy Standard ("RES") 2016 Compliance Report ("Report") and 2017-2019 Compliance Plan ("Plan"), pursuant to their obligation under 4 CSR 240-20.100(8).

For 2016, Ameren met the majority of its 5% RES requirement by retiring past RECs from its Keokuk Hydroelectric facility. The Company also retired past RECs from its Pioneer Prairie wind farm and its Maryland Heights Renewable Energy Center (landfill gas) facility. Ameren met its solar requirement primarily by retiring SRECs from its own customers, and also in part by retiring SRECs from its O'Fallon Renewable Energy Center ("OREC"). The Company's Report does not allege that it reached its 1% Retail Rate Impact ("RRI") for 2016.

For its 2017-2019 Plan, Ameren asserts that it will continue to utilize the generational output from Keokuk, Pioneer Prairie wind farm, and Maryland Heights landfill gas. *Plan at pg. 5*. Ameren states that it is exploring options for additional wind generation, but does not specify any plan to invest in new wind generation during the 2017-2019 period. *Id*. Ameren plans to

"potentially use additional wind, SREC purchases, or a combination thereof, to fulfill any remaining non-solar requirements" during the 2017-2019 period. *Id.* For its solar obligations, Ameren intends to continue retiring SRECs acquired from its customers and from its OREC array.

DISCUSSION

I. Ameren Missouri has no sustainable plan for meeting its RES obligations.

The RES requires Missouri's Investor-Owned Utilities ("IOUs") to achieve 10% renewable energy by 2018, and 15% by 2021. Ameren's 2017-2019 Plan offers no specifics or viable pathway for how it will achieve those targets. While the Company presents a legally-permissible method by which it will meet its obligation over the next 3 years (excluding the hydro issue; see below), it does not have a sustainable plan to achieve 10% of its generation portfolio coming from renewable sources. We recommend that the Commission order Ameren to disclose its specific plans for further renewable investment in the coming years.

In 2018, Ameren will be required to retire approximately 3.2 million RECs each calendar year (assuming total retail sales of 32 million MWh). In 2021, that requirement will increase to 4.8 million RECs, and will remain at that level indefinitely. With its current resources, Ameren can generate only about 1,357,408 million MWh per year, which translates to 1,389,260 RECs when accounting for the 1.25 in-state multiplier.[1] This is obviously well short of the Company's annual RES requirement. While Ameren may temporarily retire banked RECs from previous compliance years, this is not a sustainable solution.

The fact is the Company presents no plan to achieve the percentage requirements of Missouri's Renewable Energy Standard. In this, Ameren Missouri stands alone among

[1] See Ameren's Plan at pg. 5-6. This includes 910,000 MWh from Keokuk, 320,000 MWH from Pioneer Prairie, and 61,000 MWh (1.25x=76,250) from Maryland Heights annually. In addition, this includes 59,000 MWh (1.25x=73,750) from solar customers and 7,408 MWh (1.25x=9,260) from O'Fallon annually.

Missouri's IOUs. The RES requires that a certain percentage of each utility's annual sales be constituted by renewable energy. Every other IOU – with the exception of Ameren – has either already achieved the 15% annual renewable requirement or has presented a clear plan to achieve it. Moreover, Ameren is the only IOU that anticipates reaching its 1% RRI limit in the near future, despite having no specific plan for significant investment in wind or other renewable resources.

Again, Ameren does demonstrate that it can technically comply with the RES' requirements over the next 3 years (excluding the hydro issue, as discussed below). Accordingly, Renew Missouri does not bring this as an allegation of legal non-compliance. Rather, we wish to raise this issue to highlight Ameren's lack of a clear plan to achieve a sustainable renewable portfolio in the coming years. We recommend that the Commission request a more definite timeline of renewable investments from the Company.

II. The Keokuk facility is an invalid resource under the RES statute.

Renew Missouri would like to reiterate our standing objection to the use of the Keokuk Hydroelectric facility for RES compliance. This issue has been exhaustively aired with the Commission (see File No. EC-2013-0377), but has not yet achieved resolution. We raise the issue here in order to bring the Commission's attention to this ongoing issue, which more than any other has served to frustrate the intent of the RES.

The clear intent of the RES is to limit hydroelectric resources to small facilities of 10 MW or less. This restriction was not without reason; at the time of the drafting of Proposition C, it was well known that Ameren and other utilities owned large century-old hydroelectric resources such as Bagnell Dam, Keokuk, and Ozark Beach. Had the drafter meant to include these large hydro resources, they would have needed to establish much higher percentage requirements. This would have been unfair to KCP&L and GMO, who do not possess any large

hydro resources. The easiest way to deal with the hydro issue was to limit the RES to only small hydro facilities. To accept Ameren Missouri's interpretation of the hydro language at Section 393.1025(5), RSMo, one would have to believe that the drafters of Proposition C intended Missouri's largest utility to avoid any requirement to invest in non-solar resources until 2018, ten years after the law's passage.

Ameren Missouri and Empire District Electric have cynically interpreted the phrase "nameplate rating" to apply to each separate generator rather than a whole facility. We have presented evidence that FERC and even Ameren itself routinely use the phrase "nameplate rating" to refer to the entire facility, and Keokuk in specific. See below:[2]

HYDROELECTRIC GENERATING PLANT STATISTICS (Large Plants) Large plants are hydro plants of 10,000 Kw or more of installed capacity (name plate ratings)	
Column C Plant Name: Total installed cap (Gen name plate Rating in MW)	Keokuk 127.20

Even excluding the issue of "nameplate rating," the hydro issue is within the Commission's power to solve. The Commission's existing rule at 4 CSR 240-20.100(N)9 repeats the RES statute nearly verbatim with respect to hydro: "Hydropower… that has generator nameplate ratings of ten (10) megawatts or less." In fact, the Commission's rule is even clearer than the statute that the 10 MW limit applies to an entire facility. The rule uses the plural ("generator nameplate *ratings*"), signaling that the total ratings of multiple generator nameplates are to be included under the limitation.

The Commission should clarify that its rule applies to whole hydroelectric facilities, as per the clear intent of the RES statute. This will trigger a clarification of the Division of Energy's rule at 4 CSR 340-8.010 and will ultimately lead to a resolution of this long-standing issue.

[2] FERC Form 1, Electric Utility Annual Report for the year 2012, filed by Union 12 Electric Company.

III. Note on Commission's authority to address deficiencies in utilities' RES Compliance filings.

In the Commission's 2015 revisions to its rule implementing the RES, it clarified that it has express authority to direct utilities to take action on alleged deficiencies and other concerns as part of this comment process.[3] We urge the Commission to take all actions within its authority to remedy the concerns identified in these comments. The Commission can consider this course of action as an alternative to the more formal complaint process governed by 4 CSR 240-2.070. Formal complaints can cost the Commission, agencies, and stakeholders significant time and resources; they can last up to a year and involve expensive discovery and expert witnesses. Renew Missouri believes that direct action from the Commission is the best way to reach a resolution and clarify expectations for all stakeholders going forward.

WHEREFORE, Renew Missouri submits these Comments and requests that the Commission use its authority under 4 CSR 240-20.100(8) to resolve the issues expressed above.

Respectfully Submitted,

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[3] See 4 CSR 240-20.100(8)(B)1.F: "The Commission may direct the electric utility to provide additional information or to address any concerns or deficiencies identified in the comments of staff or other interested persons or entities."