BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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In the Matter of the Establishment of a Working Case for the Review and Consideration of Amending the Commission's Rule on Electric Utility Renewable Energy Standard Requirements

File No. EW-2020-0377

LIBERTY'S RESPONSE TO ORDERS DIRECTING FILING

COMES NOW The Empire District Electric Company d/b/a Liberty and submits these comments in response to the orders issued herein on June 2 and 4, 2021, by the Missouri Public Service Commission ("Commission"):

1. On May 20, 2020, the Staff of the Commission ("Staff") filed a Motion to Establish a Working Case regarding amendment of the Commission's Electric Utility Renewable Energy Standard Rule, 20 CSR 4240-20.100. On May 28, 2020, the Commission issued its *Order Opening a Working Case for Review and Consideration of Amending the Commission's Rule on Electric Utility Renewable Energy Standard ("RES") Requirement*, inviting stakeholders to respond by June 29, 2020. With no specific rule amendments under consideration, Liberty did not respond at that time.

2. On May 26, 2021, Staff filed its Motion for Comments on Proposed Rule Amendments, and the Commission issued its *Order Directing Comments*, directing comments to be filed on Staff's proposed rule amendments by July 2, 2021. Upon motion, the Commission extended the comment deadline to July 30, 2021.

3. Liberty appreciates the opportunity to provide feedback on the rule changes under consideration and respectfully offers the attached comments.

Respectfully submitted,

<u>/s/ Diana C. Carter</u> Diana C. Carter MBE #50527 428 E. Capitol Ave., Suite 303 Jefferson City, Missouri 65101 Joplin Office Phone: (417) 626-5976 Cell Phone: (573) 289-1961 E-Mail: Diana.Carter@LibertyUtilities.com

CERTIFICATE OF SERVICE

I hereby certify that the above document was filed in EFIS on this 30th day of July, 2021, with notice of the same sent to all counsel of record.

/s/ Diana C. Carter

<u>Liberty's Comments in Response to</u> <u>Staff's Proposed Rule Amendments and Additional Suggestions</u>

Proposed Rule 20 CSR 4240-20.100(3)(M):

Green pricing programs and voluntary utility renewable goals. Renewable resources, not directly related to RES compliance, such as those used in green pricing programs and voluntary utility renewable goals, shall be designated to those programs or goals unless otherwise approved by the commission. All RECs derived from utility offered green pricing programs and voluntary utility renewable goals shall be retired in a separate retirement account within the commissionapproved tracking system and designated as public.

Liberty's Response:

Green pricing and voluntary goals are not related to RES compliance. Therefore, this standard should not require the public designation. In its current form, it is not clear if the proposed rule is referring to the Company's voluntary renewable goals or voluntary renewable goals established by the state.

Proposed Rule 20 CSR 4240-20.100(6)(A)(16):

RES compliance benefits shall be returned to customers through a RESRAM or as a part of a general rate proceeding unless otherwise ordered by the commission.

Liberty's Response:

Other mechanisms that allow rate adjustments to be made outside of general rate proceedings, including the Fuel Adjustment Clause, should be considered as appropriate mechanisms to return RES compliance benefits. Liberty currently includes a REC account in its Fuel Adjustment Clause calculation and believes it is reasonable to continue returning RECs in this manner. Liberty does not have a RESRAM.

Liberty's Additional Concerns Regarding REC Sales for RES Compliance:

Liberty concurs with point 5 of the Staff's Issues section of Ameren Missouri's comments filed on June 29, 2020. The RES compliance rules should be a standard for renewable energy compliance, not a REC-handling review. It is reasonable for the Commission to continue to allow utilities to bank RECs for future unknowns.

Liberty's Additional Concerns Regarding the RESRAM:

Liberty concurs with Ameren Missouri's comments in point 11 of the Additional Issues section of its response filed on June 29, 2020. Any revision to the rules should consider that possible variances may be necessary.

Liberty's Proposed Revisions to the Annual Renewable Energy Standard Report:

Liberty supports simplification of this report and proposes the following revisions to the version contained in Staff's May 26, 2021 Motion for Comments on Proposed Rule Amendments. Liberty's proposed changes are noted in bold and strikeout.

Annual Renewable Energy Standard Report

		Value:	Unit
1	Total retail electric sales for the utility, as defined by this rule		MWh
2	Total retail electric sales supplied by renewable energy resources, as defined by section 393.1025(5), RSMo		MWh
3	Number of RECs retired for RES compliance during the compliance	RECs:	MWh
	Year	S-RECs:	
4	RES portfolio requirement achieved during the compliance year	Non-solar:	%
		Solar	
5	Total percentage of generation supplied by renewable energy resources	Non-Solar:	%
	during the calendar year	Solar:	%
6	Percentage of RECs retired between JanMay 15 of the succeeding compliance period (max. 10%)		%
7	Total number of RECs acquired from other sources (bundled or		MWh
	unbundled)		
8	Number of RECs acquired from customer-generators		MWh
9	Number of RECs sold		MWh
10	Number of RECs transferred		MWh
11	Number of RECs which will expire during the next compliance period		MWh
12	Actual calendar year retail rate impact		\$

[Utility Name] [Compliance Year]

13	Total annual number of customers that applied and received a solar	-
	rebate	
14	Total annual number of customers that were denied a solar rebate	-
15	Annual amount expended by the electric utility for solar rebates	\$

Note: Report fractional RECs

Attach the following:

- 1. An affidavit documenting the electric utility's compliance with the RES during the calendar year including verification that the utility has met the requirements for not causing undue adverse air, water, or land use impacts pursuant to subsection 393.1030.4., RSMo, and the regulations of the department.
- 2. A list of designated renewable resources (or portions of renewable resources) which are directly related to Renewable Energy Standard compliance
- 3. The identification, by source and serial number, or some other identifier sufficient to establish the vintage and source of the REC, of any RECs that have been carried forward to a future calendar year. Alternatively, the utility may make public all RECs held via the commission-approved tracking system.
- 4. The **average** market value of RECs, by vintage and fuel source, for all types of RECs contained in the utilities' active tracking system account. The **average** market-based value shall be determined based on purchase offers received by the utility within the compliance year, purchases made by the utility within the compliance year, or through a third-party broker.
- 5. Documentation that the utility has evaluated the value of selling RECs, such as, a costbenefit analysis, proof of solicited sale, or other steps undertaken.
- 6. If the utility achieved compliance through the purchases of RECs unbundled from energy or sourced out-of-state, provide the facility owner, renewable energy technology, location, and certification letter from the department.