

Exhibit No.: \_\_\_\_\_  
Issue: Voluntary Green Program  
Witness: Patrick J Wilson  
Sponsoring Party: Renew Missouri  
Type of Exhibit: Surrebuttal testimony  
Case No. EO-2013-0307  
Date testimony prepared: February 22, 2013

**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/	)	<u>Case No. EO-2013-0307</u>
Pure Power Program Tariff Filing	)	Tariff No. JE-2013-0197

**SURREBUTTAL TESTIMONY**

**OF**

**PATRICK J WILSON**

**ON BEHALF OF**

**RENEW MISSOURI**

**FEBRUARY 22, 2013**

**Q. Please state your name and business address.**

A. My name is Patrick J Wilson, 910 E Broadway, Ste. 205, Columbia, MO 65201.

**Q. On whose behalf are you testifying?**

A. I am testifying on behalf of Earth Island Institute d/b/a Renew Missouri (hereafter “Renew Missouri”).

**Q. By whom are you employed and in what capacity?**

A. I am the co-founder and Director of Renew Missouri, a non-profit energy policy group based out of Columbia, Missouri. Renew Missouri’s mission is to transform Missouri into a leading state in renewable energy and energy efficiency by 2016. Renew Missouri has been involved with nearly every policy affecting renewable energy in the State of Missouri since 2006; it was instrumental in both the drafting and passage of the Net-Metering and Easy Connection act (2007), the Missouri Renewable Energy Standard (2008), and the Property Assessment Clean Energy Act (2010).

**Q. Please provide a summary of your qualifications to testify in this proceeding and your experience with the matters pertaining to this case.**

A. I obtained a Bachelor of Science degree in Civil Engineering from the University of Southern California in 2001. In addition, I have taken all courses in renewable energy offered by the Solar Living Institute in Hopland, CA. From 2005-2007 I was the Vice President for Missouri of the Heartland Renewable Energy Association (HRES), the local chapter of the American Solar Energy Society (ASES).

From 2007 to present, I have been the Co-Director, and then Director, of Renew Missouri. In that capacity, I was the primary negotiator representing environmental and renewable energy groups for the Easy Connection Act (ECA). The ECA passed in 2007, and

allows homes and businesses throughout Missouri to interconnect solar and wind systems to their buildings and receive full retail credit on their bills for renewable electricity put back onto the power grid. In 2008 I led the efforts to pass Proposition C, the statewide Renewable Energy Standard (RES), including significant involvement with drafting the original text, and from 2009-2010 I was heavily involved with every step of the PSC's rulemaking process for the RES. I've been leading the efforts for its proper implementation of Missouri's RES ever since.

In 2009 I founded the Missouri Solar Energy Industries Association (MOSEIA), a trade association for businesses involved with the manufacturing, distribution, sales and installation of solar electric systems in Missouri.

In my capacity as Vice President of HRES, I represented the Association in 2006 and 2007 in negotiations with 3 Degrees, the company that administers Ameren's Pure Power program. 3 Degrees sought the endorsement of HRES, Missouri Coalition for the Environment, Missouri Votes Conservation, Sierra Club and other environmental groups in support of its original application for PSC approval of the Pure Power program. It was due to my involvement that the tariff was changed to require at least 50% of RECs purchased through the Pure Power program to come from Missouri or Illinois; before my involvement there was no such requirement, and Pure Power could have purchased RECs from anywhere. The main reason I eventually chose to support the 5-year pilot project of the Pure Power program was that 3 Degrees committed to me at that time that at least 2/3 of the revenue generated by the Pure Power program would be spent on REC purchases. However, 3 Degrees refused to include this language in their final tariff, and later retracted that commitment, stating it would be "impossible" for them to make such a commitment. I shared my concern that, if the Pure Power program resulted only in REC purchases for pennies on the dollar, and in that case if the vast

majority of funds simply went to marketing the program itself and to 3 Degrees profits, that the program would be viewed as a sham and wouldn't continue past its initial 5-year term. Because of their retraction of their commitment to spend at least 2/3 of their revenue on actual REC purchases, my concern that the vast majority of funds isn't even going to REC purchases is one that continues to this day.

**Q. What is the purpose of your Surrebuttal Testimony?**

A. The purpose of my Surrebuttal Testimony is to: (1) applaud and express substantial agreement with Staff's Rebuttal Testimony written by witness Michael J Ensrud pertaining to Ameren Missouri's Voluntary Green Program/Pure Power Program (hereafter "Pure Power"); (2) respond to Mr. Ensrud's testimony with additional information regarding the structure, the operation, and the overall value to Missouri (or lack thereof) of Ameren's Pure Power program; and (3) provide Renew Missouri's rationale for our recommendation that the PSC reject the filed tariff, or in the alternative, modify the tariff sheets to reflect a green pricing program model that provides actual measurable addition of new renewable energy sources value for its participants and for the State of Missouri.

**Q. To what extent do you agree with the Rebuttal Testimony submitted by Staff's witness Michael J Ensrud?**

A. I agree with Michael J Ensrud's testimony in its entirety, except for his recommendation of an alternative requirement on a minimum expenditure on RECs. While this alternative recommendation would be an improvement from the program's current situation, the President of 3 Degrees has already stated to me that such a commitment is "impossible." The true measurable value of a green pricing program would come from the actual addition of new renewable energy which would not have existed but for the existence of the program (i.e. actual

new wind turbines and solar panels installed in Missouri which would have not otherwise existed). Therefore, I would propose another model for Ameren's Pure Power program that has important differences from the alternative suggested by Mr. Ensrud. I will discuss this model later in my testimony.

**Q. What is your primary concern with Pure Power as it has been implemented by Ameren Missouri?**

A. My primary concern with Pure Power is that today, over five years after the program's launch, the only measurable differences which exist in the world have nothing to do with building new renewable energy generation in Missouri, or anywhere in the world for that matter.

I have talked with approximately 50-60 Pure Power program participants during my regular course of directing Renew Missouri, and each and every one of the participants with whom I've spoken possesses a completely false impression of what it is they're actually paying for. From my observation of the Pure Power marketing materials, it's not difficult to see where their false ideas originate. Using carefully crafted messaging, the Pure Power marketing materials give potential and actual program participants the clear impression that their power will somehow be "greener" if they elect to pay more on their power bill each month. Many participants actually believe that 100% of the power they consume comes from renewable sources because of their participation in the Pure Power program. I asked each individual the same question: "Do you realize that nothing at all changes about where Ameren gets its power, or where you get your power, because of the Pure Power program?" Each of them responded that they believed they were changing something about where their power came from, and moreover, that they were led to believe this was the case by the program's marketing materials.

To restate my concern, the only measurable effects of the Pure Power program on the real world have been: 1) a loss of wealth for program participants, B) a gain of wealth for 3 Degrees, C) a gain of revenue for Ameren Missouri, and D) a tiny fraction of Renewable Energy Credits (RECs) purchased on the “voluntary compliance market” from already-existing renewable energy projects. The purchase of these RECs changes nothing about Ameren Missouri’s power mix, and changes nothing about program participants’ power mix, however the vast majority of program participants have the opposite understanding

**.Q. Are these problems addressed by the tariff sheets at issue in this case, or by Ameren Missouri’s new contract?**

A. No.

**Q. Do you recommend the Commission approve or allow going into effect by operation of law the tariff sheets filed by Ameren Missouri in Case No. EO-2013-0307?**

A. No. Renew Missouri recommends the Commission reject the tariff sheets in order to prevent Pure Power from being offered as a regulated service.

**Q. If the Commission does not reject the tariff sheets, do you have any recommendations to address its concerns with the Pure Power program and the tariff sheets?**

A. Yes. Renew Missouri would recommend the Commission order Ameren Missouri to file compliance tariffs reflective of an alternative voluntary green pricing program model, as described below:

In order for a voluntary green pricing program to have any meaningful beneficial effect for participants, 100% of program revenues should be dedicated to the marketing, financing, and construction of *new* renewable energy projects. Such projects should be required to be located in

or near Missouri, and ideally within the Ameren Missouri footprint. There are plenty of models out there to choose from nationally, but one such model already exists in here Missouri.

The City of Columbia has had a functioning and successful green pricing program since 2008. Columbia Water & Light's "Solar One" voluntary pricing program dedicates all program revenues to actually constructing new solar installations in the municipal utility's footprint.<sup>1</sup> Customers can elect to contribute various set amounts on their monthly bill, the revenue of which goes directly to covering the cost of solar installations located on city-owned property or commercial businesses in Columbia. Currently, customers may choose to purchase up to nine "blocks" of solar energy, at \$3.35 per block for the month. Each block represents 100 kilowatt hours (kWh) of solar energy produced within the participants' own local area.

The advantages of a program such as Columbia Water & Light's "Solar One" program are many. First, program participants have assurance that their power is actually coming from more renewable sources because of their contributions. But in addition, participants have the knowledge of exactly how much power their contribution is responsible for producing. The cost of solar panels and other renewable generation can be prohibitively high for both utilities and individuals. Such a program helps to remove this problem of prohibitively high costs and cause renewable generation to be built that otherwise would not have been built. With such a program, there are far less concerns (if any) with transparency or the ratio of administrative expenses to REC purchasing, etc. In addition, the utility is able to use participant contributions to invest in new generation that it owns and operates as a part of its portfolio. The result is a program that uses the well-intentioned contributions of its customers in a much more efficient, transparent, and honest manner while actually causing new renewable energy to be built. This is contrast to

---

<sup>1</sup> Detailed information on the "Solar One" program can be found at:  
<http://www.gocolumbiamo.com/WaterandLight/Electric/SolarOne.php>

Ameren's Pure Power program, which requires nothing of the utility except to sit back and collect administrative expenses while contracting with a 3<sup>rd</sup> party to acquire RECs that have nothing to do with the sources of the participants' power.

**Q. Do you have any further recommendations regarding the approval of the tariff sheets at issue in this case?**

A. Yes. Before any approval of program continuance, the PSC should require the administration of a 3<sup>rd</sup>-party poll of Pure Power program participants to verify the percentage of participants that have an accurate understanding of what it is they're choosing to pay for. Questions for such survey should be approved by the PSC, and the administering 3<sup>rd</sup> party should be a professional polling company. Such a poll would have a very minimal cost (under \$5,000) and could be administered very quickly (within a week), with Ameren's cooperation. If it is determined that a significant amount of program participants have a false idea of what it is they're paying for, and if a version of Pure Power is allowed to continue, the PSC should require ongoing polling at regular intervals to ensure a critical mass of program participants have an accurate understanding of what happens with the money they're voluntarily committing to pay on their electric bill each month.

**Q. Does this conclude your testimony?**

A. Yes it does.



In the Matter of Union Electric Company d/b/a Ameren Missouri's Voluntary Green Program/ Pure Power Program Tariff Filing	) ) )	<u>Case No. EO-2013-0307</u> Tariff No. JE-2013-0197
---	-------------	---

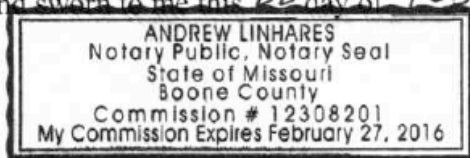
**STATE OF MISSOURI            )**  
                                       **) ss**  
**CITY OF COLUMBIA          )**


1. My name is Patrick J Wilson. I am employed by Earth Island Institute d/b/a Renew Missouri as Director.
2. Attached hereto and made a part hereof for all purposes in my Surrebuttal Testimony on behalf of Earth Island Institute d/b/a Renew Missouri, consisting of 8 pages, 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.

PJ Wilson

Patrick J Wilson

Subscribed and sworn to me this 22 day of February, 2013.



  
Notary Public

My commission expires: \_\_\_\_\_