



BEFORE THE MISSOURI  
PUBLIC SERVICE COMMISSION

FILED  
April 4, 2017  
Data Center  
Missouri Public  
Service Commission

Response provided by: John Grotzinger

Title: Chief Operating Officer  
Missouri Joint Municipal Electric Utility Commission

Company: MJMEUC

Address: 1808 Interstate 70 Dr. SW  
Columbia, MO 65203

MJMEUC Exhibit No. 478

Amended  
Company Response No.: MJM.54

Date 3-23-17 Reporter TS

File No. EA-2016-0358

Date of Response: January 24, 2017

Question:

For each member utility of the MJMEUC which has committed to buy or otherwise take any of the capacity purchased by MJMEUC under the MJMEUC Contract, please provide the following information: (a) name of the municipal utility system; (b) MW to which they have committed; (c) duration (years) of the commitment from the member utility to purchase the capacity; (d) price to the municipal system per month (or year) of the capacity to which it committed; (e) projected annual savings to the municipal system as a result of the commitment; (f) a copy of the documents quantifying the savings referred to in subpart (e) above; (g) total revenue received by the municipal utility system for retail electric sales for the most recent twelve months for which data is available; (h) projected annual transmission costs of moving the energy purchased under the MJMEUC contract from the Ralls County converter station to the municipal system's own electrical facilities; and (i) cost of the additional operating reserves which would bring the annual capacity value of the energy purchased under the MJMEUC contract to the same level as that provided under the power purchase agreement which the MJMEUC contract is intended to replace.

Amended Response:

(a) Columbia, Kirkwood, Hannibal and Centralia have indicated interest, and the MoPEP Committee has approved to take 60 megawatts of capacity over the Grain Belt Express Transmission Service System. Other MJMEUC cities are still contemplating their level of interest.

(b) The MoPEP has committed to take 60 megawatts. See meeting minutes which were

previously provided in the initial response to this data request. The other entities have expressed an interest in the following quantities:

- a. Columbia: 35 MW
- b. Hannibal: 15 MW
- c. Kirkwood: 25 MW
- d. Centralia: 1 MW

(c) It is anticipated the length of the contracts will match the length of the Transmission Service Agreement (“TSA”) which is twenty (20) years.

(d) It is anticipated it will be the same as the Transmission Service Agreement price given to MJMEUC, (See TSA provided in response to MJM.9), plus any administrative costs associated with administration of same.

(e) Unknown at this time.

(f) Such documents do not exist.

(g) MoPEP’s was \$241,166,793; Columbia’s was \$120,509,148; Hannibal’s was \$25,042,799; Kirkwood’s was \$21,785,886; and Centralia’s was \$3,310,827.

(h) Grain Belt Express will be connected to MISO, which provides a Network Integrated Transmission System service to both MoPEP and MJMEUC’s MISO members; so there is no added cost.

(i) Objection. The information being sought is protected under the attorney-client privilege and attorney work product doctrine. Without waiving such objection, savings from the Grain Belt Express Transmission Service Agreement will be given in future testimony.

**BEFORE THE MISSOURI  
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Response provided by: John Grotzinger

Title: Chief Operating Officer  
Missouri Joint Municipal Electric Utility Commission

Company: MJMEUC

Address: 1808 Interstate 70 Dr. SW  
Columbia, MO 65203

Second Supplemental  
Company Response No.: MJM.54

Date of Response: March 19, 2017

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Question:

For each member utility of the MJMEUC which has committed to buy or otherwise take any of the capacity purchased by MJMEUC under the MJMEUC Contract, please provide the following information: (a) name of the municipal utility system; (b) MW to which they have committed; (c) duration (years) of the commitment from the member utility to purchase the capacity; (d) price to the municipal system per month (or year) of the capacity to which it committed; (e) projected annual savings to the municipal system as a result of the commitment; (f) a copy of the documents quantifying the savings referred to in subpart (e) above; (g) total revenue received by the municipal utility system for retail electric sales for the most recent twelve months for which data is available; (h) projected annual transmission costs of moving the energy purchased under the MJMEUC contract from the Ralls County converter station to the municipal system's own electrical facilities; and (i) cost of the additional operating reserves which would bring the annual capacity value of the energy purchased under the MJMEUC contract to the same level as that provided under the power purchase agreement which the MJMEUC contract is intended to replace.

Second Supplemental Response:

(a) Please see attached final minutes from the December, 2016 meeting of the MJMEUC.



# MPUA

Missouri Public Utility Alliance

## Missouri Joint Municipal Electric Utility Commission Missouri Public Energy Pool and the Mid-Missouri Municipal Power Energy Pool

Thursday, December 8, 2016  
8:30 am

Hilton Garden Convention Center  
2200 Vandever D

### MINUTES

MJMEUC & MMMPEP Chair Larry Sutton and MoPEP Chair Chad Davis called the meeting to order

**Members Attending:** (Bold denotes MJMEUC voting representative, x denotes MoPEP member, ● denotes MMMPEP member, "A" denotes MJMEUC Advisory Member)

X	Derek Brown	Albany	X	Scot Lucas	Macon
●	Ron Scheets	Cabool		Stephanie Wilson	Macon
	Zac Johnson	Cameron		Ted Bellers	Malden
	Chuck Bryant	Carthage	●	Hank Flageolle	Mansfield
	Cassandra Ludwig	Carthage	X	Kyle Gibbs	Marshall
	Jeff Armontrow	Centralia	X	Stacy Alexander	Memphis
X	Jim Gillilan	Chillicothe		Jamie Allen	Monroe City
	Tad Johnsen	Columbia	X	Kerry Lee	Monroe City
X	Robin Triplett	Fayette	X	Doug Colvin	Nixa
	Darrell Dunlap	Fulton	X	Hap Phillips	Odessa
	Bob Stevenson	Hannibal		Bill Bach	Poplar Bluff
X	Jesse Geltz	Hermann	●	Greg Stratman	Richland
X	Lee Barker	Higginsville	X	Rodney Bourne	Rolla
	Mark Epperson	Higginsville		Chad Davis	Rolla
●	Larry Sutton	Houston	●	Ray Walden	Salem
	Loen Daggett	Independence	●	Sam Burt	Seymour
	Mary Kay Villegas-Alitz	Independence	X	Dennis Klusmeyer	Shelbina
X	Don Schuette	Jackson		Brent McKinney	Springfield
	James Roach	Jackson		Steve Stodden	Springfield
	John Williams	Kahoka	X	Harold Selby	St. James
	Mark Petty	Kirkwood	●	J.T. Hardy	Sullivan
X	Lois Bragg	La Plata	X	Rosette Marsh	Trenton
X	Lynn Calton	Lamar	X	Chas Waggoner	Vandalia
X	Richard Shockley	Lebanon	X	Bruce Harrill	Waynesville
			●	Beverly Hicks	Willow Springs

**Guests Attending:** Skip Schaller (Monett), Dennie Carothers (Clarence), Aaron Baker (Axiom Digital Strategies), Jerry Feller (Feller Consulting), Terry Jarrett (Healy Law Offices), Doug Healy (Healy Law Offices), and Heather Starnes (Healy Law Offices).

**Staff Attending:** Duncan Kincheloe, John Grotzinger, Mike Loethen, Tom Imhoff, Steve Thompson, John Williams, Mike Siefert, Phil Walsack, Ewell Lawson, Jodie Kovar, Rebecca Atkins, Robert Wilson, Dan Stokes, Kerry Cordray and Elise Buchheit.

### **Approval of Minutes**

For MJMEUC, Rodney Bourne moved to approve the minutes of September 16, 2016. Bruce Harrill seconded the motion and the minutes were approved.

For MoPEP, Jim Gillilan moved to approve the minutes of September 16, 2016. Dennis Klusmeyer seconded the motion and the minutes were approved.

For MMMPEP, Ron Scheets moved to approve the minutes of September 16, 2016. J.T. Hardy seconded the motion and the minutes were approved.

### **New Business**

#### Approve Wind PPA

John Grotzinger reviewed the history of MJMEUC approval of a contract for transmission from the Grain Belt Express. He reported on work to secure a PPA for wind power from a generation site near the Grain Belt origination point in Western Kansas. Grotzinger reported the details of the proposed contract. Grotzinger reported that he is still negotiating extension and buy out options, but that the terms are dependent upon the developer having initial approval to start construction by the end of 2016. MJMEUC retains no liability if the Grain Belt Express does not get approved and built, the power would not be delivered until 2021, and MJMEUC would not be responsible for any outages.

Larry Sutton reported that the MJMEUC Executive Committee recommended approval of the wind PPA.

Dennis Klusmeyer moved to authorize staff to execute the wind PPA. Bob Stevenson seconded the motion and the PPA was approved.

#### Authorize MJMEUC Wind PPA's to cities using Grain Belt Transmission

John Grotzinger reported that MJMEUC needs authorization to act as a conduit for the non-pool MJMEUC members who will be off-takers from the Grain Belt Express.

Bob Stevenson moved to authorize MJMEUC to serve as a conduit for non-pool MJMEUC members taking transmission and power through the Grain Belt Express. Dennis Klusmeyer seconded the motion and it was approved.

#### Authorize MJMEUC to Purchase Additional Dogwood Ownership

John Grotzinger reviewed the opportunity to take additional ownership in the Dogwood plant at competitive terms. Grotzinger reviewed options for the pools or other unit power purchasers to utilize

the power and take advantage of the competitive pricing. He reported on the benefits of pairing wind power with Dogwood for capacity requirements.

Scott Lucas moved to authorize staff to pursue additional ownership of the Dogwood Plant. Bruce Harrill seconded and the motion was approved.

#### Resolution on Prairie State Bond refunding

Mike Loethen reviewed the available amount of Prairie State revenue bonds available for advanced refunding and reported that approval of the Board for refunding would allow staff and the bond counsel to move more quickly to take advantage of market rates when favorable.

Larry Sutton reported that the MJMEUC Executive Committee recommended approval.

Rodney Bourne moved to approve Resolution 05-2016 on Prairie State Bond Refunding. Mark Petty seconded and the motion was approved.

#### Resolution in Support of Grain Belt Clean Line

Ewell Lawson reviewed the resolution which demonstrates the benefits of the project to Missouri.

Bob Stevenson moved to approve Resolution 06-2016 in support of Grain Belt Clean Line. Mark Petty seconded the motion and the resolution was approved.

### **MMMPEP Business and Reports**

John Grotzinger reported on supply sources for MMMPEP. The baseload supply contracts have been signed and could provide about 60% of energy. Grotzinger reported he is still working on transmission and ancillary services for AECl which will now include Mountain View.

### **MoPEP Business**

#### Approve La Plata Capacity Credits

John Grotzinger reviewed the history of La Plata's capacity credits which were suspended to cover transmission costs which had been paid by MJMEUC. La Plata has satisfactorily resolved those transmission costs and capacity credits could be reinstated to La Plata subject to a test of the units with the credits at the standard rate.

Kyle Gibbs moved to reinstate capacity credits to La Plata at the standard rate subject to necessary testing. Jim Gillilan seconded the motion and it was approved.

#### Lamar Landfill Generation Modifications

John Grotzinger reported that the agreement with the Lamar landfill was that Lamar would take additional capacity if it was created. The landfill is adding an additional 2 MW. Grotzinger reported that

in the initial contract the energy costs were estimated lower than actual costs have been and he recommended updating those costs to ensure the City of Lamar is adequately credited. The Services and Rates committee recommended increasing net capability by 2 MW and increasing energy credits to \$23/MWhr. Total capacity for the landfill will now be 7.6 MW.

Richard Shockley moved to approve the additional 2 MW of the Lamar landfill and increase of the energy credits to \$23/MWhr. Kyle Gibbs seconded and the motion was approved.

#### Dogwood Ownership

Duncan Kincheloe recommended that a focus group of MoPEP and MMMPEP members be convened to discuss options for MMMPEP to utilize the additional Dogwood energy in the short-term until MoPEP needs the additional energy in 2021. Larry Sutton recommended the MMMPEP Steering Committee participate along with the MoPEP Services and Rates committee.

John Grotzinger asked for any non-pool members who might have an interest in an ownership share of Dogwood to let staff know.

#### Approve 50+ MW Grain Belt sourced wind

John Grotzinger reported that MoPEP approval is needed to secure agreements with developers by the end of the year. The arrangement with Unit Power Producers and MoPEP with the developers would be very similar to the Prairie State arrangement. Grotzinger recommended that MoPEP approve 60 MW of wind from the Grain Belt Express origin and noted that it would need to be added to Exhibit M of the MoPEP agreement.

Scott Lucas moved to approve 60 MW of Grain Belt Express sourced wind to be added to Exhibit M. Dennis Klusmeyer seconded the motion and it was approved.

#### Update on Green Retail Packages

Chad Davis reviewed on the green retail program for large industrial customers in MoPEP which was fully subscribed and goes into effect January 1, 2017.

#### Other

Chad Davis reported he is still looking for a new chair for the MoPEP Committee on Services & Rates.

#### **Staff and Consultant Reports**

Mike Siefert gave a summary of the Public Power Forward Summit held by APPA.

#### Status & Projects Reports

Mike Siefert gave a report of the status, performance, maintenance, and planned outages at the plants.

John Grotzinger highlighted work of Mike Siefert, Dan Stokes, and the schedulers for their work on Fredericktown. He also highlighted the value the 24 hour operations are saving when compared to using consultants for those operations for MoPEP, MMMPEP, Plum Point, and Prairie State.

#### Financial Report

Mike Loethen reviewed the 3<sup>rd</sup> Quarter Financials. MJMEUC is expected be within budget for the 2016 year. Loethen discussed the potential impact of budget finalization at the projects on the MJMEUC budget.

#### General Counsel Report

Doug Healy reviewed ongoing cases at the Missouri PSC, RTO issues, and FERC filings.

#### Environmental Report

Duncan Kincheloe reviewed the environmental report including potential and expected changes with the new Presidential administration.

#### Committee Reports

Steve Stodden reported on how they can be more involved in the MISO and SPP Committees. Tad Johnsen encouraged members to sign up for the newsletter to stay up-to-date on RTO issues.

#### Lineworker Advisory

Mark Mustain reported that the new training facility in Paragould, AR is progressing with poles going up this week. Mustain and Mike Conyers are conducting an annual review of training materials and see if any updates need to be made.

#### **Adjourn**

J.T. Hardy moved to adjourn the meeting. Chuck Bryant seconded and the meeting was adjourned.