

Exhibit No.:
Issues: Project Benefits, Need, Public
Interest
Witness: Martin R. Hyman
Sponsoring Party: Missouri Department of
Economic Development –
Division of Energy
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Case No.: EA-2019-0181

MISSOURI PUBLIC SERVICE COMMISSION

UNION ELECTRIC COMPANY d/b/a AMEREN MISSOURI

CASE NO. EA-2019-0181

REBUTTAL TESTIMONY

OF

MARTIN R. HYMAN

ON

BEHALF OF

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT

DIVISION OF ENERGY

Jefferson City, Missouri

July 15, 2019

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

In The Matter of the Application of Union Electric)
Company d/b/a Ameren Missouri for Permission and)
Approval and a Certificate of Public Convenience and)
Necessity Under 4 CSR 240-3.105.)

File No. EA-2019-0181

AFFIDAVIT OF MARTIN R. HYMAN

STATE OF MISSOURI)
)
COUNTY OF COLE) **ss**

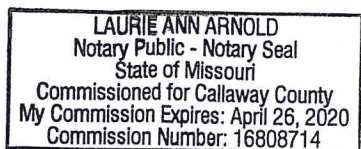
Martin R. Hyman, of lawful age, being duly sworn on his oath, deposes and states:

1. My name is Martin R. Hyman. I work in the City of Jefferson, Missouri, and I am employed by the Missouri Department of Economic Development as a Planner III, Division of Energy.
2. Attached hereto and made a part hereof for all purposes is my Rebuttal Testimony on behalf of the Missouri Department of Economic Development – Division of Energy.
3. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded are true and correct to the best of my knowledge.



Martin R. Hyman

Subscribed and sworn to before me this 15th day of July, 2019.





Notary Public

My commission expires: 4/26/20

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I. INTRODUCTION

Q. Please state your name and business address.

A. My name is Martin R. Hyman. My business address is 301 West High Street, Suite 720, PO Box 1766, Jefferson City, Missouri 65102.

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

A. I am employed by the Missouri Department of Economic Development (“DED”) – Division of Energy (“DE”) as a Senior Energy Policy Analyst, Planner III.

Q. Please describe your educational background and employment experience.

A. In 2011, I graduated from the School of Public and Environmental Affairs at Indiana University in Bloomington with a Master of Public Affairs and a Master of Science in Environmental Science. There, I worked as a graduate assistant, primarily investigating issues surrounding energy-related funding under the American Recovery and Reinvestment Act of 2009. I also worked as a teaching assistant in graduate school and interned at the White House Council on Environmental Quality in the summer of 2011. I began employment with DE in September 2014. Prior to that, I worked as a contractor for the U.S. Environmental Protection Agency to coordinate intra-agency modeling discussions. Since joining DE, I have been involved in a number of utility cases and other proceedings before the Missouri Public Service Commission (“Commission”) as DE’s lead policy witness and have assisted DE on legislative issues and the development of the Comprehensive State Energy Plan. Topics that I address as a part of my duties include demand-side programs, in-state energy resources, renewable energy, electric vehicles, and grid modernization.

1 **Q. Have you previously filed testimony before the Commission on behalf of DE**
2 **or any other party?**

3 A. Yes. Please see Schedule MRH-Reb1 for a summary of my case participation.

4 **II. PURPOSE AND SUMMARY OF TESTIMONY**

5 **Q. What is the purpose of your Rebuttal Testimony in this proceeding?**

6 A. The purpose of my testimony is to provide DE's support for the Certificate of
7 Convenience and Necessity ("CCN") application by Union Electric Company d/b/a
8 Ameren Missouri ("Ameren Missouri" or "Company") to purchase and operate a
9 wind farm in Atchison County, Missouri.

10 The project will enable the Company to meet requirements under the Renewable
11 Energy Standard ("RES"), improve the diversity and security of the state's energy
12 supply, provide economic benefits to Missourians through direct and indirect
13 economic impacts and support business retention, attraction and expansion. All of
14 these factors will support Missouri's ability to perform more competitively on the
15 national economic stage. The proposed project is also consistent with recent
16 Commission orders and meets the Commission's criteria regarding need. To the
17 extent that the Commission determines that the project meets the other Tartan
18 factors, the project is in the public interest.

III. PROJECT BENEFITS

Q. Why should the Commission approve this wind project?

A. This project will enable the Company to meet compliance requirements under the RES,¹ increase the diversity and security of the state's energy supply and provide economic benefits to Missourians. The Commission has also supported wind projects in several recent orders.

Q. How will the project improve the diversity and security of the state's energy supply?

A. Broadening the energy sources used and consumed in Missouri will make the state less reliant on imported energy, increase economic development and provide a hedge against future price volatility.²

Q. How could ratepayers gain from this project?

A. According to the Company's modeling, this project would reduce Ameren Missouri's long-run revenue requirement under most modeled scenarios.³ Further, the timing of the project enables the Company to receive full benefit of the federal Production Tax Credit.⁴

¹ Missouri Public Service Commission Case No. EA-2019-0181, *In the Matter of the Application of Union Electric Company d/b/a Ameren Missouri for Permission and Approval and a Certificate of Public Convenience and Necessity Under 4 CSR 240-3.105*, Application, May 15, 2019, page 3.

² Missouri Department of Economic Development – Division of Energy. 2015. *Missouri Comprehensive State Energy Plan*. <https://energy.mo.gov/sites/energy/files/MCSEP.pdf>. Page 227.

³ Missouri Public Service Commission Case No. EA-2019-0181, *In the Matter of the Application of Union Electric Company d/b/a Ameren Missouri for Permission and Approval and a Certificate of Public Convenience and Necessity Under 4 CSR 240-3.105*, Direct Testimony of Matt Michels on Behalf of Union Electric Company d/b/a Ameren Missouri, May 15, 2019, page 9, lines 2-11.

See also email from Company attorney Mr. Jim Lowery dated July 8, 2019 at 5:02 PM.

⁴ Missouri Public Service Commission Case No. EA-2019-0181, *In the Matter of the Application of Union Electric Company d/b/a Ameren Missouri for Permission and Approval and a Certificate of Public*

1 **Q. What are the other economic development benefits associated with this**
2 **project?**

3 A. The project is expected to create more than 300 construction jobs and about five
4 to eight permanent jobs, increase state and local tax revenues and provide other
5 economic benefits to area businesses.⁵ Moreover, this project works towards
6 supporting the renewable energy goals held by a number of businesses, some of
7 which operate in Missouri and are major employers (e.g., Wal-Mart).⁶ As Ameren
8 Missouri incorporates low-cost wind energy into its portfolio, businesses' exposure
9 to energy price increases will be mitigated.

Convenience and Necessity Under 4 CSR 240-3.105, Direct Testimony of Ajay K. Arora on Behalf of Union Electric Company d/b/a Ameren Missouri, May 15, 2019, pages 9-10, lines 10-20 and 1-8.

⁵ *Id.*, page 30, lines 6-18.

⁶ World Wildlife Fund and World Resources Institute. 2019. "About Us." *Corporate Renewable Energy Buyers' Principles*. <https://buyersprinciples.org/about-us/>.

Renewable Energy Buyers Alliance. Undated. "About." <https://rebuyers.org/about/>.

RE100. Undated. "RE100." <http://there100.org/re100>.

Id. Undated. "Companies." <http://there100.org/companies>.

Q. Has the Commission supported wind energy projects in recent orders?

A. Yes. The Commission recently authorized wind energy projects in Case Nos. EA-2018-0202,⁷ EA-2019-0021,⁸ EA-2016-0358,⁹ and EA-2019-0010.¹⁰

IV. NEED FOR THE PROJECT AND PUBLIC INTEREST

Q. How has the Commission evaluated CCN applications?

A. The Commission uses the “Tartan factors” to aid in the determination of whether to grant a CCN under 393.170, RSMo. These factors consist of evaluating: 1) the need for the project; 2) the qualifications of the CCN applicant; 3) the financial ability of the applicant; 4) the economic feasibility of the application; and, 5) the public interest.¹¹ In general, an application that meets the first four criteria is found by the Commission to be in the public interest.¹²

⁷ Missouri Public Service Commission Case No. EA-2018-0202, *In The Matter of the Application of Union Electric Company d/b/a Ameren Missouri for Permission and Approval and a Certificate of Convenience and Necessity Authorizing it to Construct a Wind Generation Facility*, Order Approving Third Stipulation and Agreement, October 24, 2018.

⁸ Missouri Public Service Commission Case No. EA-2019-0021, *In the Matter of the Application of Union Electric Company d/b/a Ameren Missouri for Permission and Approval and a Certificate of Convenience and Necessity Authorizing it to Construct a Wind Generation Facility*, Order Approving Third Stipulation and Agreement, March 6, 2019.

⁹ Missouri Public Service Commission Case No. EA-2016-0358, *In the Matter of the Application of Grain Belt Express Clean Line LLC for a Certificate of Convenience and Necessity Authorizing It to Construct, Own, Operate, Control, Manage, and Maintain a High Voltage, Direct Current Transmission Line and an Associated Converter Station Providing an Interconnection on the Maywood-Montgomery 345kV Transmission Line*, Report and Order on Remand, March 20, 2019.

¹⁰ Missouri Public Service Commission Case No. EA-2019-0010, *In the Matter of the Application of The Empire District Electric Company for Certificates of Convenience and Necessity Related to Wind Generation Facilities*, Report and Order, June 19, 2019.

¹¹ *In the Matter of the Application of Tartan Energy Company, L.C., d/b/a Southern Missouri Gas Company*, 3 Mo. P.S.C. 3d, 173 (1994).

¹² *Id.* at 189.

1 **Q. How is “need” defined in this context?**

2 A. My understanding is that “need” is not defined as a project being absolutely
3 required (e.g., to meet peaking capacity needs or environmental mandates), but
4 that a project would bring an improvement justifying its cost.¹³

5 **Q. Based on this understanding, is the project proposed by Ameren Missouri**
6 **needed?**

7 A. Yes. As discussed previously, the project will support the Company’s compliance
8 with the RES, will improve the diversity and security of Missouri’s energy supply
9 and can provide economic development benefits. The wind farm will also produce
10 electricity with fewer air pollutant emissions.¹⁴

11 **Q. Is the project in the public interest?**

12 A. In combination with the benefits described above, and if the Commission
13 determines that the project meets the other criteria, yes.

14 **V. CONCLUSIONS**

15 **Q. Please summarize your conclusions and the positions of DE.**

16 A. DE supports Ameren Missouri’s proposed wind project, which will enable the
17 Company to meet requirements under the RES, improve the diversity and security
18 of the state’s energy supply, provide economic benefits to Missourians through
19 direct and indirect economic impacts and support business retention, attraction
20 and expansion. All of these factors will support Missouri’s ability to perform more
21 competitively on the national economic stage. The proposed project is also

¹³ *State ex rel. Intercon Gas, Inc. v Pub. Serv. Comm’n*, 848 S.W. 2d 593, 597 (Mo. App. W.D. 1993).

¹⁴ U.S. Energy Information Administration. 2018. “Wind Energy and the Environment.” *Energy Explained*.
https://www.eia.gov/energyexplained/index.php?page=wind_environment.

1 consistent with recent Commission orders and meets the Commission's criteria
2 regarding need. To the extent that the Commission determines that the project
3 meets the other Tartan factors, the project is in the public interest.

4 **Q. Does this conclude your Rebuttal Testimony?**

5 A. Yes.