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Witness: Aaron J. Doll  
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Sponsoring Party: The Empire District  
Electric Company  
Case No.: EO-2022-0040; EO-2022-0193  
Date Testimony Prepared: May 2022

**Before the Public Service Commission  
of the State of Missouri**

**Surrebuttal Testimony**

**of**

**Aaron J. Doll**

**on behalf of**

**The Empire District Electric Company**

**May 2022**



**\*\*DENOTES CONFIDENTIAL\*\***  
20 CSR 4240-2.135(2)(A)3,4

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THE EMPIRE DISTRICT ELECTRIC COMPANY  
BEFORE THE MISSOURI PUBLIC SERVICE COMMISSION  
CASE NOS. EO-2022-0040 and EO-2022-0193

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1 **I. INTRODUCTION**

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

3 A. Aaron J Doll. 602 South Joplin Avenue, Joplin Missouri, 64804.

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

5 A. I am employed by Liberty Utilities Service Corp. (“LUSC”) as Senior Director of  
6 Energy Strategy for the Liberty Central Region, which includes The Empire District  
7 Electric Company (“Liberty” or the “Company”).

8 **Q. On whose behalf are you testifying in this proceeding?**

9 A. I am testifying on behalf of Liberty.

10 **Q. Are you the same Aaron Doll that provided Direct Testimony in Case No. EO-**  
11 **2022-0040 (Storm Uri) and Case No. EO-2022-0193 (Asbury)?**

12 A. Yes.

13 **Q. What is the purpose of your Surrebuttal Testimony in these now consolidated**  
14 **dockets?**

15 A. To address the Rebuttal Testimony filed by Office of Public Counsel (“OPC”)   
16 witnesses Lena Mantle and Geoff Marke. In particular, I will address the options for   
17 Asbury discussed in Dr. Marke’s Rebuttal Testimony and Resource Adequacy as   
18 discussed in the Rebuttal Testimony of Lena Mantle. My testimony also establishes   
19 that Liberty has managed its generation resources prudently, including the retirement   
20 of Asbury, and my testimony further demonstrates that Ms. Mantle and Dr. Marke do   
21 not demonstrate any lack of prudence by the Company relating to Asbury or Storm Uri.

1 **II. PRUDENCE**

2 **Q. Please summarize the concept of utility prudence, as explained in the Surrebuttal**  
3 **Testimony of Liberty witness John J. Reed.**

4 A. In his Surrebuttal Testimony, Company witness John J. Reed addresses in great deal  
5 the concept of prudence in the utility industry and in Missouri in particular. Therein,  
6 Mr. Reed explains that an analysis of prudence is the analysis of a utility's decisions  
7 given the information that was available at the time and that such an analysis must  
8 exclude the benefit of hindsight. Mr. Reed's testimony also explains that a utility's  
9 decisions and actions are presumed to be prudent unless and until a party raises serious  
10 doubts about their prudence and that, in order to do so, a party would need to show that  
11 the utility's decisions and actions fell short of what Mr. Reed calls "minimally  
12 prudent"<sup>1</sup> behavior.

13 **Q. What would be required to show that Liberty's decisions and actions fell short of**  
14 **the minimally prudent behavior standard?**

15 A. As Mr. Reed explains, a party asserting imprudence in this proceeding is required to  
16 demonstrate that Liberty's actions and decisions related to Storm Uri and the retirement  
17 of Asbury were not minimally prudent, which is to say that they were so inconsistent  
18 with industry norms that no reasonable utility would have made them under the same  
19 circumstances.<sup>2</sup>

20 **Q. Have any of the parties to these proceedings suggested that Liberty's decisions or**  
21 **actions were so inconsistent with industry norms that no reasonable utility would**  
22 **have made them under the same circumstances?**

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<sup>1</sup> Reed Surrebuttal, page 9.

<sup>2</sup> Reed Surrebuttal, page 9.

1 A. No. The primary purpose of my testimony is to respond to Dr. Marke and Ms. Mantle.  
2 Both allege that Liberty was imprudent and should therefore be denied recovery of  
3 costs it incurred, but neither offer any meaningful support for their assertions. In  
4 particular, neither Dr. Marke nor Ms. Mantle base any of their opinions on Liberty's  
5 deviation from industry norms, much less describe how Liberty's actions and decisions  
6 fell short of that standard. In fact, neither offer meaningful evidentiary support for any  
7 of their assertions.

8 **Q. Please elaborate with regard to Dr. Marke's allegations of imprudence?**

9 A. Among other things, Dr. Marke asserts that Liberty should have tried harder to sell  
10 Asbury, that it should have operated the plant seasonally, and that it should have  
11 mothballed the facility. As Mr. Reed discusses in his testimony, in order to demonstrate  
12 imprudence, Dr. Marke would have needed to show how one or all of these choices  
13 failed to meet the test of minimal prudence that Mr. Reed describes. He does not. As  
14 I describe in detail later in my testimony, Dr. Marke instead relies on his own  
15 suppositions and speculation about alternative outcomes to support his arguments.

16 **Q. Please elaborate with regard to Ms. Mantle's imprudence allegations.**

17 A. Ms. Mantle's claims include an assertion that Liberty's resource planning was  
18 imprudent and that, as a result, the market purchases made by the Company were too  
19 costly. As with Dr. Marke, she does not define what would, in her opinion, have been  
20 the industry norm approach to resource planning nor does she demonstrate how  
21 Liberty's actions deviate from any such standard. With regard to her discussion of  
22 market purchases, not only does Ms. Mantle not explain why Liberty's actions were  
23 inconsistent with those that another reasonable utility might make, she actually offers  
24 evidence that the Company's market purchases were consistent with those made by

1 Evergy West, another Missouri utility that incurred costs greater than Liberty’s during  
2 the same storm. Furthermore, Ms. Mantle does not reconcile how Liberty’s decisions  
3 could possibly fall outside the range of industry norms yet aligns with the choices made  
4 by nearby utility during the same storm.

5 **Q. Have you reached any conclusions regarding Dr. Marke’s and Ms. Mantle’s**  
6 **allegations?**

7 A. Their allegations clearly do not demonstrate unreasonable actions or a violation of  
8 industry norms. In his Surrebuttal Testimony, Mr. Reed describes more fully reasons  
9 why the Commission should disregard the recommendations of Dr. Marke and Ms.  
10 Mantle.

11 **Q. Did the Company make the right decision to retire Asbury?**

12 A. Yes. The Company acted prudently in retiring Asbury. I would further add that the  
13 Company did everything the right way before retiring Asbury. At all times, the  
14 Company acted with the best interests of its customers in mind by retiring Asbury,  
15 given its operational inefficiencies and required future environmental investment as  
16 described in the Direct Testimony of Frank Graves, Shaen Rooney, and Drew Landoll,  
17 and in my own Direct Testimony.

18 **III. ASBURY**

19 **Q. When did Asbury retire?**

20 A. At the end of the day, March 1, 2020. That was the earliest possible retirement date for  
21 Asbury per the Southwest Power Pool (“SPP”) guidelines that were in place at the time,  
22 and it was retired as a coal-fired generating facility at that time.

23 **Q. Was Asbury not retired in December 2019 or January 2020 as some have**  
24 **indicated?**

1 A. No. Asbury was staffed and available to operate if economic fuel could have been  
2 procured in that timeframe. The Company continued to monitor conditions, forward  
3 market prices, and evaluate economical fuel procurement options. If market conditions  
4 and forward market prices created an opportunity for Liberty to procure fuel at a price  
5 allowing Asbury to operate economically, fuel would have been purchased and the unit  
6 would have been offered to the market. Simply because forward indications didn't  
7 warrant additional purchases and the Company did not believe it would be prudent to  
8 take additional coal deliveries and risk raising customers costs for unburned coal does  
9 not change the fact that the unit was officially retired on March 1, 2020, in accordance  
10 with the SPP guidelines in place at the time of the retirement.

11 **Q. On page 20 of his Rebuttal Testimony, Dr. Marke suggests that the Company**  
12 **could have sold Asbury to offset the retirement costs. Do you agree?**

13 A. No. Referencing the Direct Testimony of Liberty witness Drew Landoll, the Fair  
14 Market Valuation Report found that the facility had a negative \$134 million valuation,  
15 meaning the Company would have to pay someone \$134 million to purchase the facility  
16 in its state at the time and assume all associated responsibilities<sup>3</sup>.

17 **Q. What is your reaction to page 20 of Dr. Marke's Rebuttal Testimony stating that**  
18 **Liberty could have operated Asbury seasonally similar to what Xcel Energy**  
19 **proposed in Minnesota?**

20 A. I reviewed Xcel's petition for approval to offer the Allen S. King Generating Station  
21 ("King Plant") and Sherburne County Generating Station Unit 2 ("Sherco 2") on a  
22 seasonal basis, as well as the Minnesota Public Utility Commission's ("Minnesota

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<sup>3</sup> Direct Testimony of Drew Landoll. File No EO-2022-0193, p. 11, line 7.

1 PUC”) Order approving the plan. A summary of what I found in the filings is detailed  
2 below:

- 3 • Xcel plans to early retire its existing coal fleet by 2030.
- 4 • The King Plant is planned for retirement in 2028, which is 9 years earlier than  
5 anticipated.
- 6 • Sherco 2 is scheduled to retire in 2023, which is 7 years earlier than indicated  
7 in Xcel’s 2015 IRP Preferred Plan.
- 8 • Sherco 2 has staff on-site from Sherco 3 and Sherco 1 which are both due to be  
9 retired after Sherco 2. Asbury has no sister units to share costs with during  
10 seasonal operations.
- 11 • The early retirement of Xcel’s coal facilities will pave the way for substantial  
12 investments in renewable energy culminating in a system that is approaching  
13 60% renewable in 2034.
- 14 • Sherco 2 and King Plant operate in the Midcontinent Independent System  
15 Operator (“MISO”). MISO is different from the SPP, in that SPP does not have  
16 a capacity market which determines which units are considered must-offer.  
17 SPP only excludes units from must offer requirement if they are on outage or  
18 qualify for a Reserve Shutdown.
- 19 • Xcel’s own analysis shows that while these units have traditionally been self-  
20 committed in the MISO market, a production cost model run resulted in “little  
21 impact on total fuel costs” when offering these units seasonally as “economic”  
22 offers or year-round as “economic” offers. For reference, an “economic” offer  
23 is tantamount to a “market” offer in SPP and Asbury was offered exclusively  
24 as “market” since October 2016 with the exception of discrete testing periods.



1           Therefore, the studies supporting seasonal operation with “economic” offers  
2           don’t show any significant benefit from annual “economic” offers which is akin  
3           to how Asbury is offered and therefore would not support offering Asbury any  
4           differently than how it has been offered for its last three and a half years in the  
5           market.

- 6           • There is not a plan for additional capital spend of substance at Sherco 2. Asbury  
7           would have been required to complete environmental upgrades to continue  
8           operations.

9           In summary, Xcel is taking action to decarbonize its generating fleet by early retiring  
10          its entire coal fleet to achieve a coal-free fleet by 2030. Xcel summarizes their fleet  
11          transformation as a reduction and ultimate elimination of coal, continued reliance on  
12          their existing non-coal thermal generation, additional cost-effective renewable  
13          resources, and commitment to demand response and energy efficiency as a customer  
14          savings. Xcel’s seasonal operation of Sherco 2 and King Plant before early retirement  
15          is not dissimilar from the Company’s operation of Asbury leading up to its retirement,  
16          and the circumstances surrounding the Xcel Energy projects do not provide support for  
17          OPC’s assertions regarding Asbury.

18   **Q.   Do you have any thoughts regarding Dr. Marke’s suggestion to mothball Asbury**  
19   **at shareholder expense until a solution presents itself?**

20   A.   I concur with Liberty Witness Drew Landoll’s conclusions that Dr. Marke’s assertion  
21          is unsupported, that there was no reason to think that mothballing Asbury would make  
22          sense at the time it was retired, nor is there any reason to think so now, and that  
23          mothballing would only have served to increase the cost of Asbury’s likely inevitable  
24          retirement.

1 **IV. SPP AND RESOURCE ADEQUACY**

2 **Q. Do you agree with OPC witness Mantle that Liberty’s resource planning was**  
3 **imprudent?**

4 A. I do not. Ms. Mantle is attempting to use an extreme weather event, after the fact, to  
5 allege imprudence. By this same logic, Ms. Mantle could allege imprudence on the  
6 Company for the retirement of units Riverton 7, Riverton 8, and Riverton 9, because  
7 they may have been able to provide energy during Storm Uri.

8 **Q. Ms. Mantle claims that the Company will now be more reliant on purchasing**  
9 **energy from the SPP IM. Is that consistent with evidence from the last general**  
10 **rate case?**

11 A. No. In fact, the amount of “purchased power” that the Staff of the Commission  
12 determined in Liberty’s last general rate case (ER-2021-0312) was a reduction from  
13 34% to 19.39%. The OPC also concurred with this calculation<sup>4</sup>. Purchased power, for  
14 purposes of the FAC was calculated as the amount of energy: from Purchased Power  
15 Agreements (“PPA”) or energy that the Company would purchase from the SPP IM  
16 when it is either short on energy or it is more economical to do so. In fact, when you  
17 remove the PPA amount of energy and just calculate the purchased power from SPP  
18 when it is either needed to supplement its own resources or for economics, the  
19 percentage from Staff’s workpapers is 1.15%.

20 Ms. Mantle has admitted that the Company has sufficient resources to meet its  
21 Resource Adequacy (“RA”) requirements which include both planning for system peak  
22 and for the planning reserve margin as determined by SPP. However, Ms. Mantle then  
23 claims that while the amount of generation is sufficient to meet the Company’s Summer

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<sup>4</sup> Public Counsel’s Positions on the Amended List of Issues. ER-2021-0312. Pp. 12-13.

1 and Winter RA requirements, it is insufficient to meet the energy needs of its customers  
2 for other hours of the year.

3 **Q. If the Company has sufficient resources to meet its RA requirements for Summer**  
4 **and Winter peaks, how would the Company have insufficient resources to meet**  
5 **its energy needs during other hours as alleged by the OPC?**

6 A. That is unclear to me. Ms. Mantle has provided no support for this allegation, with the  
7 exception of pointing to the extreme conditions during Storm Uri and making the  
8 unsupported assumption that Asbury would have operated with zero issues. In fact,  
9 Ms. Mantle laments the Company’s retiring of Asbury because it is the only “baseload  
10 coal generation resources that it has control over, meaning that Empire does not  
11 participate in the decisions regarding hardening these plants for operation in cold  
12 temperatures or preparing the plants for operation during extreme cold. These plants  
13 had their generation limited for a variety of reasons during Storm Uri, none of which  
14 were under the control of Empire.”<sup>5</sup> On page 14 of her Rebuttal Testimony, Ms. Mantle  
15 admits that Liberty’s resources used to meet its SPP RA requirements are indeed  
16 diverse<sup>6</sup>, but she again laments Liberty lacking operational control over the remaining  
17 coal fleet. However, on page 7 of her Rebuttal Testimony, she contrasts Liberty’s  
18 experience during Uri with Evergy Metro’s experience, seeming to praise Evergy  
19 Metro’s performance during Storm Uri as a result of the amount of energy their fleet  
20 produced. Two of the three of the Company’s remaining jointly owned coal plants are  
21 under the control of Evergy Metro. Ms. Mantle has elected to cherry pick certain  
22 aspects of resource planning and Company-specific experiences during Storm Uri in

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<sup>5</sup> Rebuttal Testimony of Lena M. Mantle. EO-2022-0040 & EO-2022-00193. P. 19, lines 11-16.

<sup>6</sup> Rebuttal Testimony of Lena M. Mantle. EO-2022-0040 & EO-2022-00193. P. 14, line 4. “It is diverse with respect to the fuel sources and types of generation plant.”

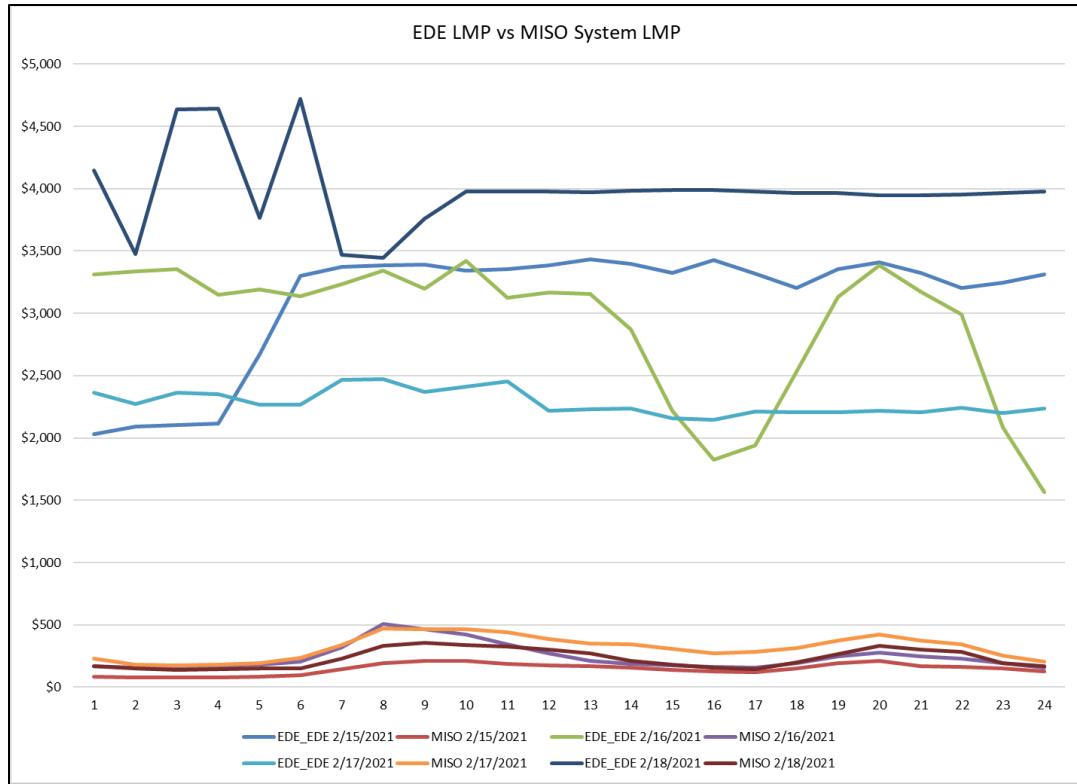
1 an effort to support her case, even if the same evidence would seemingly contradict her  
2 conclusion if taken as a whole.

3 **Q. What does Ms. Mantle say about Ameren as compared to Liberty during Storm**  
4 **Uri?**

5 A. Ms. Mantle describes Ameren as incurring purchased power and fuel costs greater than  
6 its revenue but noted that the difference wasn't significant and that if Ameren's  
7 Callaway Energy Center been operational during Storm Uri, Ameren would have likely  
8 resulted in excess revenue.

9 **Q. Is Ameren's experience during Storm Uri a fair contrast to Liberty's?**

10 A. No. In fact, each utility likely experienced a variety of different challenges during  
11 Storm Uri and comparing the performance of one to the other isn't a fair assessment of  
12 prudence. Furthermore, although Ms. Mantle acknowledges that Ameren is a  
13 participant in MISO rather than SPP, she fails to acknowledge the difference in  
14 locational marginal prices ("LMP") in MISO as compared with what the Company  
15 experienced in SPP (see figure below for LMP at the Company load node compared  
16 with MISO system LMP for 2/15/21 – 2/18/21).



1

2 **Q. On page 9 of her Rebuttal Testimony, Ms. Mantle suggests that the Company has**  
3 **renamed its IRP process the generation fleet savings analysis. Is this correct?**

4 **A.** No. I believe Ms. Mantle is referring to the update the Company provided to its 2016  
5 IRP in docket EO-2018-0092. Although I wasn't involved in this docket, my  
6 understanding was the generation fleet savings analysis ("GFSA") was a term used to  
7 describe the study that was performed at that particular point in time by Charles River  
8 Associates ("CRA"). I have not seen other triennial IRPs or annual updates described  
9 using that same term.

10 **Q. On page 10, Ms. Mantle describes the revenue margins from a 24-month period**  
11 **of September 2017 through August of 2019 as positive \$4.2. This is almost the**  
12 **exact same period of time described in Mr. Robinett's Rebuttal Testimony as a**  
13 **period in which Asbury became less efficient because Liberty decided to alter how**

1           **it historically operated the unit. How can Asbury become less efficient and also**  
2           **more economic?**

3       A.     This is a synopsis of the case that was made by the Company.

4           •     Prior to the Company’s change in how it operated Asbury, the unit struggled  
5           with economic viability.<sup>7</sup>

6           ○     In response, the Company renegotiated its coal delivery contract to  
7           avoid must-take scenarios which would allow the Company to manage  
8           Asbury’s coal pile without having to self-commit the unit.<sup>8</sup>

9           ▪     Self-commitments were being discussed by the SPP Market  
10          Monitoring Unit (“MMU”) as creating inefficiencies in the  
11          market.<sup>9</sup>

12          ▪     Missouri would later open an investigation into self-  
13          commitments and the impact on customers<sup>10</sup>

14          ○     Plant personnel at Asbury worked to increase the agility of the unit to  
15          allow it to operate more successfully.<sup>11</sup>

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<sup>7</sup> Direct Testimony of Aaron Doll. EO-2022-0193. Pp. 8-9.

<sup>8</sup> Direct Testimony of Aaron Doll. EO-2022-0193. P. 10.

<sup>9</sup> 2018 Annual State of the Market (“ASOM”), 2019 ASOM, 2020 ASOM, 2021 ASOM, Self-committing in SPP markets: Overview, impacts, and recommendations, published by the SPP MMU, <https://spp.org/documents/61118/spp%20mmu%20self-commit%20whitepaper.pdf>

<sup>10</sup> EW-2019-0370 Both Midcontinent Independent System Operator (MISO) and Southwest Power Pool (SPP) operate day ahead energy markets designed to identify the supply of electric generation required to meet demand, and select demand-side and supply-side resources for dispatch in a manner designed to minimize overall costs to the system while meeting reliability requirements. However, in some circumstances, a market participant may choose to self-commit a particular supply-side resource for dispatch and self-schedule that supply-side resource’s output and accept whatever market price results rather than awaiting market commitment and dispatch by the Regional Transmission Organization (RTO). The Commission is opening this case and directing its staff to begin an investigation into the self-commit and self-scheduling practices of Missouri’s investor- owned electric utilities in their respective RTO energy markets to determine if such practices inure to the benefit of their ratepayers. The Commission will also direct its Staff to file a report regarding the results of this investigation no later than August 16, 2019.

<sup>11</sup> Direct Testimony of Shaen Rooney. EO-2022-0193. Pp. 4-5.

1                   ○ As a result of the improved operation of Asbury, it was more economical  
2                   in the SPP IM but its capacity factor continued to drop <sup>12</sup>and it recorded  
3                   a record number of starts.<sup>13</sup>

4                   It was clear based on how the unit needed to operate in the market to be both reliable  
5                   and profitable, the Company would have to stress the unit to operate in a manner for  
6                   which it was not designed and certainly not efficient and that continued investment<sup>14</sup>  
7                   in the facility was not going to be in the best interest of our customers. Further  
8                   discussion on this matter can be found in the Surrebuttal Testimony of Company  
9                   witness Drew Landoll)

10 **Q. On page 16 of her Rebuttal Testimony, Ms. Mantle notes a two-day period in**  
11 **January 2022 in which Liberty’s State Line Combined Cycle (“SLCC”) plant was**  
12 **derated for approximately two days due to natural gas restriction. What was the**  
13 **reason for the restriction, since the Company has firm service to SLCC?**

14 A. As stated in response to OPC Data Request 1303, Liberty was restricted to firm  
15 transportation volumes of natural gas for January 5 and 6, 2022. \*\* [REDACTED]

16 [REDACTED]

17 [REDACTED]

18 [REDACTED]

19 [REDACTED]

20 [REDACTED] \*\* On January 5, 2022, Liberty conducted

21 Predictive Emissions Monitoring Systems (PEMS) testing on Energy Center Unit 1,

<sup>12</sup> Direct Testimony of Aaron Doll. EO-2022-0193. P. 11.

<sup>13</sup> Direct Testimony of Aaron Doll. EO-2022-0193. P. 13.

<sup>14</sup> Direct Testimony of Tim Wilson. ER-2019-0371. P. 5. “Liberty-Empire has concluded that, in order to comply with the CCR rule, it would need to construct a new landfill and convert existing bottom ash handling from a wet to a dry system at a cost in excess of \$20 million.”

1 with the same testing on Energy Center Unit 2 conducted on January 6. This test is  
2 required every 5 years, and cold temperatures and natural gas fuel supply are necessary  
3 for conducting the testing procedures. The need to complete this testing, combined with  
4 the restrictions to firm transportation by Southern Star Central, required Liberty to limit  
5 both Riverton 12's and Stateline Combined Cycle's maximum output, supplying the  
6 volumes to Energy Center.

7 **Q. Do you agree with Ms. Mantle when she characterizes this two-day restriction, in**  
8 **which the Company simply flexed some of its firm natural gas transportation**  
9 **capacity to Energy Center for the purpose of PEMS testing, as gas supply**  
10 **problems?**

11 A. No. The Company has sought to be efficient with fuel costs and not seek to obtain firm  
12 natural gas transportation for its entire natural gas generation fleet if certain generators  
13 aren't likely to be committed as frequent as others in the SPP IM. The Company can  
14 still burn natural gas at Energy Center 1 and 2 when not restricted to firm and has  
15 backup fuel oil on site in the event the unit is needed and natural gas is unavailable.

16 **Q. Does SPP still count these units toward the Company meeting its RA requirement**  
17 **if they don't have firm delivery of natural gas?**

18 A. Yes. Section 7.1.5 of the SPP Planning Criteria states that for purposes of accredited  
19 net capacity for generating units "Assurance of having desired generating capacity  
20 depends, in part, on the availability of an adequate and reliable fuel supply. Where  
21 contractual or physical arrangements permit curtailment or interruption of the normal  
22 fuel supply, sufficient quantities of standby fuel shall be provided."



1 Q. On page 18 of Ms. Mantle’s Rebuttal Testimony she refers to \*\* [REDACTED]

2 [REDACTED]

3 [REDACTED]\*\*. How does the Company reconcile these differences?

4 A. The 181 MW of accredited capacity to which Ms. Mantle is referring is based on the  
5 Winter rating used by CRA during the 2019 IRP in an effort to simulate an actual  
6 accredited capacity for new wind farm generation for planning purposes. Ms. Mantle  
7 then contrasts that figure with what I provided in my Direct Testimony as accredited  
8 capacity for Summer and Winter for SPP RA purposes. Per the current accreditation  
9 rules for wind resources, as outlined in SPP Planning Criteria 7.1.2 (10) (d) (iii), “If the  
10 Load Serving Entity chooses not to perform the net capability calculations as described  
11 above during the first 3 years of commercial operation, the Load Serving Entity may  
12 submit 5% for wind facilities and 10% for solar facilities of the site facility’s  
13 nameplate rating.” Although I am not certain what point Ms. Mantle is attempting to  
14 make in her testimony, a footnote on page 19 of her testimony notes that “The  
15 manufacturer capacities of the wind resources was the same between Empire’s 2019  
16 preferred plan and 2021. The difference is due to Empire’s overestimation of the  
17 amount of capacity SPP would accredit these resources.” It should not be misconstrued  
18 that the Company was falsely representing capacity accreditation during IRP filings.  
19 The 5% accreditation from my Direct Testimony is what was submitted to SPP for RA,  
20 the \*\* [REDACTED]\*\* wind accreditation in the 2019 IRP is for planning purposes to represent  
21 that the wind accreditation will likely be higher than the 5% once the Company has a  
22 dataset consisting of at least 3 years of actual generation or a correlated dataset as  
23 prescribed by the SPP Planning Criteria.

1 **Q. On Page 24 of her Rebuttal Testimony, Ms. Mantle suggests that Liberty needs to**  
2 **have accredited capacity 112% greater than its forecasted load. Is this figure**  
3 **correct?**

4 A. No. The planning reserve margin for SPP is 12%, meaning that Liberty needs to have  
5 accredited capacity 12% greater than its forecasted load.

6 **Q. Ms. Mantle states that SPP’s RA requirement is not adequate for Liberty**  
7 **customers and that SPP acknowledges that there may not be energy when a**  
8 **particular utility needs it. How do you respond?**

9 A. First of all, Ms. Mantle seems to indicate that SPP’s RA requirement is dependent upon  
10 the SPP market. SPP has provided either a capacity margin requirement or reserve  
11 margin requirement dating all the way back to 1998 which pre-dates the SPP IM  
12 (March 1, 2014) and the Energy Imbalance System (“EIS” (February 1, 2007). In fact,  
13 compliance with the SPP capacity margin requirement or planning reserve margin  
14 requirement is noted in every one of the Company’s Triennial IRPs from 2007 to  
15 current day (Cases Nos. EO-2008-0069, EO-2011-0066, EO-2013-0547, EO-2016-  
16 0223, EO-2019-0049, and EO-2021-0331). When SPP voted to change methodologies  
17 from capacity margin to reserve margin, it was Missouri Commissioner Steve Stoll who  
18 made the motion to approve the change, which was adopted by unanimous vote at the  
19 Regional State Committee (“RSC”). In SPP’s filing for its current RA requirements,<sup>15</sup>  
20 as outlined in Attachment AA of the SPP OATT, SPP describes RA as a complex  
21 matter that represents the confluence of state-federal jurisdiction. The filing goes on  
22 to state that:

23 “SPP also recognizes the interests of state authority over resource adequacy  
24 requirements. Section 7.1 of the Commission-approved SPP Bylaws provides that

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<sup>15</sup> ER18-1268.

1 “[n]othing in the formation or operation of SPP as a [Commission] recognized regional  
2 transmission organization is in any way intended to diminish existing state regulatory  
3 jurisdiction and authority.”<sup>16</sup>In addition, the SPP Bylaws grants certain responsibility  
4 for resource adequacy to the Regional State Committee (“RSC”)<sup>17</sup> providing that “[t]he  
5 RSC will also determine the approach for resource adequacy across the entire region.”  
6<sup>18</sup>In turn, as the RSC reaches decisions on methodologies for resource adequacy, SPP  
7 will make the requisite filings at the Commission.”

8 SPP later goes on to establish its role in establishing RA as consistent with its  
9 responsibility as both a NERC Balancing Authority (“BA”) and Planning Authority  
10 (“PA”).

11 It is paramount to understand that SPP does not exist in a vacuum and that SPP utilizes  
12 complex and accepted methodologies to develop its RA requirement including a  
13 biennial Loss of Load Expectation (“LOLE”) study with a “one day in ten year”  
14 criterion for determining reserve margins for RA requirements. It is my understanding  
15 that there is nothing preventing a state authority from developing a more stringent RA  
16 requirement, so long as it meets the minimum RA requirements as determined by its  
17 BA and PA. SPP requires each utility to meet its own forecasted peak **plus** a published  
18 planning reserve margin that is approved by the RSC. Ms. Mantle provides no studies  
19 and no recommendations to alter RA requirement methodologies. Ms. Mantle  
20 acknowledged in response to Liberty DR 3 that she has not participated in any public  
21 meetings regarding these issues at SPP or MISO, and she provided only the below listed  
22 items as the source documents for authoring of her white paper.

23 20 CSR 4240-22  
24 SPP.org

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<sup>16</sup> SPP Bylaws Section 7.1.

<sup>17</sup> The RSC provides collective state regulatory agency input on matters of regional importance related to the development and operation of bulk electric transmission. The SPP RSC is comprised of retail regulatory commissioners from agencies in Arkansas, Iowa, Kansas, Missouri, Nebraska, New Mexico, North Dakota, Oklahoma, South Dakota and Texas.

<sup>18</sup> SPP Bylaws Section 7.2.

1 The following Missouri Public Service Commission dockets available through  
2 the Commission's Electronic Information and Filing System (EFIS) at  
3 Welcome to MPSC (mo.gov):

4 ER-2022-0174

5 ER-2021-0332

6 ER-2022-0025

7 ER-2022-0274

8 ER-2022-0026

9 ER-2022-0025

10 **Q. Ms. Mantle suggests that the Company should have curtailed all customers load**  
11 **during the storm, for hourlong periods, to reduce the amount of power purchased,**  
12 **utilizing Phase 1 and Phase 2 of Liberty's Emergency Conservation Plan ("ECP").**  
13 **How do you respond?**

14 A. Although my department would not be involved in controlled service interruptions, my  
15 understanding is that it is not a simple process (identification of circuits providing  
16 critical service across the entire system, cold load pick-up, positioning of personnel  
17 across different facilities, etc.). Furthermore, it is my understanding that any mandatory  
18 conservation efforts described in Phase 2 of our ECP, to which Ms. Mantle advocates,  
19 require "State and Federal regulatory commissions or other appropriate authority will  
20 be requested to authorize the Empire District Electric Company to implement Phase 2  
21 procedures as they become necessary to preserve the Company's fuel inventory and  
22 maintain essential services."<sup>19</sup>

23 **Q. On Page 33 of her Rebuttal Testimony, Ms. Mantle recommends that Empire**  
24 **should not be allowed recovery of the 5% of fuel and purchased power costs that**  
25 **could have flowed through the Empire's FAC. Does the Company agree with this**  
26 **recommendation?**

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<sup>19</sup> Rules and Regulation. Chapter IV Emergency Energy Conservation Plan. The Empire District Electric Company d.b.a. Liberty. Section 5. Sheet No. 22-23.

1 A. No. For further discussion on why the disallowance of 5% of fuel and purchase power  
2 costs is neither appropriate nor stated within the Securitization Statute please refer to  
3 Company witness Charlotte T. Emery's Surrebuttal testimony.

4 **V. CONCLUSION**

5 **Q. Did the Company make the right decision and act prudently in closing the Asbury**  
6 **plant?**

7 A. Yes.

8 **Q. Has OPC provided any persuasive testimony establishing the Company's decision**  
9 **to retire Asbury was not reasonable or was outside industry norms?**

10 A. No. OPC has provided hypotheticals, at times unreasonable, that either lack support or  
11 mirrored how the Company was currently operating the unit and don't address the  
12 circumstances described in the Company's Direct Testimony. Asbury was becoming  
13 increasingly uneconomic, and significant investment was needed to keep the unit  
14 operational and in environmental compliance. It was not an easy decision to retire  
15 Asbury, but it was done in the best interest of our customers based upon what was  
16 known at the time.

17 **Q. Does this conclude your Surrebuttal Testimony at this time?**

18 A. Yes.

**VERIFICATION**

I, Aaron J. Doll, under penalty of perjury, on this 27th day of May, 2022, declare that the foregoing is true and correct to the best of my knowledge and belief.

/s/ Aaron J. Doll