BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Ameren Missouri Request for Approval of a Revised Net Metering Tariff and for Variances from Certain Provisions of 4 CSR 240-20.065 Regarding Net Metering

Case No. EE-2017-0235

STAFF'S RECOMMENDATIONS REGARDING AMEREN MISSOURI'S REQUESTED VARIANCES

COMES NOW the Staff of the Public Service Commission of the State of Missouri and states to the Commission that it opposes some of Ameren Missouri's variance requests and recommends that the Commission order Ameren Missouri to refile a substitute 2nd Revised Sheet 171.9 with an effective date of April 12, 2017. Staff recommends the remainder of the tariff sheets filed on March 13, 2017 be approved to become effective April 12, 2017.

1. On March 13, 2017, Ameren Missouri filed its Requests for Variances From Certain Provisions of 4 CSR 240-20.065 ("Request for Variances"). On March 14, 2017, the Commission ordered Staff to file its Recommendation no later than March 23, 2017.

2. Staff has reviewed Ameren's Request for Variances and as a result of its review states that it opposes some and does not object to others for reasons stated in Staff's Memorandum attached as Appendix A.

3. As a result of its review, Staff does not oppose Variance Requests #1, #2, #3, #5, and #7a. Details of these variance requests are discussed in Staff's Memorandum.

4. Staff opposes Variance Request #6 that would allow Ameren Missouri to delete a portion of the interconnection application in which the customer is to designate the "Person or Agency Who Will Inspect/Certify Installation". Staff recommends the Commission reject this Variance Request and refile a substitute 2nd Revised Tariff Sheet 171.9 in order to be consistent with the Commission's Net Metering Rule and to be consistent with Ameren's other proposed tariff changes.

5. Staff opposes Variance Request #7b, because the Commission has already ruled on the matter of changing the wording to "minimum bill" and rejected this wording change as explained in the attached Memorandum.

6. Staff supports Variance Requests #4, #8, and #9. Details of these Requests are included in the attached Staff Memorandum.

WHEREFORE, for reasons stated above and in Staff's Memorandum, Staff recommends to the Commission that it:

• Approve the following tariff sheets filed on March 13, 2017, bearing an effective date of April 12, 2017:

P.S.C. MO. No. 7

4th Revised Sheet No. 88 Cancelling 3rd Revised Sheet No. 88 3rd Revised Sheet No. 88.1 Cancelling 2nd Revised Sheet No. 88.1 3rd Revised Sheet No. 88.3 Cancelling 2nd Revised Sheet No. 88.3 1st Revised Sheet No. 88.4 Cancelling Original Sheet No. 88.4 1st Revised Sheet No. 171.1 Cancelling Original Sheet No. 171.1 1st Revised Sheet No. 171.5 Cancelling Original Sheet No. 171.5 2nd Revised Sheet No. 171.6 Cancelling 1st Revised Sheet No. 171.6 1st Revised Sheet No. 171.7 Cancelling Original Sheet No. 171.7 1st Revised Sheet No. 171.8 Cancelling Original Sheet No. 171.8 2nd Revised Sheet No. 171.10 Cancelling 1st Revised Sheet No. 171.10 2nd Revised Sheet No. 171.11 Cancelling 1st Revised Sheet No. 171.11 2nd Revised Sheet No. 171.12 Cancelling 1st Revised Sheet No. 171.12 1st Revised Sheet No. 171.13 Cancelling Original Sheet No. 171.13 2nd Revised Sheet No. 171.14 Cancelling 1st Revised Sheet No. 171.14 1st Revised Sheet No. 171.15 Cancelling Original Sheet No. 171.15 Original Sheet No. 171.16 Original Sheet No. 171.17

• Reject the following tariff sheet filed on March 13, 2017:

P.S.C. MO. No. 7

2nd Revised Sheet No. 171.9 Cancelling 1st Revised Sheet No. 171.9

 Order Ameren Missouri to file a substitute 2nd Revised Sheet No. 171.9 Cancelling 1st Revised Sheet No. 171.9 to be consistent with the Commission's Net Metering Rule, bearing an April 12, 2017 effective date, consistent with the other proposed tariff sheet changes.

Respectfully Submitted,

<u>/s/ Casi Aslin</u>

Casi Aslin Legal Counsel Missouri Bar No. 67934 Attorney for the Staff of the Missouri Public Service Commission P.O. Box 360 Jefferson City, Mo 65102-0360 (573) 751-8517 <u>casi.aslin@psc.mo.gov</u>

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand delivered, transmitted by facsimile or electronically mailed to all counsel of record this 23rd day of March, 2017.

<u>/s/ Casi Aslin</u>

MEMORANDUM

TO: Missouri Public Service Commission Case File Case No. EE-2017-0235, File No. JE-2017-0174, Ameren Missouri Request for Variances from Certain Provisions of 4 CSR 240-20.065
FROM: Claire M. Eubanks, P.E., Engineering Analysis /s/ Dan Beck / March 23, 2017 /s/ Casi Aslin / March 23, 2017 Engineering Analysis / Date Staff Counsel's Office / Date
SUBJECT: Staff Recommendation to Approve Some Requested Variances from Certain Provisions of 4 CSR 240-20.065 and Reject One Tariff Sheet
DATE: March 23, 2017.

OVERVIEW

Staff has reviewed the Union Electric Company d/b/a Ameren Missouri ("Ameren Missouri") Request for Variances from Certain Provisions of 4 CSR 240-20.065 and associated tariff sheets filed on March 13, 2017. Of the nine variances requested by Ameren Missouri, Staff supports Variance Requests #4, #8 and #9. Staff does not support Variance Request #6 and #7b, the remainder of the requests Staff views as unnecessary but does not oppose the language proposed by Ameren Missouri. Staff does not oppose Variance Requests #1, #2, #3, #5 and #7a. Therefore, Staff recommends that the Commission reject Variance Request #6 and 2nd Revised Sheet No. 171.9 and order Ameren Missouri to refile Sheet 171.9 with an effective date of April 12, 2017. Ameren Missouri proposed 2 alternatives Variance Request #7a and #7b. The tariff reflects the language in Variance Request #7a. Staff accepts Variance Requests #7a and not Variance Request #7b. Because the Commission has already ruled on the matter of changing the wording to "minimum bill" and rejected this wording change in the rulemaking implementing HB 142 (EX-2014-0352), Staff recommends the Commission reject Variance Request #7b. Staff

recommends the remainder of the tariff sheets filed on March 13, 2017, be approved to become effective April 12, 2017.

DISCUSSION

Variance Requests:

Request 1:

Ameren Missouri requests that it be allowed to use "Company" throughout the interconnection application rather than inserting the utility name as required by the standard interconnection application form in 4 CSR 240-20.065. Staff does not oppose this variance request.

Request 2:

In various locations, the rule uses the term "net meter" to refer to the physical meter. Ameren Missouri requests to use the term "bidirectional meter" in its interconnection application rather than the term "net meter" because Ameren Missouri believes that "net meter" refers to the billing practice whereas "bidirectional meter" refers to the actual meter. Staff does not oppose the use of the term "bidirectional meter."

Request 3:

Ameren Missouri requests to replace the term "inspection" with "Company's inspection" in locations referring to Ameren Missouri's inspection versus the Authority Having Jurisdiction's inspection.

Staff notes that the locations in which Ameren Missouri requests to replace the term "inspection" with "Company's inspection" are located in a bulleted list following the phrase "...the electric utility will make any inspection of the customer-generators interconnection equipment or system it deems necessary and notify the customer-generator:" Staff views that this portion of the rule clearly refers to Ameren Missouri's inspection and therefore its request is unnecessary but Staff does not oppose the change.

Request 4:

Ameren Missouri requests to strike the following language:

"Customer-Generators who are Missouri electric utility retail account holders will receive a solar rebate, if available, based on the capacity stated in the application, or the installed capacity of the Customer-Generator System if it is lower, if the following requirements are met: a. The [Utility Name] must have confirmed the Customer-Generator's System is operational; and

b. Sections H and I of this Application must be completed. The amount of the rebate will be based on the system capacity measured in direct current. The rebate will be based on the schedule below up to a maximum of 25,000 watts (25kW)."

And replace it with:

"Ameren Missouri solar rebate funds are no longer available for new applicants. However, if you submitted an application in December 2013, you are in the rebate commitment queue. Please refer to Company's Rider SR – Solar Rebate tariff for the applicable rebate rate and additional details and requirements. For those eligible, the rebate is limited to 25,000 watts (25 kW) and the rebate rate will be based on the following schedule:"

Based on the February 15, 2017 solar rebate status report on the Company's website,¹ there are funds for approximately \$356,000 in solar rebates before Ameren Missouri reaches the \$91.9 million specified level agreed to in ET-2014-0085. The approximately \$356,000 remaining solar rebate funds are committed to customers who applied in December 2013.

Ameren Missouri's solar rebate tariff includes a reservation process where a customer has 6 months to demonstrate progress and 12 months to complete their solar project from the date they receive their solar rebate commitment (which may be many months or even years after the customer's application date). As customers have decided not to pursue their solar electric projects, Ameren Missouri has issued solar rebate commitments to the next customer in queue. It was expected that in 2014 solar rebate payments would reach the specified level, however, due to the mechanics of the reservation queue payments are still being made. Those customers who had applied in December 2013 had until June 30, 2014 for their systems to become operational in order to receive a \$2.00/Watt rebate. Currently, customers in the queue will receive \$0.50/Watt once their system becomes operational. The rebate level will drop to \$0.25/Watt after June 30, 2019.

Because solar rebate funds are no longer available to new applicants Staff supports Ameren Missouri's Variance Request #4.

Request 5:

Ameren Missouri requests to change the interconnection form to include a two-part question relating to the location of a disconnect switch. Ameren Missouri believes the language adds clarity and may result in fewer conversations with the customer regarding the interconnection application. Staff does not oppose this variance request.

¹ <u>https://www.ameren.com/-/media/missouri-site/Files/Solar/AmerenSolarRebateStatusReport.pdf</u>

Request 6:

Ameren Missouri requests to delete a portion of the interconnection application, located in Section C, in which the customer is to designate the "Person or Agency Who Will Inspect/Certify Installation". Ameren Missouri notes in its request that Section E includes the electrical inspection making the line in Section C unnecessary. However, Staff will note that Sections A through D are generally submitted and reviewed prior to construction and Sections E and F are generally completed after construction. Including the "Person or Agency Who Will Inspect/Certify Installation" in the first submittal would inform customers of the certification requirement at the beginning of the process. Staff recommends that the Commission reject Variance Request #6 and 2nd Revised Sheet No. 171.9 and order Ameren Missouri to refile Sheet 171.9 with an effective date of April 12, 2017 to be consistent with the Commission's Net Metering Rule and to be consistent with the other proposed tariffs changes.

Request 7a or 7b:

Ameren Missouri presents two options in regards to a variance to the language in Section D.5 of the interconnection application. Option A is to add the bolded phrase: "The Customer-Generator shall be responsible for all other bill components charged to similarly situated customers **that are not Customer-Generators**." Option B is to replace "customer charges" with "minimum bill" throughout Section D.5.

Staff does not oppose the language in Option A; however, Staff does not believe it is necessary. Staff will also note that Option B was discussed during the rule making implementing HB 142, EX-2014-0352. Below is the applicable commentary from the Order of Rulemaking:

"COMMENT #6: The revised application/agreement changes the words "customer charge" to "minimum bill" when describing the charges the utility may continue to collect from customers that generate more power than they use. Renew Missouri and Public Counsel object to the change, as "minimum bill" is broader than "customer charge" and they fear the utilities will try to create new charges to slap on self-generating customers. Ameren Missouri and KCP&L/GMO support the "minimum bill" language and point out that the statute already forbids the imposition of special charges on self-generating customers beyond those charges imposed on all customers. Staff indicates "minimum bill" is a more accurate descriptor then "customer charge" because the various electric utilities do not use the term "customer charge" consistently in their tariffs. (Ameren Missouri also points out that a reference to "customer charges" in subsection (7)(C), a section that the commission did not propose to amend, would also need to be changed to "minimum bill" if the term is changed in the application/agreement.)

RESPONSE AND EXPLANATION OF CHANGE: The comments indicate the terms "customer charge" and "minimum bill" are not consistently defined or applied by Missouri's electric utilities. As a result, neither is clearly more appropriately used in the amendment. The commission does not intend to change the meaning of "customer charge" as it is currently used in the application/agreement or the rule, so the term used

should remain unchanged. The commission will not make the change included in the proposed amendment. The application/agreement will continue to refer to "customer charge"."

Because the Commission has already ruled on the matter of changing the wording to "minimum bill" and rejected this wording change in the rulemaking implementing HB 142 (EX-2014-0352), Staff recommends the Commission reject Variance Request #7b.

Request 8:

Ameren Missouri requests to include language required by the Stipulation and Agreement approved in Case No. ER-2016-0179. Staff supports this variance request.

Request 9:

Ameren Missouri requests that the following sentence be deleted:

"I understand the Company may, through its tariff, require applications for solar rebates be submitted up to one hundred eighty-two (182) days prior to the applicable June 30 operational date for the solar rebate."

And replaced with the following sentence:

"Additional details and requirements regarding the solar rebate can be found in Company's Rider SR – Solar Rebate at www.ameren.com."

As discussed in Request 4, new solar rebate applications are not being accepted. Further, Ameren Missouri's Solar Rebate tariff includes a December 31st application submittal due date (within 182 days from the June 30 operational date). Staff supports Variance Request #9.

Tariff:

Staff recommends the following tariff sheets filed on March 13, 2017, be approved to become

effective April 12, 2017:

P.S.C. MO. No. 7

^{4&}lt;sup>th</sup> Revised Sheet No. 88 Cancelling 3rd Revised Sheet No. 88

^{3&}lt;sup>rd</sup> Revised Sheet No. 88.1 Cancelling 2nd Revised Sheet No. 88.1

^{3&}lt;sup>rd</sup> Revised Sheet No. 88.3 Cancelling 2nd Revised Sheet No. 88.3

^{1&}lt;sup>st</sup> Revised Sheet No. 88.4 Cancelling Original Sheet No. 88.4

^{1&}lt;sup>st</sup> Revised Sheet No. 171.1 Cancelling Original Sheet No. 171.1

^{1&}lt;sup>st</sup> Revised Sheet No. 171.5 Cancelling Original Sheet No. 171.5

^{2&}lt;sup>nd</sup> Revised Sheet No. 171.6 Cancelling 1st Revised Sheet No. 171.6

^{1&}lt;sup>st</sup> Revised Sheet No. 171.7 Cancelling Original Sheet No. 171.7

^{1&}lt;sup>st</sup> Revised Sheet No. 171.8 Cancelling Original Sheet No. 171.8

2nd Revised Sheet No. 171.10 Cancelling 1st Revised Sheet No. 171.10 2nd Revised Sheet No. 171.11 Cancelling 1st Revised Sheet No. 171.11 2nd Revised Sheet No. 171.12 Cancelling 1st Revised Sheet No. 171.12 1st Revised Sheet No. 171.13 Cancelling Original Sheet No. 171.13 2nd Revised Sheet No. 171.14 Cancelling 1st Revised Sheet No. 171.14 1st Revised Sheet No. 171.15 Cancelling Original Sheet No. 171.15 Original Sheet No. 171.16 Original Sheet No. 171.17

For the above-stated reasons Staff recommends the following tariff sheet filed on March 13,

2017, be rejected:

P.S.C. MO. No. 7

2nd Revised Sheet No. 171.9 Cancelling 1st Revised Sheet No. 171.9

Staff also recommends that the Commission order Ameren Missouri refile Sheet No. 171.9 to be consistent with the Commission's Net Metering Rule and the effective date for the refiled Sheet No. 171.9 should be April 12, 2017 to be consistent with the other proposed tariffs changes.

The Staff has verified that Ameren Missouri has filed its annual report and is not delinquent on any assessment.

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Ameren Missouri's Request for Approval of a Revised Net Metering Tariff and for Variances from Certain Provisions of 4 CSR 240-20.065 Regarding Net Metering

Case No. EE-2017-0235

AFFIDAVIT OF CLAIRE M. EUBANKS, P.E.

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

COMES NOW Claire M. Eubanks, P.E., and on her oath states that she is of sound mind and lawful age; that she contributed to the foregoing Staff Recommendation in memorandum form; and that the same is true and correct according to her best knowledge and belief.

Further the Affiant sayeth not.

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JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this $23r_{\rm M}$ day of March, 2017.

Dianie L. Vau V Notary Public()

DIANNA L. VAUGHT Notary Public - Notary Seal State of Missouri Commissioned for Cole County My Commission Expires: June 28, 2019 Commission Number: 15207377