

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

<b>In the Matter of Ameren Missouri's</b>	)	
<b>Submission of its 2013-2015 RES</b>	)	<b>File No. EO-2013-0503</b>
<b>Compliance Plan</b>	)	

**COMMENTS OF MIEC**

In accordance with the Commission's July 11, 2013 Order granting the Missouri Industrial Energy Consumers ("MIEC")<sup>1</sup> an extension until August 2, 2013, to receive information and file comments, the following comments on Ameren Missouri's renewable energy standard ("RES") compliance plan are offered.

Based on a review of the model and discussions with Ameren Missouri, MIEC believes that the overall model structure is consistent with the Commission's rules pertaining to RES compliance. However, MIEC has concerns about some of the assumptions in the model and certain of the modeling techniques. While we do not believe these have a material impact on the conclusions of the current filing, they are matters of concern that could have a larger impact in future years, and which MIEC believes need to be resolved prior to Ameren's next compliance filing. These concerns are listed below.

1.     **Revenue Requirement.**   The basis for the projected revenue requirements used in the model is from the 2011 Integrated Resource Plan ("IRP"). The 2013 (first year) revenue requirement in the model exceeds the revenue requirement that resulted from Ameren Missouri's most recent general rate case<sup>2</sup> by approximately 20%.

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<sup>1</sup>Anheuser-Busch Companies, Inc., BioKyowa, Inc., The Boeing Company, Covidien, Doe Run, Explorer Pipeline, General Motors Corporation, GKN Aerospace, Hussmann Corporation, JW Aluminum, MEMC Electronic Materials, Monsanto, Procter & Gamble Company, Nestlé Purina PetCare, Noranda Aluminum and Saint Gobain.

<sup>2</sup>Case No. ER-2012-0166.

The overstatement of the 2013 revenue requirement carries through for the entire 10-year projected revenue requirement period. The higher value in the revenue requirements stream in the models will tend to somewhat overstate the amount of renewable energy resources that can be included without violating the 1% rate impact standard.

2. **Treatment of Solar Bank.** The solar bank in the model does not appropriately consider unused solar RECs from previous years, and as a result overstates the amount of solar RECS to be added in any given year.

3. **Utility-Scale Solar Resource.** The model hardwires a utility-scale solar resource as a fixed addition, not sensitive to the need for solar RECs or the market alternatives to building a utility-scale project. Given the market prices for solar RECs, as well as the implications of HB 142, MIEC (like Commission Staff) strongly recommends that this assumption be revisited and discussed with Commission Staff and other stakeholders prior to any model updates or revisions. Failure to appropriately consider these facts could make the utility rates higher than necessary.

4. **Formula Error.** There is an error in Column AQ of the model, the “New Build” ratio that needs to be corrected.

The MIEC appreciates the opportunity to submit these comments and is prepared to respond to any questions that the Commission or parties may have.

Respectfully submitted,

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#### **CERTIFICATE OF SERVICE**

I do hereby certify that a true and correct copy of the foregoing document has been emailed this \_\_\_\_ day of August, 2013, to all parties on the Commission's service list in this case.

/s/ Diana Vuylsteke