

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

In the Matter of Union Electric d/b/a Ameren Mo.'s )  
Filing of the Renewable Energy Standard ) **File No. EO-2018-0287**  
Compliance Plan 2018-2020 and Renewable )  
Energy Standard Compliance Report 2017 )

**RESPONSE OF STAFF TO AMEREN MISSOURI'S REQUEST FOR A VARIANCE  
AND SUBMISSION OF STAFF REPORTS ON AMEREN MISSOURI'S  
RENEWABLE ENERGY STANDARD COMPLIANCE PLAN 2018-2020  
AND RENEWABLE ENERGY STANDARD COMPLIANCE REPORT 2017**

**COMES NOW** the Staff of the Missouri Public Service Commission ("Staff"), through Staff Counsel's Office, and files Staff's response to the May 8, 2018 Request For A Variance of Union Electric Company, d/b/a/ Ameren Missouri ("Ameren Missouri") and files its Staff Reports on Ameren Missouri's Renewable Energy Standard Compliance Plan 2018-2020 and Renewable Energy Standard Compliance Report 2017. Staff relates that with Ameren Missouri's Request For A Variance, which Staff recommends authorization of pursuant to Commission Rule 4 CSR 240-20.100(11), it has not identified any deficiencies in Ameren Missouri's compliance with the Renewable Energy Standard ("RES"). In support thereof, Staff states as follows:

1. On April 13, 2018, Ameren Missouri filed both its Renewable Energy Standard Compliance Plan 2018-2020 and Renewable Energy Standard Compliance Report 2017 in File No. EO-2018-0287. On that date the Commission issued an Order Directing Notice in which, among other things, it directed the Staff to file its report of deficiencies no later than May 29, 2018.

2. Commission Rule 4 CSR 240-20.100(8) states in part:

Each electric utility shall file a RES compliance report no later than April 15 to report on the status of both its compliance with the RES and its compliance plan as

described in this section for the most recently completed calendar year. Each electric utility shall file an annual RES compliance plan with the commission. The plan shall be filed no later than April 15 of each year.

3. Commission Rule 4 CSR 240-20.100(8)(A) specifies what information the utility must provide in its annual RES Compliance Report. Commission Rule 4 CSR 240-20.100(8)(B) specifies what information the utility must provide in its annual RES Compliance Plan.

4. Commission Rule 4 CSR 240-20.100(8)(D) states that the Staff is to review the compliance report and the compliance plan and identify and report deficiencies:

The staff of the commission shall examine each electric utility's annual RES compliance report and RES compliance plan and file a report of its review with the commission within forty-five (45) days of the filing of the annual RES compliance report and RES compliance plan with the commission. The staff's report shall identify any deficiencies in the electric utility's compliance with the RES.

5. On May 8, 2018, Ameren Missouri filed a Request For Variance from 4 CSR 240-20.100(3)(J), which allows an electric utility to make Renewable Energy Credit ("REC") retirements in the first quarter of the year subsequent to the specified compliance year, but limits the retirements in that first quarter period to 10% of the total needed retirements. For compliance year 2017, Ameren Missouri retired just under 15% of the required RECs in the first quarter of 2018 rather than a number no greater than 10%. Ameren Missouri requested a variance for good cause shown, which is permitted pursuant to 4 CSR 240-20.100(11), upon written application, and after notice and an opportunity for hearing. Ameren Missouri explained the error and noted that the larger percentage of first quarter 2018 retirements did not impact the cost of

RECs, cost of retirements, or any of the costs of compliance with the RES. The Staff reports that Ameren Missouri retired sufficient RECs to satisfy the 2017 RES requirements.

6. Staff recommends that the Commission grant Ameren Missouri's request for a variance, and Staff does not request a hearing. Pursuant to *State ex rel. Rex Deffenderfer Enterprises, Inc. v. Public Service Commission*, 776 S.W.2d 494 (Mo.App. W.D. 1989), where there was evidence for the required determination and no adverse parties, the Western District Court of Appeals held that the requirement for a hearing contained in the statute was met when the opportunity for a hearing was provided and no proper party requested the opportunity to present evidence.

7. Regarding Ameren Missouri's *Compliance Plan 2018-2020* the Staff states in its Report that Ameren Missouri has met the minimum requirements for the *Compliance Plan*. The Staff recommends that Ameren Missouri work with Staff prior to filing its 2019-2021 *Compliance Plan* to ensure the detailed analysis required by 4 CSR 240-20.100(8)(B)1.E. is provided for the 2019-2021 *Compliance Plan* and reflects the addition of planned wind projects. Commission Rule 4 CSR 240-20.100 (8)(B)1.E. states:

(B)1. The plan shall cover the current year and the immediately following two (2) calendar years. The RES compliance plan shall include, at a minimum—

\* \* \* \*

E. A detailed analysis providing information necessary to verify that the RES compliance plan is the least cost, prudent methodology to achieve compliance with the RES;

8. Commission Rule 4 CSR 240-20.100(5) Retail Rate Impact states, in part:

(A) The retail rate impact (RRI), as calculated in subsection (5)(B), may not exceed one percent (1%) for prudent costs of

renewable energy resources directly attributable to RES compliance. The retail rate impact shall be calculated annually on an incremental basis for each planning year based on procurement or development of renewable energy resources averaged over the succeeding ten- (10-) year period. The retail rate impact shall exclude renewable energy resources owned or under contract prior to September 30, 2010.

Ameren Missouri's calculation of its retail rate impact ("RRI") provided with the *2018-2020 RES Compliance Plan* result in a *Plan* which fully meets the RES requirements, and does not exceed the 1% RRI limitation. Staff notes that there appears to be an error in the calculation which when corrected increases the RRI but the RRI is still less than the 1% limit. As a consequence, Staff does not recommend a revised calculation for 2018.

**WHEREFORE** the Staff files its response to the May 8, 2018, Request For A Variance of Ameren Missouri and files its Staff Reports on Ameren Missouri's Renewable Energy Standard Compliance Plan 2018-2020 and Renewable Energy Standard Compliance Report 2017.

Respectfully submitted,

**/s/ Steven Dottheim**

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**CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing was served via e-mail on counsel for the parties of record to this case, on this 21st day of May, 2018.

**/s/ Steven Dottheim**