

## MEMORANDUM

**TO:** Missouri Public Service Commission  
Official Case File, Case No. EO-2022-0283  
Renewable Energy Standard Compliance Plan 2022 – 2024 for  
Union Electric Company, d/b/a Ameren Missouri

**FROM:** Cedric E. Cunigan, P.E., Professional Engineer, Engineering Analysis

/s/ Cedric E. Cunigan, P.E. 07/15/2022  
Engineering Analysis / Date

/s/ Paul Graham 07/15/2022  
Staff Counsel's Office / Date

**SUBJECT:** Staff Report on Ameren Missouri's Renewable Energy Standard  
Compliance Plan 2022-2024

**DATE:** July 15, 2022

### SUMMARY

The Staff has reviewed Union Electric Company, d/b/a Ameren Missouri's ("Ameren Missouri" or "Company") *Renewable Energy Standard Compliance Plan 2022-2024* ("Plan"). Based on Staff's review, the Company has met the minimum requirements for the *Plan*.

### OVERVIEW

On April 14, 2022, the Company filed its *Plan* for calendar years 2022 through 2024, in accordance with Rule 20 CSR 4240-20.100(8), Electric Utility Renewable Energy Standard Requirements ("RES"), Annual RES Compliance Report and RES Compliance Plan. This rule states, in part, "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." Subparagraphs 20 CSR 4240-20.100(8)(B)1. A. through G. provide the minimum requirements for the plan. Subsection 20 CSR 4240-20.100(8)(D) requires that Staff examine the plan and file a report within forty-five (45) days of the filing.

### DISCUSSION

Staff reviewed the Company's *Plan* in accordance with the established requirements to verify the *Plan* contains the information required by the rule. The results of this review are detailed below, with appropriate rule subparagraphs A. through G. identified and quoted.

**A. “A specific description of the electric utility’s planned action to comply with the RES;”**

Ameren Missouri generally described its planned actions to comply with the RES for the 2022-2024 timeframe. Ameren Missouri intends to use RECs from all owned resources, but still anticipates a shortfall for the planning period. The Company expects to make REC purchases in the 2022-2024 timeframe. The Company considered the cost of REC purchases in its retail rate impact (“RRI”) calculation.

The Company explains in the *Plan* that it will continue to utilize renewable energy certificates (“RECs”) from the Keokuk Hydroelectric Generating Station (“Keokuk”), the Maryland Heights Renewable Energy Center (“MHREC”) which utilizes landfill gas, High Prairie Renewable Energy Center (HPREC”), Atchison County Renewable Energy Center (“AREC”), and a purchased power agreement (“PPA”) from the Pioneer Prairie II Wind Farm (“Pioneer Prairie”). MHREC, AREC, HPREC, qualify for the Missouri in-state one and twenty-five hundredths (1.25) credit.

For solar compliance, the Company will utilize solar renewable energy credits (“S-RECs”) from net-metered customers, the solar generation facility installed at the Company headquarters, The BJC Solar facility, O’Fallon Renewable Energy Center (“OREC”), and neighborhood solar facilities. The net-metered systems and Company-owned solar generation will qualify for the Missouri in-state one and twenty-five hundredths (1.25) credit.<sup>1</sup> The Company also has plans for constructing a 200 MW solar facility scheduled by late 2024.

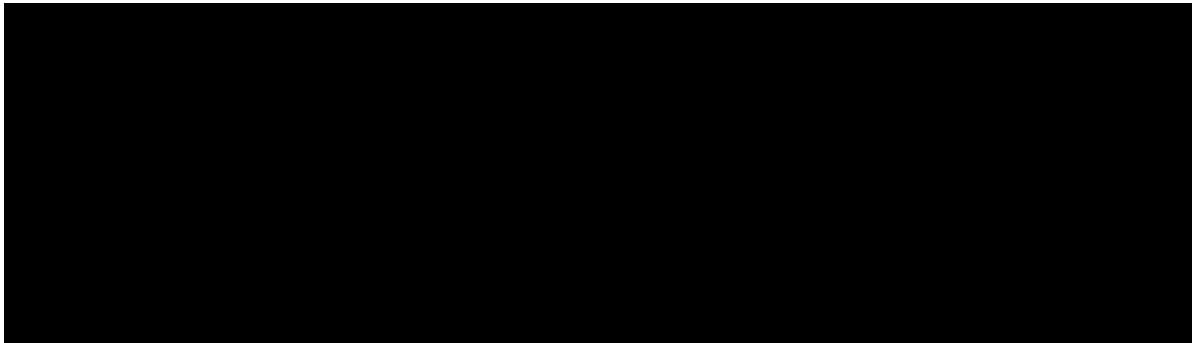
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<sup>1</sup> Section 393.1030.1., RSMo; Rule 20 CSR 4240-20.100(3)(G).

**B. “A list of executed contracts to purchase RECs (whether or not bundled with energy), including type of renewable energy resource, expected amount of energy to be delivered, and contract duration and terms;”**

Table 3 on page 11 of the *Plan* includes a list of executed contracts, the type of renewable energy, the expected energy to be delivered and contract duration and terms. The Company provided the following information regarding its executed contracts:

**\*\* Table Confidential \*\***



\*\* [Redacted]  
[Redacted]  
[Redacted]  
[Redacted]

<sup>2</sup> \*\* A full list of customer generators was provided in Exhibit 6 of the 2021 Compliance Report.

**C. “The projected total retail electric sales for each year;”**

The Company provided values for its projected retail electric sales. The values appear to be reasonable estimates.

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<sup>2</sup> HB 142 passed on July 3, 2013, and required that any customer receiving a solar rebate would transfer to the electric utility all right, title, and interest in and to RECs associated with new or expanded solar systems that qualified the customer for the rebate for a period of 10 years from the date the system is confirmed to be installed and operational by the utility. This change is codified in 20 CSR 4240-20.065(3), which set the start of this change for all systems operational after August 28, 2013.

**D. “Any differences, as a result of RES compliance, from the utility’s preferred resource plan as described in the most recent electric utility resource plan filed with the commission in accordance with 20 CSR 4240-22, Electric Utility Resource Planning;”**

The Company submitted its Integrated Resource Plan (IRP) on October 1, 2021. The Company filed a Notice of Change in Preferred Resource Plan on June 22, 2022. The *Preferred Resource Plan* filed on June 22, 2022 includes 5,400 MW of combined wind and solar additions by 2040, with 3,500 MW of renewables added by 2030, though all of the renewable generation is not intended to be used for RES compliance. A portion, approximately 700 MW, of this goal has been reached with recent wind additions. The Company reports that a 200 MW solar facility is planned for 2024. The *Plan* is consistent with the Preferred Resource Plan over the 2022-2024 planning period.

**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;”**

The Company discussed items of cost related to RES compliance for the planning period on pages 11 and 12 of its *Plan*. The *Plan* includes costs related to new wind resources and also new solar resources required by Senate Bill 564.<sup>3</sup> Staff wants it to be clear that when it states it has not identified any deficiencies in Ameren Missouri’s *Plan*, Staff has not made a ratemaking determination whether the *Plan* is the least cost, prudent method in complying with the RES, and suggests the Commission be clear in any Order it may issue in this case that it is not making any ratemaking determination.

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<sup>3</sup> Section 393.1665 RSMo.

- F. “A calculation of the RES retail rate impact limit calculated in accordance with section (5) of this rule. The calculation should be accompanied by workpapers including all the relevant inputs used to calculate the retail rate impact limits for the planning interval which is included in the RES compliance plan. The electric utility may designate all or part of those calculations as highly confidential, proprietary, or public as appropriate under the commission’s rules;”**

The Company provided a description of the RRI calculation on pages 12-13 of the *Plan* and provided the associated workpaper. The workpaper models unconstrained renewable additions to meet the requirements and constrained renewable additions to remain under the 1% RRI limitation.

- G. “Verification that the utility has met the requirements for not causing undue adverse air, water, or land use impacts pursuant to subsection 393.1030.4. RSMo, and the regulations of the division.”**

The Company states that the generating facilities utilized to meet the RES requirements have been certified by the Missouri Department of Economic Development, now the Missouri Department of Natural Resources, Division of Energy.<sup>4</sup> Staff confirmed the existing renewable resources Ameren Missouri intends to utilize over the planning period have been certified by the Missouri Department of Natural Resources, Division of Energy, with the exception of recent solar customer-generators still pending approval.

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<sup>4</sup> Rule 10 CSR 140-8.010(4).

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

In the Matter of Union Electric Company )  
d/b/a Ameren Missouri's Filing of the ) File No. EO-2022-0283  
Renewable Energy Standard Compliance )  
Plan and Renewable Energy Compliance )  
Report pursuant to 20 CSR 4240-20.100 )

**AFFIDAVIT OF CEDRIC E. CUNIGAN, PE**

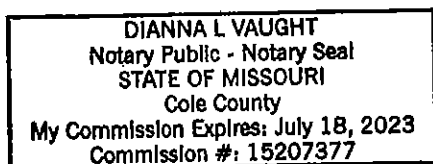
STATE OF MISSOURI )  
 ) ss  
COUNTY OF COLE )

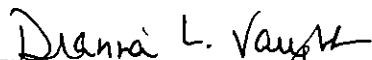
**COMES NOW**, Cedric E. Cunigan, PE, and on his oath declares that he is of sound mind and lawful age; that he contributed to the attached *Staff Report on Ameren Missouri's Renewable Energy Standard Compliance Plan 2022-2024, in Memorandum form*; and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.

  
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Cedric E. Cunigan

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 15<sup>th</sup> day of July, 2022.



  
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Notary Public