

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

In the Matter of the Renewable Energy Standard            )  
Compliance Report 2014 and Renewable Energy            )            File No. EO-2015-0267  
Standard Compliance Plan 2015-2017                        )

**MISSOURI DIVISION OF ENERGY’S COMMENTS**

The Missouri Department of Economic Development – Division of Energy (“DE”), pursuant to 4 CSR 240-20.100, respectfully submits the following comments in response to the 2014 Renewable Energy Standard (“RES”) Compliance Report and the 2015-2017 Renewable Energy Standard Compliance Plan of Ameren Missouri (“Ameren”).

**Comments on 2014 RES Compliance Report**

1. DE confirms that it has certified all renewable energy generation facilities referred to in Ameren’s Compliance Report, including Keokuk Energy Park, Pioneer Prairie Wind Farm 1, Maryland Heights Renewable Energy Center (“MHREC”), Ameren Missouri General Office Building Solar, O’Fallon Renewable Energy Center (“OREC”), and solar RECs from Ameren’s customers pursuant to 4 CSR 340-8.010.

**Comments on 2015-2017 RES Compliance Plan**

1. In the first paragraph under the REC Registration Fees section on page 15, “Ameren” in the phrase “the North Ameren Renewable Registry” should be “American”.
2. While Ameren provided a continuously improved retail rate impact (“RRI”) calculation, DE’s concerns over the methodology and validity of the model remain. The updated calculation continues to rely on linear statistical modeling which has not been shown to adequately account for various interrelated variables and constraints. Since those

variables and constraints may interact with each other in an apparently non-linear way, an iterative dynamic optimization model is likely needed to reflect several limiting factors over the 10-year planning period. A conceptual model or a simplified flowchart explaining the data sources, assumptions, scenarios and the underlying interrelationships between various variables that interact in the model should be provided as supporting documentation. In addition, Ameren hasn't provided any information on the RRI model's validity. Even though Ameren's calculation may appear to meet all provisions required in the Public Service Commission ("PSC") rule, it does not equally indicate this model's validity both statistically and mathematically. Another model based on significantly different methodology and assumptions, while meeting the same PSC rule requirements, would possibly yield different, perhaps even opposite results in some cases. Without a sound process of validating the model by comparing historical data with modeling results, it will be difficult to justify the legitimacy of the model or to justify why this model or methodology should be chosen over others. DE suggests that Ameren develop the appropriate method to validate the RRI model under various scenarios and share the process and results with stakeholders.

3. Also, incorporating the Integrated Resource Plan ("IRP") results, which are a long-term plan with embedded uncertainties, into the RRI model which is characterized by a forward-looking approach adds significant additional uncertainty and complexity. Similar to analyzing many alternative resource plans in the IRP, DE suggests that Ameren run the RRI calculation under different scenarios of future renewable energy resources additions and acquisitions and share that analysis with stakeholders.

Respectfully submitted,

/s/ Alexander Antal

Alexander Antal

Associate General Counsel

Missouri Bar No. 65487

Department of Economic Development

P.O. Box 1157

Jefferson City, MO 65102

Phone: 573-522-3304

Fax: 573-526-7700

alexander.antal@ded.mo.gov

**Attorney for Missouri Division of Energy**

**CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been served electronically on all counsel of record this 29<sup>th</sup> day of June, 2015.

/s/Alexander Antal

Alexander Antal