

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

In the Matter of a Determination of Special)	
Contemporary Resource Planning Issues to be)	<u>File No. EO-2015-0039</u>
Addressed by Ameren Missouri in its Next)	
Triennial Compliance Filing or Next Annual)	
Update Report)	

**STAFF'S RECOMMENDATION TO GRANT AMEREN MISSOURI A VARIANCE
FROM 4 CSR 240-22.080(3) SUBJECT TO CERTAIN REQUIREMENTS**

COMES NOW the Staff of the Missouri Public Service Commission ("Commission"), by and through counsel, and, pursuant to 4 CSR 240-22.080(4) and the Commission's September 4, 2014 *Order Establishing Time To Respond To Request For Waiver*, states as follows:

1. Ameren Missouri will make its next Chapter 22 triennial compliance filing on October 1, 2014, as a result of the Commission's *Order Granting Variance* issued on December 19, 2012, in File No. EE-2012-0312.

2. Ameren Missouri is currently required to file an annual update report at least twenty (20) days prior to holding an annual update workshop with its stakeholder group on or about April 1, 2015, to comply with Commission Rule 4 CSR 240-22.080(3). The purpose of the annual update workshop is to ensure that members of the stakeholder group have the opportunity to provide input and to stay informed regarding the:

- a) Utility's current preferred resource plan;
- b) Status of the identified critical uncertain factors;
- c) Utility's progress in implementing the resource acquisition strategy;

- d) Analyses and conclusions regarding any special contemporary issues that may have been identified pursuant to 4 CSR 240-22.080(4);
- e) Resolution of any deficiencies or concerns pursuant to 4 CSR 240-22.080(16); and
- f) Changing conditions generally.

3. Commission Rule 4 CSR 240-22.080(7) requires that Staff conduct a review and file a report concerning its review of Ameren Missouri's October 1, 2014 triennial compliance filing within one hundred fifty (150) days of the triennial compliance filing – by February 28, 2015, approximately 31 days prior to the now-required annual update workshop date of on or about April 1, 2015.

4. Commission Rule 4 CSR 240-22.080(9) provides that if the Staff, Public Counsel, or any intervenor finds deficiencies in or concerns with the October 1, 2014 triennial compliance filing, it shall work with Ameren Missouri and the other parties to reach, within sixty (60) days of the date that the report or comments were submitted (February 28, 2015), a joint agreement on a plan to remedy the identified deficiencies and concerns. If full agreement cannot be reached, this should be reported to the Commission through a joint filing as soon as possible but no later than sixty (60) days after the date on which the report or comments were submitted. The joint filing should set out in brief narrative description those areas on which agreement cannot be reached. The resolution of any deficiencies and concerns shall also be noted in the joint filing. Sixty (60) days after February 28, 2015 is April 29, 2015.

5. Commission Rule 4 CSR 240-22.080(10) provides that if full agreement on remedying deficiencies or concerns is not reached, then, within sixty (60) days from

the date on which the Staff, Public Counsel, or any intervenor submitted a report or comments relating to the electric utility's triennial compliance filing, the electric utility may file a response and the Staff, Public Counsel, and any intervenor may file comments in response to each other. The Commission will issue an order which indicates on what items, if any, a hearing will be held and which establishes a procedural schedule.

6. Commission Rule 4 CSR 240-22.080(16) provides that for each Chapter 22 triennial compliance filing the Commission will issue an order which contains its findings regarding at least one (1) of the following options:

a) That the electric utility's filing pursuant to this rule either does or does not demonstrate compliance with the requirements of this chapter, and that the utility's resource acquisition strategy either does or does not meet the requirements stated in 4 CSR 240-22.

b) That the Commission approves or disapproves the joint filing on the remedies to the plan deficiencies or concerns developed pursuant to section (9) of this rule;

c) That the Commission understands that full agreement on remedying deficiencies or concerns is not reached and pursuant to section (10) of this rule, the Commission will issue an order which indicates on what items, if any, a hearing(s) will be held and which establishes a procedural schedule; and

d) That the Commission establishes a procedural schedule for filings and a hearing(s), if necessary, to remedy deficiencies or concerns as specified by the Commission.

7. In Ameren Missouri's two (2) most recent Chapter 22 triennial compliance filings in File Nos. EO-2007-0409 and EO-2011-0271, the Commission's orders containing its findings were issued over one year after the date on which the triennial compliance filing was made.¹

8. Good cause exists for the Commission to grant Ameren Missouri a variance from the requirements of 4 CSR 240-22.080(3) to file an annual update report at least 20 days prior to holding an annual update workshop with its stakeholder group on or about April 1, 2015, because it is a virtual certainty that on or about April 1, 2015 Ameren Missouri, Staff, Public Counsel, or other intervenors will be actively engaged in discussions concerning a joint agreement on a plan to remedy deficiencies and concerns identified by Staff, Public Counsel and intervenors. Discussions concerning a joint filing should be the focus of Ameren Missouri and its stakeholders on or about April 1, 2015. Further, it would not be efficient to require Ameren Missouri to file an annual update report at least 20 days prior to holding an annual update workshop with its stakeholder group on or about April 1, 2015, because the fundamental purpose of the annual update report and stakeholder meeting is to review changing conditions since the last filed triennial compliance filing or annual update filing, and on or about April 1, 2015, and the Commission will not have yet issued an order which contains its findings concerning the triennial compliance filing.

¹ Ameren Missouri filed its 2008 Chapter 22 triennial compliance filing in File No. EO-2007-0409 on February 5, 2008, and the Commission's *Final Order Regarding AmerenUE's 2008 Integrated Resource Plan* was issued on February 19, 2009. Ameren Missouri filed its 2011 Chapter 22 triennial compliance filing in File No. EO-2011-0271 on February 23, 2011, and the Commission's *Report and Order* was issued on March 28, 2012.

9. Should the Commission grant Ameren Missouri a variance of 4 CSR 240-22.080(3) for 2015, there would be no reason for the Commission to order special resource planning issues to be addressed in Ameren Missouri's 2015 annual update report, because there will be no 2015 annual update report in which to report its analysis and conclusions regarding any special contemporary issues that may have been identified pursuant to 4 CSR 240-22.080(4).

10. While it is not an efficient use of time for Ameren Missouri and its stakeholders to comply fully with 4 CSR 240-22.080(3) in 2015, Staff believes that certain items listed in 4 CSR 240-22.080(3)(A) should be analyzed and a status report should be filed by Ameren Missouri on April 1, 2015, to inform the Commission and stakeholders of these matters. Further, stakeholders should be afforded an opportunity to submit comments in responses to the status report. For instance, because Ameren Missouri's analysis of critical uncertain factors was performed many months prior to Ameren Missouri's filing of its triennial compliance filing, it would be informative to the Commission and the stakeholders for Ameren Missouri to report the status of the critical uncertain factors in its 2014 triennial compliance filing on April 1, 2015. Because Ameren Missouri's resource acquisition strategy will change on October 1, 2014 as a result of Ameren Missouri's 2014 triennial compliance filing, the Company should provide the Commission and stakeholders a status report on the progress of the implementation of the new resource acquisition strategy and the status of changing conditions which may impact Ameren Missouri's resource acquisition strategy, including the security of Ameren Missouri's electricity generation and delivery systems and the

potential for distributed generation - especially solar distributed generation – in the Ameren Missouri service territory, on April 1, 2015.

11. Therefore, for the reasons stated above, Staff recommends that the Commission:

a) Grant Ameren Missouri a variance from 4 CSR 240-22.080(3), thereby relieving the Company of the requirement to file an annual update report at least 20 days prior to holding an annual update workshop with its stakeholder group on or about April 1, 2015;

b) Order Ameren Missouri to file by April 1, 2015, a status report which summarizes:

- i. Status of the critical uncertain factors in Ameren Missouri's Chapter 22 triennial compliance filing;
- ii. Ameren Missouri's progress in implementing the resource acquisition strategy in its Chapter 22 triennial compliance filing;
- iii. Changing conditions generally which are or may impact Ameren Missouri's resource acquisition strategy;
- iv. Ameren Missouri's current, near term (next three years) and long term activities, plans and costs to protect its electrical system infrastructure from cyber, physical and electromagnetic pulse ("EMP") threats and indicate any potential impact on the Company's preferred resource plan; and,
- v. The range of potential levels of distributed generation in the Company's service territory for the 20-year planning horizon and the potential impacts

of each identified level of distributed generation, and in particular distributed solar generation, on the Company's preferred resource plan. The potential impacts should quantify both the amount of electrical energy the distributed generation is expected to provide to the grid and the amount of electrical energy that the distributed generation customer is consuming on site that will offset the amount that the Company would normally provide.

c) Provide the opportunity for Ameren Missouri's stakeholder group to file comments with the Commission concerning Ameren Missouri's April 1, 2015 status report by not later than May 1, 2015; and

d) Should the Commission order Ameren Missouri to provide a status report as described in paragraph b) above, the Staff recommends the Commission not order any special contemporary resource planning issues for Ameren Missouri in this file.

WHEREFORE, the Staff prays the Commission accept Staff's recommendations.

Respectfully Submitted,

/s/ Robert S. Berlin

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered or transmitted by facsimile or electronic mail to all counsel of record this 15th day of September, 2014.

/s/ Robert S. Berlin