

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

In The Matter of the Application of Union )  
Electric Company d/b/a/ Ameren Missouri ) File No. ET-2018-0132  
For Approval of Efficient Electrification Program )

**MISSOURI DIVISION OF ENERGY'S  
INITIAL POST-HEARING BRIEF**

COMES NOW the Missouri Department of Economic Development – Division of Energy (“DE”), by and through the undersigned counsel, and for its *Initial Post-Hearing Brief* in the above-styled matter states as follows:

**Division of Energy’s Positions and Recommendation**

DE sponsored the pre-filed Rebuttal and Surrebuttal Testimonies of Ms. Cherylyn Kelley. In her testimony, Ms. Kelley recommends that the Missouri Public Service Commission (“Commission”) approve a modified version of Ameren Missouri’s Charge Ahead – Electric Vehicles Program. The rebate program facilitates the creation of a minimum practical network of charging stations in the state by stimulating private investment in the market.

The cost of building charging stations is an impediment to private industry investment in the electric vehicle charging station (“EVCS”) market, as well as a barrier to creating an environment in which Missourians can be secure and comfortable using electric vehicles – or in which non-residents (e.g., tourists, shippers) can have confidence driving electric vehicles through the state.<sup>1</sup> The lack of EVCSs in critical locations and the insufficient availability of funds to build out the infrastructure threaten Missouri’s

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<sup>1</sup> *Id.*, p. 4, ll. 5-13.

preparedness to meet the growing market trend toward electric vehicles.<sup>2</sup>

Sufficient evidence has been provided that there is a need for the Charge Ahead – Electric Vehicles Program. The new load from electric vehicles is flexible and can be managed to the benefit of all ratepayers by spreading the recovery of utility distribution costs across a larger sales volume, putting downward pressure on electricity rates for all customers.<sup>3</sup> Electric vehicles can also provide other benefits related to economic development, job creation, energy independence, and improved air quality.<sup>4</sup> While there are an increased number of charging stations in the more densely populated areas of the state and on some roadways, the infrastructure is inadequate elsewhere.<sup>5</sup>

DE recommends allocating 10% of total program funds to support charging station deployment in underserved and low-income communities in the Ameren Missouri service territory.<sup>6</sup> The 10% allocation was based on a utility program in Massachusetts.<sup>7</sup> The allocation to such areas will promote more equitable access to electric vehicle charging and the associated benefits of cost savings resulting from electric vehicle use, reduced vehicle pollution, and improved health.<sup>8</sup> Individuals traveling to and through such communities would also have greater assurance that they can recharge their vehicles, further enabling these communities to participate in Missouri’s economic advancement. Ms. Kelley stated at the evidentiary hearing in this matter that DE is willing to work collaboratively with stakeholders to examine potential lessons from the use of Kansas City Power & Light Company’s (“KCP&L”) Clean Charge Network in low-income areas.<sup>9</sup>

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<sup>2</sup> *Id.*, p. 5, l. 7 and p. 6, ll. 1-2 and 6-10, and ET-2018-0132, Ex. 301, p. 3, ll. 9-12.

<sup>3</sup> ET-2018-0132, Ex. 300, p. 8, ll. 5-18.

<sup>4</sup> *Id.*, pp. 9-10, ll. 1-18 and 1-4.

<sup>5</sup> *Id.*, pp. 3-4, ll. 12-20 and 1-4, and p. 5, ll. 1-2.

<sup>6</sup> ET-2018-0132, Ex. 300, pp. 11-12, ll. 20-21 and 1.

<sup>7</sup> ET-2018-0132, Tr. Vol. 2, p. 290, ll. 9-20.

<sup>8</sup> ET-2018-0132, Ex. 300, p. 10, ll. 7-15 and ET-2018-0132, Ex. 301, pp. 2-3, ll. 17-19 and 1-8.

<sup>9</sup> ET-2018-0132, Tr. Vol. 2, p. 289, ll. 2-10.

Additionally, DE recommends emphasizing outreach and education in low-income and disadvantaged areas in addition to the general population regarding electric vehicles,<sup>10</sup> as well as a working group to evaluate additional barriers to electrification in low-income areas and assist in identifying additional funding sources to expand transportation electrification in these communities.<sup>11</sup>

### **Statutory Authority**

At the evidentiary hearing in this matter, Chairman Ryan A. Silvey inquired of the undersigned counsel as to the authority for implementing recommendations.<sup>12</sup> Counsel notes that the Commission has broad powers under Sections 386.250 and 393.140, RSMo. Section 386.250, RSMo. provides as follows:

The jurisdiction, supervision, powers and duties of the public service commission herein created and established shall extend under this chapter:

(1) To the manufacture, sale or distribution of ... electricity for light, heat and power, within the state, and to persons or corporations owning, leasing, operating or controlling the same; and to ... electric plants, and to persons or corporations owning, leasing, operating or controlling the same; ...

(7) To such other and further extent, and to all such other and additional matters and things, and in such further respects as may herein appear, either expressly or impliedly.

Under Section 393.140, RSMo.:

The commission shall:

(1) Have general supervision of all ... electrical corporations ... having

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<sup>10</sup> ET-2018-0132, Ex. 300, p. 12, ll. 1-7.

<sup>11</sup> ET-2018-0132, Ex. 301, pp. 4-5, ll. 12-20 and 1-7.

<sup>12</sup> ET-2018-0132, Tr. Vol. 2, pp. 58-59, ll. 24-25 and 1-4.

authority under any special or general law or under any charter or franchise to lay down, erect or maintain wires, pipes, conduits, ducts or other fixtures in, over or under the streets, highways and public places of any municipality, for the purpose of ... furnishing or transmitting electricity for light, heat or power, or maintaining underground conduits or ducts for electrical conductors, ... and all ... electric plants ... owned, leased or operated by ... electrical corporation ....

(2) ... examine or investigate the methods employed by such persons and corporations in manufacturing, distributing and supplying ... electricity for light, heat or power and in transmitting the same, ... and have power to order such reasonable improvements as will best promote the public interest, preserve the public health and protect those using such ... electricity ..., and those employed in the manufacture and distribution thereof, and have power to order reasonable improvements and extensions of the works, wires, poles, pipes, lines, conduits, ducts and other reasonable devices, apparatus and property of ... electrical corporations. ...

(5) Examine all persons and corporations under its supervision and keep informed as to the methods, practices, regulations and property employed by them in the transaction of their business. Whenever the commission shall be of the opinion, after a hearing had upon its own motion or upon complaint, that the ... acts or regulations of any such persons or corporations are unjust, unreasonable, unjustly discriminatory or unduly preferential or in any wise in violation of any provision of law, the commission shall determine and prescribe ... the just and reasonable acts

and regulations to be done and observed; and whenever the commission shall be of the opinion, after a hearing had upon its own motion or upon complaints, that the property, equipment or appliances of any such person or corporation are ... insufficient or inadequate, the commission shall determine and prescribe the ... efficient and adequate property, equipment and appliances thereafter to be used, maintained and operated for the security and accommodation of the public and in compliance with the provisions of law and of their franchises and charters. ...

As noted by the Western District Court of Appeals in its recent decision on KCP&L's EVCSs:

Where particular utility activities fall within the Commission's regulatory jurisdiction, the Commission has the authority to review the prudence of those activities; it may have authority to approve or disapprove particular expenditures before they occur; and it may have the ability through rate-design mechanisms to specify that the costs of particular activities will be borne solely by particular classes of ratepayers. ... Our conclusion that KCP&L's electric vehicle charging stations constitute "electric plant" within the meaning of § 386.020(14) does not leave the Commission without remedy; to the contrary, it provides a basis for the Commission to exercise its full range of regulatory authorities with respect to those stations.<sup>13</sup>

In summary, the Commission has the authority to order DE's recommendations, which would support equitable access to charging infrastructure and its associated

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<sup>13</sup> *In the Matter of Kansas City Power and Light Co v. Missouri P.S.C., et al*, WD 80911, 2018 WL 3730901, pages 18-19 (Mo. App. August 7, 2018).

benefits.

WHEREFORE, the Missouri Division of Energy respectfully files its *Initial Post-Hearing Brief*.

Respectfully submitted,

/s/ Michael Lanahan

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**CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been served electronically on all counsel of record this 7<sup>th</sup> day of January, 2019.

/s/ Michael Lanahan

Michael Lanahan