# BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Ameren Missouri's Application	)	
For Authorization to Suspend Payment of Solar	)	File No. ET-2014-0350
Rebates	)	Tariff No. YE-2014-0494

### STAFF'S RESPONSE TO RENEW MISSOURI'S APPLICATION FOR REHEARING

**COMES NOW** Staff of the Missouri Public Service Commission, by and through counsel, and pursuant to the Commission's September 18, 2014 *Order Directing Filing* submits this Staff Response to Renew Missouri's Application For Rehearing, and in support thereof states the following:

- 1. On August 20, 2014, the Commission issued its *Order Regarding Tariff* (*Order*) approving a tariff change allowing Ameren Missouri to suspend payment of solar rebates after it has paid the previously agreed upon amount of solar rebates \$91.9 million. The Order implements the terms of the Commission-approved Stipulation and Agreement and the compliance tariffs filed therewith in File No. ET-2014-0085.
- 2. On August 29, 2014, Earth Island Institute d/b/a Renew Missouri (Renew Missouri) filed its *Application for Rehearing (Application)*. The *Application* makes two allegations: (1) The Commission Did Not Make the Required Determination that Ameren Missouri Had Reached or Would Reach its 1% Retail Rate Impact Limit, and (2) The Commission Failed to Approve Ameren Missouri's Tariff Application Within the 60 Day Time Period.
- 3. On September 8, 2014, Ameren Missouri filed Ameren Missouri's Response To Renew Missouri's Application For Rehearing (Response). In its

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<sup>&</sup>lt;sup>1</sup> Order Approving Stipulation and Agreement dated Nov. 13, 2013; Order Approving Tariff and Granting Variance dated Dec. 12, 2013; and Order Revising variance and Approving Tariff dated Feb. 5, 2014.

Response, the Company made legal arguments in opposition to Renew Missouri's Application. The Staff agrees with the arguments made by Ameren Missouri in its opposition to Renew Missouri's Application and offers for Commission consideration the following additional points in opposition to the allegations made in the Application.

### 1% Retail Rate Impact (RRI) Determination

- 4. Renew Missouri argues that the Commission did not make the required determination that Ameren Missouri has reached or would reach its 1% RRI limit in order to meet the requirement of Section 393.1030.3 RSMo (Cum. Supp. 2013).<sup>2</sup> Staff notes that the Commission Order did not expressly find that the maximum average retail rate increase will be reached.
- 5. In its Application For Authority To Suspend Payment Of Solar Rebates, Ameren Missouri requested "...that the Commission authorize it to suspend solar rebate payments by confirming Ameren Missouri's calculation of the 1% Maximum Average Retail Rate Increase...". In support, Ameren Missouri attached to its pleading Schedule 1HC which set forth the required calculation of the 1% Retail Rate Impact of its compliance costs with Missouri's Renewable Energy Standard (RES) statute, Section 393.1030.
- 6. Upon review of Ameren Missouri's *Application* and supporting Schedule 1HC, the Staff filed its recommendation that "...the Commission should grant Ameren Missouri's request to confirm the Company's calculation of the 1% Maximum Average

final commission ruling...."

<sup>&</sup>lt;sup>2</sup> Section 393.1030.3 states in pertinent part "...The filing with the commission to suspend the electrical corporation's rebate tariff shall include the calculation reflecting that the maximum average retail rate increase with be reached and supporting documentation reflecting that the maximum average retail rate increase will be reached. The commission shall rule on the suspension filing within sixty days of the date it is filed. If the commission determines that the maximum average retail rate increase will be reached, the commission shall approve the tariff suspension. The electric utility shall continue to process and pay applicable solar rebates until a

Retail Rate Increase."<sup>3</sup> In further explanation the Staff points out that the "Report" tab of Ameren Missouri's Schedule 1HC shows the 1% Maximum Average Retail Rate Increase and also illustrates that the 1% increase would be exceeded if the Company spends the agreed on \$91.9 million for solar rebates and builds all originally planned wind generation to meet its RES requirements. The "Report" also shows a revised plan that scales back planned wind generation so that the Company will not exceed its 1% Maximum Average Retail Rate increase.

- 7. In a case similar to this, File No. ET-2014-0277, KCP&L Greater Missouri Operations Company (GMO) also sought Commission approval to suspend its solar rebate payments when it reached its agreed on payment limit. In the Commission's Order Approving Tariff the Commission made the express finding "Upon review of the pleadings, the Commission finds that the maximum average retail rate increase will be reached." This finding fulfills the Section 393.1030.3 requirement for a Commission determination that the 1% retail rate increase will be reached. Likewise the Staff believes a similar finding by the Commission is necessary in this case.
- 8. Therefore, consistent with Staff's filed recommendation, with Ameren Missouri's requested relief as supported in its *Application* and renewed in its *Response*, and in recognition of the agreed on \$91.9 million solar rebate payment limit in the Stipulation and Agreement approved by the Commission in File No. ET-2014-0085, the Staff recommends the Commission based upon the clear and substantial evidence in the record revise or modify its Order to include an express finding confirming that

<sup>3</sup> Staff Recommendation To Approve Suspension of Solar Rebate Payments And Tariff Sheet YE-2014-0494, dated June 23, 2014.

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Ameren Missouri will reach its maximum average retail rate increase because such an express finding meets the requirement of Section 393.1030.3 RSMo.

## **60 Day Time Period**

- 9. In its *Application*, Renew Missouri alleges the Commission did not comply with the statutory requirement that "The commission shall rule on the suspension filing within sixty days of the date it is filed." (citing to Section 393.1030.3). Renew Missouri states that "Ameren Missouri filed its *Application* on May 23, 2014 and the Commission issued its *Order Regarding Tariff* on August 20, 2014, well beyond the 60 day deadline."
- 10. Though Staff agrees that Renew Missouri has stated the dates correctly, it's allegation that the Commission failed to suspend the tariff within sixty days is not well taken. Renew Missouri has overlooked the intervening fact that on June 23, 2014, the Cole County Circuit Court issued a *Preliminary Order in Prohibition (Preliminary Order)* which restrained the Commission from acting upon pending solar rebate cases (14AC-CC00316). In effect, the Preliminary Order stayed solar rebate proceedings at the Commission until the Preliminary Order was vacated by the Court on August 15, 2014. But for the period of June 23 through August 15 when solar rebate proceedings at the Commission were stayed by court order, the Commission acted well within 60 days as called for under Section 393.1030.3.

WHEREFORE, Staff prays the Commission accept its response to Renew Missouri's Application for Rehearing, deny the Application, and modify its Order to include an express finding that Ameren Missouri's 1% maximum average retail rate increase will be reached.

Respectfully submitted,

#### /s/ Robert S. Berlin

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# **CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing was served electronically on this 26<sup>th</sup> day of September, 2014 to the parties of record as set out on the official Service List maintained by the Data Center of the Missouri Public Service Commission for this case.

/s/ Robert S. Berlin