MEMORANDUM

TO: Missouri Public Service Commission Official Case File Case No. EE-2022-0329, Tariff File No. JE-2022-0274 In the Matter of Union Electric Company d/b/a Ameren Missouri's Request for a Waiver from Tariff Sheets 146 through 150

FROM: Claire M. Eubanks, PE, Engineering Analysis

/s/ Claire M. Eubanks, PE 07-11-22/s/ Jeffrey A. Keevil Date 07-11-22Engineering Analysis / DateStaff Counsel's Office / Date

- SUBJECT: Staff Recommendation to approve Ameren Missouri's Compliance Tariff Sheets, Tracking No. JE-2022-0274
- **DATE:** July 11, 2022

OVERVIEW

On May 27, 2022 the Union Electric Company, d/b/a Ameren Missouri ("Ameren Missouri") filed a Request for a Waiver from Tariff Sheets 146 through 150. Tariff Sheets 146 through 150 contain Ameren Missouri's Emergency Energy Conservation Procedures. In its *Order Granting Waivers and Granting Expedited Treatment*, the Commission granted Ameren Missouri a waiver through July 23, 2022 to temporarily modify Ameren Missouri's Emergency Energy Conservation Procedures and ordered Ameren Missouri to submit its proposed tariffs revising its Emergency Energy Conservation Procedures and ordered Ameren Missouri to submit its proposed tariffs revising its Emergency Energy Conservation Procedure no later than June 10, 2022. Ameren Missouri filed its proposed tariff sheets Mo. P.S.C. Schedule 6, Sheets 146 through Sheet 150 on June 9, 2022, with a proposed effective date of July 9, 2022. Thereafter, after consultation with Staff, Ameren Missouri voluntarily extended the proposed effective date of the tariff sheets to August 9, 2022.

DISCUSSION

Ameren Missouri's existing Emergency Energy Conservation Procedure requires Ameren Missouri to take certain actions based on its fossil fuel supply. Electric utilities developed these procedures in the 1970s in response to a lengthy United Mine Workers strike. Ameren Missouri's existing procedure requires public appeals for energy conservation and requires the Company to implement curtailments of certain customers at various thresholds based on its fossil fuel supply. MO PSC Case No. EE-2022-0329 Official Case File Memorandum July 11, 2022 Page 2 of 4

The existing procedure initially triggers when Ameren Missouri's fossil fuel inventory is decreasing, interruptions to deliveries are anticipated, and the fossil fuel inventory is only sufficient for approximately 50 days of generation at normal operating levels. While fossil fuel supply is still a valuable indicator of generator reliability, the thresholds in Ameren Missouri's existing procedures would trigger public notifications which would in some situations be unnecessarily alarmist and confusing to customers.

Staff initially suggested¹ Ameren Missouri implement changes to its Emergency Energy Conservation Procedures in its report on *The Cause of the February 2021 Cold Weather Event and its Impact on Union Electric Company d/b/a Ameren Missouri*, File No. EO-2021-0358, because there is no guidance or procedure outlined in its tariff for curtailment situations other than fossil fuel shortages (and MEEIA programs).²

NERC recently released its 2022 Summer Reliability Assessment which notes the potential for operating risk during peak summer conditions, particularly in the MISO North/Central region.³ Staff is concerned with the confusion that may arise if Ameren Missouri's existing Emergency Energy Conservation Procedure is triggered due to coal supply issues near the time of 2022 peak summer conditions when there is also risk of MISO initiation of emergency procedures due to the capacity outlook in the region.

Ameren Missouri's proposed tariff notes it will comply with the following emergency plans and load reduction procedures:

- (a) MISO's Market Capacity Emergency Operating Procedure;
- (b) NERC's Emergency Operations Procedure;
- (c) NERC's Emergency Preparedness and Operations Procedure;
- (d) the Ameren Capacity and Emergency Plan; and
- (e) the Ameren Load Reduction Procedure.

¹ Staff again suggested Ameren Missouri review its Emergency Energy Conservation Procedures in *Staff's Initial Investigation Report of Rush Island Energy Center Belonging to Union Electric Company d/b/a Ameren Missouri*, File No. EO-2022-0215, page 13.

² Page 67.

³ <u>2022 SRA Draft (nerc.com)</u>.

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Ameren Missouri's proposed tariff includes a provision that, in its discretion, it will not interrupt circuits critical for the operation of the system or critical loads that are essential to the health, safety, and welfare of the communities the Company serves. **

The proposed Emergency Energy Conservation Procedure will no longer include conservation actions specifically triggered by Ameren Missouri's fossil fuel inventory; however, Commission rule 20 CSR 4240-3.190(3)(D) requires all utilities to report by telephone or through EFIS reduction of coal inventory below a thirty day supply and reductions of oil inventory below fifty percent of normal oil inventory. Additionally, Ameren Missouri has existing policies in place to manage its fossil fuel inventory. **

Staff requested Ameren Missouri substitute a portion of its proposed tariff language related to Company liability to tie to existing language contained in the Company's Continuity of Service obligations. Ameren Missouri filed the substitute tariff language on July 8, 2022.

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Ameren Missouri's proposed tariff is more flexible in the types of emergencies addressed, in that it covers both MISO declared emergencies and those declared by Ameren Missouri as the Local Balancing Authority. The proposed tariff removes the prescriptive public appeals for energy conservation based on fossil fuel inventory; however, public appeals for energy conservation remain as a tool for Ameren Missouri to implement when necessary.

Tariff:

Staff recommends that the Commission approve the following tariff sheets, originally filed on June 9, 2022, and substituted on July 8, 2022, to go into effect for service on and after July 24, 2022, when the temporary tariff waiver and modification previously granted by the Commission expires:

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⁴ Response to Staff Data Request No. 0004.

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MO. P.S.C. Schedule No. 6

- 1st Revised Sheet No. 146 canceling Original Sheet No. 146
- 1st Revised Sheet No. 147 canceling Original Sheet No. 147
- 1st Revised Sheet No. 148 canceling Original Sheet No. 148
- 1st Revised Sheet No. 149 canceling Original Sheet No. 149
- 1st Revised Sheet No. 150 canceling Original Sheet No. 150

Staff has verified that Ameren Missouri filed its most recent annual report and is not delinquent on any assessments.

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

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In the Matter of Evergy Metro, Inc. d/b/a Evergy Missouri Metro 2020 Biennial Parallel Generation Tariff

Case No. EE-2022-0329 Tracking No. JE-2022-0274

AFFIDAVIT OF CLAIRE M. EUBANKS, PE

STATE OF MISSOURI)) SS. COUNTY OF COLE)

COMES NOW Claire M. Eubanks, PE, and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing Staff Recommendation Regarding Compliance Tariff Filing No. JE-2022-0274; and that the same is true and correct according to her best knowledge and belief, under penalty of perjury.

Further the Affiant sayeth not.

Lane M E.barkt

JURAT

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 _____ day of July, 2022.

Dianne' L. Vaupe Notary Public

DIANNA L VAUGHT Notary Public - Notary Seal STATE OF MISSOURI **Cole County** My Commission Expires: July 18, 2023 Commission #: 15207377