IN THE MATTER OF AN INVESTIGATION OF
MISSOURI JURISDICTIONAL GENERATOR SELF-COMMITMENTS INTO
SPP AND MISO DAY-AHEAD ENERGY MARKETS
FILE NO. EW-2019-0370

File No. EW-2020-0032 – Staff's Analysis of Ameren Missouri;
File No. EW-2020-0033 – Staff's Analysis of Kansas City Power & Light Company;
File No. EW-2020-0034 – Staff's Analysis of KCP&L Greater Missouri Operations Company;
File No. EW-2020-0035 – Staff's Analysis of The Empire District Electric Company.

Staff's Second Supplemental Report

November 8, 2019

On 10/16/2019 the Commission ordered Union Electric Company d/b/a Ameren Missouri ("Ameren Missouri"), Kansas City Power & Light Company, KCP&L Greater Missouri Operations Company (collectively "The Evergy Companies"), and The Empire District Electric Company ("Empire") to answer follow-up questions posed by Commission Staff in its supplemental report that was filed 10/7/2019.

As a high level summary, utility responses indicate that the economic minimum for each unit is based upon the physical limitations of each plant at a given point in time. These physical limitations are highly variable among plants, are affected by a variety of factors, and can vary by hour. Many of the units in question were commissioned as base load units well before the day-ahead markets were formed. These base load coal units were not designed to be cycled frequently and doing so would likely increase the likelihood of outages, increase operations and maintenance expense, and reduce the reliability of the units.

Ameren Missouri stated that the economic minimums do not vary for any reason other than the physical characteristics of the individual plant, with the exception for testing. The Evergy Companies stated that the economic minimums have varied in specific instances in the short term due to reliability concerns. Empire stated that *** ____
____.[1] ***

*** ____
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________________ . *** Staff will follow-up and address in an appropriate proceeding, if necessary.

[1] The unredacted response is in File No. EW-2020-0035

The responses provided by the utilities do not alter the ultimate conclusions that Staff made in its report filed on 8/23/2019. Staff maintains that in order to fully understand the economic impact of self-scheduling on a given unit's profitability, an analysis at the RTO level would need to be conducted. Due to the highly confidential nature of utilities' market bidding strategies, it is highly unlikely that any party other than SPP or MISO have the raw data, modeling software access, and resources to conduct such an extensive analysis of market trends.

With this additional information Staff suggests no further action in these working dockets. Staff plans to continue its review of the analysis conducted by each utility in the nearest integrated resource plan filing. Additionally, Staff plans to monitor the economic minimum of generating units as defined by each utility during future prudency audits. Finally, Staff plans to monitor the number of hours that units are dispatched at their economic minimum under self-scheduled or must-run status without any additional dispatch under the economic or market status in future fuel adjustment clause prudence reviews. Based on its review in the respective dockets, Staff will make additional recommendations as necessary.