

*Exhibit No.:*  
*Issue(s):* *Record Keeping*  
*Witness:* *Benjamin H. Burton*  
*Sponsoring Party:* *MoPSC Staff*  
*Type of Exhibit:* *Rebuttal Testimony*  
*Case No.:* *EA-2023-0286*  
*Date Testimony Prepared:* *October 11, 2023*

**MISSOURI PUBLIC SERVICE COMMISSION**

**FINANCIAL & BUSINESS ANALYSIS DIVISION**

**AUDITING DEPARTMENT**

**REBUTTAL TESTIMONY**

**OF**

**BENJAMIN H. BURTON**

**UNION ELECTRIC COMPANY,  
d/b/a AMEREN MISSOURI**

**CASE NO. EA-2023-0286**

*Jefferson City, Missouri*  
*October 2023*

1  
2  
3  
4  
5  
6  
7  
8

**TABLE OF CONTENTS OF  
REBUTTAL TESTIMONY OF  
BENJAMIN H. BURTON  
UNION ELECTRIC COMPANY,  
d/b/a AMEREN MISSOURI  
CASE NO. EA-2023-0286**

Recordkeeping .....2  
Renewable Solutions Program.....8



1 Ameren Missouri was granted a CCN for the Boomtown Solar facility as part of  
2 Case No. EA-2022-0245, and that facility became the asset for which the tariff was based for  
3 phase one of the RSP. Similar to Staff's proposal in the Boomtown case, because the RSP tariff  
4 does not apply to all customers, but rather only to subscribers of this Program, Staff  
5 recommends special general ledger record keeping for all of the cost of service aspects of the  
6 asset and Program. Staff recommends that Ameren Missouri record on their books and records  
7 specific investment, revenues, and expenses associated with each Solar Project (Split Rail,  
8 Cass County, Bowling Green, and Vandalia) and the RSP.

9 **RECORDKEEPING**

10 Q. What did Staff recommend the Commission order Ameren Missouri to do  
11 regarding its recordkeeping for aspects of the cost of service for the Boomtown and RSP?

12 A. Staff recommended that Ameren Missouri specifically delineate within each  
13 Federal Energy Regulatory Commission ("FERC") account with unique general ledger coding  
14 and/or record into sub-accounts, all investment, revenues, and expenses associated with the  
15 Boomtown Solar Project, as this project was a part of the RSP. Staff further recommended that  
16 the items be separated by labor and non-labor. In addition, the specific delineation of  
17 the Project and Program within the books and records was to include a reasonable allocation of  
18 all items related to the Project and Program in which the amount cannot be directly determined  
19 to be directly attributable to the Project or Program. Allocated items for these solar facilities  
20 would include property taxes (Cass County), Payment in Lieu of Taxes (PILOT), insurance,  
21 income taxes, and possibly other costs. Based upon the Stipulation & Agreement ordered in  
22 Ameren Missouri's last rate case, ER-2022-0337, and further discussed in the rebuttal

1 testimony of Jane C. Dhority in this proceeding; income tax credits will be included in the  
2 IRA tracking mechanism.

3 Q. Has the Commission issued a ruling regarding Staff's proposed recordkeeping  
4 before?

5 A. Yes, in the Report and Order from Case No. EA-2022-0245, the Commission  
6 stated,<sup>1</sup>

7 Ameren Missouri shall track and specifically delineate within each  
8 FERC account all revenues, investments and expenses associated with the  
9 Renewable Solutions Program and the Boomtown Solar Project. The tracked  
10 information shall accompany or be made available with the filing of its next rate  
11 case for Commission consideration.

12 Q. How is the revenue recorded on Ameren Missouri's books and records if one or  
13 more of the assets is used for meeting load and possible market sales as opposed to the RSP?

14 A. If an asset is used for meeting general retail load, the revenue will be recorded  
15 by the various rate classes within FERC accounts 440 and 442, and sales into the market would  
16 be recorded in FERC account 447. If one of the solar facilities in this case is used as an asset  
17 for the RSP, as explained in the Boomtown CCN case, the Company intends to record the  
18 Program revenues (and netted credits) to the operating revenue accounts, depending upon the  
19 rate class that is participating in the RSP. The rate classes that are included in the RSP  
20 are 3M (Large General Service), 4M (Small Primary Service), and 11M (Large Primary  
21 Service). Rate classes 1M (Residential) and 2M (Small General Service) can only participate in  
22 this Program if they are an affiliate to a 3M, 4M, or 11M customer. This means the RSP revenue  
23 will be embedded in FERC account 442 with other non-subscriber commercial and industrial

---

<sup>1</sup> EA-2022-0245, Report and Order Pg. 37 Lines 1-5.

1 revenue. The Program termination fees will be recorded in FERC account 451, Miscellaneous  
2 Service Revenues.

3 Q. Didn't Ameren Missouri request a revenue tracking mechanism as part of the  
4 Boomtown CCN and would that tracking mechanism apply to these four solar projects, if the  
5 projects are approved by the Commission and also utilized for the RSP?

6 A. Yes. Ameren Missouri requested a revenue tracker as part of the Boomtown  
7 CCN, and that revenue tracker will apply only to the revenues associated with the projects  
8 utilized for the RSP. As described in Staff witness Dhority's rebuttal testimony in that docket,

9 all net subscriber revenues of the Program, including those resulting  
10 from the Renewable Resource Charge, the Renewable Resource Credit, and any  
11 termination fees, would be compared to any base amount of net Program  
12 revenues that were reflected in the revenue requirement used to set base retail  
13 rates in the most recent rate review. At the Program outset until the first rate  
14 review that incorporates any Program impacts directly in the revenue  
15 requirement, the base amount for the comparison would be zero. The difference  
16 between the actual net revenues and the base net revenues included in the  
17 revenue requirement of the most recent rate review would be deferred in the  
18 month realized to a regulatory liability or asset as appropriate. In the case of a  
19 regulatory liability, deferred amounts would be booked to account 254. Any  
20 regulatory asset would be booked to account 182. In each rate review where  
21 there was a regulatory liability or asset balance, an amortization of that amount  
22 would be included in the revenue requirement, and the asset or liability balance  
23 would be reflected in rate base. The Company has not proposed an amortization  
24 period at this time, but a reasonable amortization period would be selected in  
25 each rate review, likely between 2 and 5 years, based on the size of the regulatory  
26 liability/asset that existed at that time. The tracker would operate for the life of  
27 the Program and until there was no remaining base amount of net Program  
28 revenues reflected in the revenue requirement underlying then-current base  
29 rates, and the full regulatory liability/asset balance had been amortized or rolled  
30 into another regulatory deferral.

31 The reason for the revenue tracker was to ensure that all RSP tariffed revenue associated  
32 with the Boomtown phase of the RSP or any subsequent phases was reflected in base rates in

1 rate cases rather than be subject to regulatory lag.<sup>2</sup> This same revenue tracking mechanism  
2 would be applicable to the four solar projects in this case, but only if one or more of the solar  
3 facilities is considered an asset for further phases of the RSP.

4 The recording of revenue within the same accounts is just one example that  
5 demonstrates the need for unique coding of investment, revenue, and expense surrounding the  
6 RSP. The unique coding for each phase of the RSP will delineate RSP subscriber revenue from  
7 non-subscriber revenue. This will prevent double counting of revenue between revenue  
8 annualization and the RSP revenue tracker and associated amortization, when the revenue issue  
9 is reset in a rate case.

10 Q. Has Ameren Missouri provided Staff information regarding what  
11 FERC accounts it intends to utilize to record the expense and investment data for the Solar  
12 Projects, and if utilized, the RSP?

13 A. Yes. In data request 0138 Ameren Missouri informed Staff what FERC accounts  
14 it intends to use, along with the FERC accounts it plans to use in the future. If the Commission  
15 approves the CCN for one or more of the solar facilities, the following plant-in-service accounts  
16 are expected to be utilized to record the investment:  
17

---

<sup>2</sup> Steven M. Wills' Direct Testimony EA-2022-0245 Pg. 20 Line 23 & Pg. 21 Lines 1-3.

1

<b>FERC Account</b>	<b>Account Description</b>
340	Land and Land Rights
341.2	Structures and Improvements
344.2	Generators
345.2	Accessory Electric Equipment
346.2	Miscellaneous Power Plant Equipment

2

Ameren Missouri plans to use its specific accounting codes (previously by business  
3 division, but now by project) to separate the investment costs in each account listed above by  
4 solar generating facility. In addition, inventory that is associated with the solar projects will be  
5 recorded into FERC account 154 and included in rate base.

6

If the Commission approves the CCN for one or more of the solar facilities, the  
7 following expense accounts are expected to be utilized to record ongoing annual  
8 O&M expenses:

7

8



1

<b>FERC Account</b>	<b>Description</b>
546	Operation Supervision and Engineering
547	Fuel
548	Generation Expenses
548.1	Operation of Energy Storage Equipment
549	Miscellaneous Other Power Generation Expenses
550	Rents
550.1	Operation Supplies and Expenses
551	Maintenance Supervision and Engineering
552	Maintenance of Structures
553	Maintenance of Generating and Electric Plant
553.1	Maintenance of Energy Storage Equipment
554	Maintenance of Miscellaneous Other Power Generation Plant
554.1	Maintenance of Other Power Production Plant

2

Depreciation expense will be recorded in FERC account 403 using the depreciation rates

3

ordered in Ameren Missouri's last rate case, ER-2022-0337.

4

Q. Is it possible there may be additional FERC accounts associated with renewable

5

generation facilities in the future?

6

A. Yes. The FERC issued a new Order, No. 898, in June 2023 that will expand the

7

FERC USOA accounts in regards to renewable energy fixed assets and the related software

8

specific to those operational areas. FERC has revised its chart of accounts to include account

9

numbers for solar production, wind production, other renewable production, and energy

1 storage. The chart of accounts revision also includes specific accounts in each operation plant  
2 category for computer hardware and software – moving these areas out of the administrative  
3 and general area of the accounts. The Order is effective January 1, 2025, and Ameren Missouri  
4 intends to utilize these accounts similarly to how it already uses subaccounts within its  
5 general ledger.

6 **RENEWABLE SOLUTIONS PROGRAM**

7 Q. Regarding the RSP, does Ameren Missouri know which solar facility(ies) that  
8 are part of this CCN will be used for the RSP if any of the projects are approved  
9 for construction?

10 A. No. Ameren Missouri does not know which location, if any, may be used for  
11 future phases of the RSP if those resources are not used for Renewable Energy Standard  
12 (“RES”) compliance or another purpose. At this point, Ameren Missouri considers all of the  
13 solar projects that are part of this CCN as a potential RSP asset as all of the projects, when  
14 completed, would produce renewable energy credits (“RECs”) that would satisfy the demand  
15 of commercial and industrial customers under the tariff. Ameren Missouri has relayed that  
16 while they have no preference at this time as to whether one of these projects would be utilized  
17 for the RSP, the Cass County project would be a strong candidate for the RSP due to the project  
18 location in Illinois.

19 Q. Why would the location of the Cass County project influence whether the project  
20 is chosen for the RSP?

21 A. The Cass County location would not be eligible for the 25% adder for  
22 RES Compliance because the adder only applies to RES projects located within Missouri.

1 It may be more desirable to utilize the Cass County project for RSP rather than RES compliance  
2 due to lack of the adder for RES compliance on this project.

3 Q. What factors does Ameren Missouri use to determine whether a resource would  
4 be utilized for the RSP?

5 A. In data request 0137, Ameren Missouri provided Staff two primary factors that,  
6 from their perspective, will determine whether a location will be utilized for the RSP: First, if  
7 there are customer subscriptions for the resource under the RSP; and, second, if there is an  
8 alternative need or use for the RECs at the time a decision must be made. As the project  
9 completion dates are different for each solar facility, Ameren Missouri would determine at each  
10 of these points, the needs of the utility and its customers. If Ameren Missouri does not yet need  
11 projects for RES compliance, the Company may determine if there is customer interest  
12 sufficient to utilize each asset for the RSP.

13 Q. At what point will Ameren Missouri make the final decision on whether any of  
14 the solar facilities will be used for the RSP?

15 A. While Ameren Missouri prefers to maintain flexibility regarding earmarking the  
16 solar facilities for certain purposes, there are many events that have to occur for any one of the  
17 projects to be considered a RSP asset. Ameren Missouri would need to gauge customer  
18 subscription interest, execute contracts with customers under RSP, and request and receive  
19 Commission approval of the RSP tariff associated with the new phase. In data request 0137,  
20 Ameren Missouri states that they believe this process would take approximately nine months  
21 prior to a resource going into service.

22 Q. Besides general ledger recordkeeping, does Staff have any further  
23 recommendations?

Rebuttal Testimony of  
Benjamin H. Burton

1           A.     Yes. Staff recommends the Commission order Ameren Missouri to notify Staff  
2 within this docket, if or when a decision has been made that one or more of the solar facilities  
3 contemplated in this CCN will be utilized for future phases of the RSP.

4           Q.     Does this conclude your Rebuttal testimony?

5           A.     Yes, it does.

**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 for            )  
Permission and Approval and Certificates of            )  
Public Convenience and Necessity Authorizing        )  
it to Construct Renewable Generation Facilities        )


Case No. EA-2023-0286

**AFFIDAVIT OF BENJAMIN H. BURTON**

STATE OF MISSOURI            )  
  )  
COUNTY OF ST. LOUIS        )            ss.

**COMES NOW BENJAMIN H. BURTON** and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Rebuttal Testimony of Benjamin H. Burton*; and that the same is true and correct according to his best knowledge and belief.

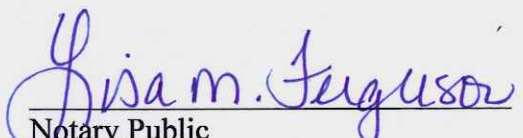
Further the Affiant sayeth not.

  
\_\_\_\_\_  
**BENJAMIN H. BURTON**

**JURAT**

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of St. Louis, State of Missouri, at my office in St. Louis, on this 6<sup>th</sup> day of October 2023.

LISA M. FERGUSON  
Notary Public - Notary Seal  
State of Missouri  
Commissioned for St. Louis County  
My Commission Expires: June 23, 2024  
Commission Number: 16631502

  
\_\_\_\_\_  
Notary Public

## **Benjamin H. Burton**

### **Utility Regulatory Auditor**

#### **Educational Background:**

During May 2023, I graduated from Lindenwood University earning a Bachelor of Science degree with emphasis in Finance. I am enrolled in Lindenwood University's Masters of Business Administration (MBA) degree program and I am presently working towards completion of an MBA with an emphasis in Accounting.

#### **Work Experience:**

I began employment in my current position as a Utility Regulatory Auditor with the Missouri Public Service Commission's St. Louis Unit during June 2023. As a Utility Regulatory Auditor, I am responsible, in part, for assisting with the audit and examination of the books and records of utilities that operate within the State of Missouri. I also sponsor testimony and recommendations as an expert witness in Commission proceedings.

Prior to my present position I worked part-time as an intern for the Commission's St. Louis Unit from March 2023 through June 2023. My duties during this time period primarily consisted of compiling large volumes of data into Microsoft Excel spreadsheets for review and analysis as part of a large formal water and sewer rate case. From June 2022 through August 2022 I also completed an internship as a data analytics consultant with New York Life Insurance Company while working in New York City, NY. My duties as an intern included creating Microsoft Excel documents that were presented to a New York Life management team on a daily, monthly and quarterly basis.