Exhibit No.:

Issue(s): CCN

Witness: Gregory W. Lovett
Type of Exhibit: Direct Testimony
Sponsoring Party: Union Electric Company
File No.: EA-2024-0212

Date Testimony Prepared: May 24, 2024

MISSOURI PUBLIC SERVICE COMMISSION FILE NO. EA-2024-0212

DIRECT TESTIMONY

OF

GREGORY W. LOVETT

 \mathbf{ON}

BEHALF OF

UNION ELECTRIC COMPANY

d/b/a Ameren Missouri

St. Louis, Missouri

May, 2024

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| 1 | I. INTRODUCT | ION | |
|----|---|---|--|
| 2 | Q. Please state your name and business | address. | |
| 3 | A. Gregory W. Lovett, Union Electric | Company d/b/a Ameren Missouri | |
| 4 | ("Ameren Missouri" or "Company"), One Ameren | Plaza, 1901 Chouteau Avenue, St. | |
| 5 | Louis, Missouri 63103. | | |
| 6 | Q. What is your position with Ameren I | Missouri? | |
| 7 | A. My position/title is Manager, Energy S | ervices. In this role, I am responsible | |
| 8 | for internal processes and external customer management for renewable energy programs | | |
| 9 | including Ameren Missouri's Community Solar Program (the "Program"). | | |
| 10 | Q. Please describe your educational | background and employment | |
| 11 | experience. | | |
| 12 | A. I graduated from the University of Ill | inois – Champaign/Urbana in 1981 | |
| 13 | with a degree in Electrical Engineering and Webster University – St Louis in 2008 with a | | |
| 14 | MBA degree. | | |
| 15 | I joined Central Illinois Service Company, which is part of Ameren today, in 198 | | |
| 16 | as a Distribution Engineer and held several engineering positions at Central Illinois Publi | | |
| 17 | Service Company. In 2002, I transitioned to leading various teams at Ameren which | | |
| 18 | focused on customer facing products and services such as energy efficiency, electri | | |
| 19 | vehicle and renewable energy programs. In 2018, I transitioned to my current position | | |

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- 1 leading the Customer Facing Renewable Energy Program team. In 2015, I gained
- 2 certification as a Project Management Professional ("PMP") through the Project
- 3 Management Institute.

4 II. PURPOSE OF TESTIMONY

- Q. What is the purpose of your direct testimony in this proceeding?
- A. The purpose of my direct testimony is to support the approval of Ameren
- 7 Missouri's Certificate of Convenience and Necessity ("CCN") application for the
- 8 expansion of the Community Solar program via a third solar generation plant and
- 9 associated facilities (the "Project"). Specifically, I will explain the need/customer demand
- 10 for the Project.

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11 III. THE NEED FOR A THIRD COMMUNITY SOLAR RESOURCE

- 12 Q. Please briefly describe the purpose and history of Ameren Missouri's
- 13 Community Solar Program.
- 14 A. The original purpose of the Program was to pilot a voluntary subscription-
- 15 based program for residential and small business (general service) customers as an
- alternative to customer-owned solar for customers unwilling or unable to install or lease
- their own solar panels. Under the Program, customers can subscribe for up to 50% of their
- average annual usage in monthly blocks of 100 kilowatt-hours. The Program tariff was
- originally approved through a settlement between Ameren Missouri, Renew Missouri, the
- 20 Missouri Public Service Commission Staff, and the Office of Public Counsel in 2018, File
- 21 No. EA-2016-0207. Customer response to the Program was enthusiastic. The Program's
- 22 first resource, a 1,302-block photovoltaic ("PV") array on undeveloped land owned by the
- 23 City of St. Louis at Lambert International Airport, was fully subscribed by December 10,

1 2018, just under two months after the tariff effective date of October 13, 2018. The first

2 resource, which is known as the "Lambert Airport Renewable Energy Center," was built

and put into service in August 2019.

The Program continued to accumulate customers on a waitlist indicating further demand for the Program's renewable energy option. In order to address that demand and commence active marketing to assess further demand, on November 25, 2019, Ameren Missouri filed an *Application For Approval To Expand Community Solar Pilot Program And Associated Tariff* ("Application"), which included a modified Program Tariff, File No. ET-2020-0022. In the Application, Ameren Missouri proposed to extend its commitments from the settlement in the original pilot approval case, and noted that in order to expand the Program,

Ameren Missouri will construct a second solar generation resource.

The Commission approved an unanimous stipulation among parties to File No. ET-2020-0022 to expand the Program in May 2020 (effective date of the order was June 27, 2020). Upon the effective date of tariff changes allowing expansion of the Program beyond the first resource, Ameren Missouri resumed active marketing. Through these enrollments, customers have demonstrated a robust level of demand for an expanded program and a desire for a second resource to meet this demand.

On October 28, 2020, File EA-2020-0371, the CCN requesting approval to construct the first solar resource at the Montgomery County site to support the Community Solar subscribers was filed with the Commission. This is the second Community Solar facility, which is known as "Montgomery County Community Solar Center." The Commission approved the Unanimous Stipulation and Agreement on March 24, 2021, and

¹ See also Tracking No. YE-2020-0091.

- approved the CCN effective April 3, 2021. The Montgomery County Community Solar
- 2 Center was placed in service in March of 2022 and was fully subscribed.
- Both the Lambert and Montgomery County Community Solar energy centers are
- 4 fully subscribed today by more than 2,500 customers who asked to participate in the
- 5 program.

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- As part of File No. ER-2021-0240, Ameren Missouri requested to transition the
- 7 pilot Program to a permanent Program. On February 28, 2022, pursuant to the order of the
- 8 Public Service Commission in case No. ER-2021-0240, the permanent Program was
- 9 approved as proposed by the Company with four modifications:

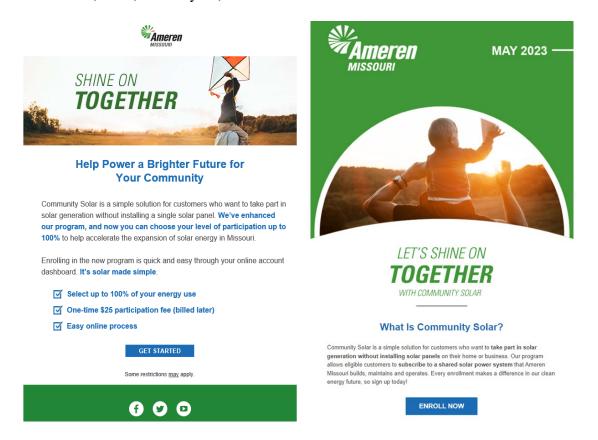
M. Community Solar.

24. The permanent Community Solar Program as proposed by the Company should be approved, but with the following modifications to the Company's proposal: (1) Language will be added to the proposed tariff allowing transfer of the Community Solar pilot program resource to the extent pilot participants desire to participate under the permanent program terms; (2) permanent program resource construction cannot begin until 70% of a resource for the permanent program is subscribed; (3) shareholders to bear the risk for any undersubscribed portion of the permanent Community Solar program to a 50% undersubscribed threshold, provided, that if the subscription rate falls below 50%,non-participant ratepayers would shoulder the costs; and (4) Market costs and revenues for any undersubscribed portion of a permanent program resource will be allocated to shareholders and not flow through the FAC.

The Company is in compliance with each of these four conditions.

Two key new subscribing customer benefits in the permanent Program include allocating up to 100% of the customer's energy usage to the Program rather than 50% and subscription levels are based upon percentage of kWh usage rather than blocks of energy.

- 1 Q. Please describe the level of customer demand for the Program once the
- 2 permanent Community Solar program was approved.
- A. After the approval of the permanent Program, modifications were made to
- 4 the Company's billing system and on-line Program application process to accommodate
- 5 the changes associated with the permanent Program. After the system upgrades were
- 6 completed, awareness and marketing of the Program was re-initiated in October 2022.
- 7 mainly via six email newsletters, between October 2022 through June 2023, to prospective
- 8 customers to bring awareness to the Program. Below are the email messages delivered on
- 9 October 24, 2022, and May 17, 2023.



- 10 As a result of the awareness activities, enrollment in the Program has steadily increased
- 11 over the last 18 months.

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- 1 Through April 2024, the Project is 85% subscribed at 5.98 MW, which exceeds the
- 2 requirement of 70% enrollment prior to the start of construction in approved case No. ER-
- 3 2021-0240. Based upon the current trend, the Project will be fully subscribed at the time
- 4 the Project is anticipated to be placed in service in 2025. These enrollment levels are the
- 5 net number of new subscribers and customers who have dropped from the program. Many
- of these customers have been on the waitlist since October 2022, without the benefits of
- 7 the Program which will not start until the Project is approved, constructed and placed in-
- 8 service, several months from now.
- 9 The following two charts, show the net enrollment levels in the program since October
- 10 2022.





- Q. Please provide more detail on how this filing supports the customer
- 2 transition from the Pure Power Program.

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- A. On February 2, 2022, the Commission-approved Corrected Non-unanimous
- 4 Stipulation and Agreement in File No. ER-2021-0240 allowing the Company will implement

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- a future Community Solar Program of sufficient size that existing Pure Power customers can
- 2 be transitioned to it.² Upon approval of this Project, Ameren Missouri would be in a position
- 3 to offer Pure Power customers the opportunity to transition to the Community Solar Program
- 4 and then execute future filings to formally end Pure Power.
- 5 Q. What action do you recommend the Commission take in this case?
- A. I recommend that the Commission grant the Company's request for a CCN
- 7 for the construction of the Project to meet the demonstrated need for expansion of the
- 8 Program.
- 9 IV. CONCLUSION
- 10 Q. Does this conclude your direct testimony?
- 11 A. Yes, it does.

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² See File No. ER-2021-0240, Unanimous Stipulation and Agreement, p. 11, Section M., para. 24(1) filed November 24, 2021.

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

| In the Matter of Union Electric Company d/b/a Ameren Missouri's for Permission and Approval and a Certificate of Public Convenience and Necessity Under 20 CSR 4240-3.105. |)) File No. EA-2024-0212) | | | | | |
|--|--|--|--|--|--|--|
| AFFIDAVIT OF GREGORY W. LOVETT | | | | | | |
| STATE OF MISSOURI) | | | | | | |
| CITY OF ST. LOUIS) ss | | | | | | |
| Gregory W. Lovett, being first duly sworn on his oath, states: | | | | | | |
| My name is Gregory W. Lovett, and hereb | by declare on oath that I am of sound mind and | | | | | |
| lawful age; that I have prepared the foregoing Direct Testimony; and further, under the penalty of | | | | | | |
| perjury, that the same is true and correct to the bes | et of my knowledge and belief. | | | | | |
| | /s/ Gregory W. Lovett Gregory W. Lovett | | | | | |

Sworn to me this 21st day of May 2024.