STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 28th day of June, 2017.

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In the Matter of the Renewable Energy Standard Compliance Report 2016 and Renewable Energy Standard Compliance Plan 2017-2019

File No. EO-2017-0268

ORDER REGARDING RENEWABLE ENERGY STANDARD COMPLIANCE REPORT AND PLAN

Issue Date: June 28, 2017

Effective Date: July 8, 2017

The Commission's Renewable Energy Standard (RES) rule, 4 CSR 240-20.100(8), requires each electric utility to file an annual RES compliance report providing information about the most recently completed calendar year, and an annual RES compliance plan providing information about how the utility plans to comply with RES requirements in the current year and the two following years. Union Electric Company, d/b/a Ameren Missouri filed the required report and plan on April 13, 2017.

Subsection 4 CSR 240-20.100(8)(D) requires the Commission's Staff to examine each report and plan and to file a report of its findings within 45 days. Staff's report is to identify any deficiencies in the utility's compliance with the RES. Subsection 4 CSR 240-20.100(8)(E) allows Public Counsel and other interested persons or entities to file comments based on their review of the utility's compliance report and plan. Subsection 4 CSR 240-20.100(8)(F) provides that the Commission may direct the electric utility to "provide additional information or to address any concerns or deficiencies identified in the comments of staff or other interested persons or entities." Staff filed its reports regarding Ameren Missouri's compliance plan and compliance report on May 26. Staff did not identify any deficiencies in Ameren Missouri's compliance report. Regarding Ameren Missouri's compliance plan, Staff indicated Ameren Missouri's plan meets the minimum requirements, but expressed concern that the company's retail rate impact (RRI) calculations do not include all projected compliance costs. Staff recommends Ameren Missouri be required to file an updated RRI calculation as part of its 2017 IRP filing, which is to be filed by October 1, 2017. Ameren Missouri responded to Staff's reports on June 15, indicating its willingness to file the requested updated RRI calculations.

Renew Missouri filed comments regarding Ameren Missouri's compliance on May 30, contending Ameren Missouri's compliance report and compliance plan are deficient in two areas. First, Renew Missouri contends Ameren Missouri's compliance plan fails to offer a specific or viable pathway establishing how the company will meet the renewable energy targets required by statute. Renew Missouri acknowledges that Ameren Missouri has shown how it will comply with the requirements over the next three years, but asks the Commission to require Ameren Missouri to provide a more definite timeline of its planned renewable investments in subsequent years.

Ameren Missouri responded to Renew Missouri's comments on June 15. It contends it has met the requirements of the statute and the Commission's regulation by submitting a plan describing how it will comply over the next three years. Nothing in the statute or regulation requires it to submit a longer-term compliance plan.

Second, Renew Missouri contends Ameren Missouri's reliance on its Keokuk hydroelectric plant to meet the RES requirement is contrary to the intent and language of

2

the RES statute. Ameren Missouri responded to that contention in its June 15 response, as did the Department of Economic Development, Division of Energy in its own response filed on June 15.

The dispute is about the definition of "renewable energy resources" found in the RES statute, Section 393.1025(5), RSMo 2016. The relevant portion of that definition includes as a renewable energy resource, "… hydropower (not including pumped storage) that does not require a new diversion or impoundment of water and that has a nameplate rating of ten megawatts or less, …" Renew Missouri and Ameren Missouri disagree about whether the term "nameplate rating" refers to the "nameplate rating" of each individual generator within the hydropower facility, or the aggregate of the "nameplate ratings" of all the separate generators within the facility. Ameren Missouri contends a "nameplate" refers to a physical plate affixed to each generator that describes the size of that particular generator. The Keokuk plant has separate generators, with separate nameplates, each with a nameplate rating of less than 10 megawatts. Taken together, the aggregate total nameplate rating of the separate generators within the facility is greater than 10 megawatts.

If the statutory definition is less than perfectly clear, the Commission's regulation implementing the statute clearly sides with Ameren Missouri's interpretation of the statute by defining renewable energy resources as including "Hydropower (not including pumped storage) that does not require a new diversion or impoundment of water and that has *generator nameplate ratings* of ten (10) megawatts or less;" (emphasis added).¹ Similarly, the Division of Energy's regulation defines an eligible renewable energy resource as including "[h]ydropower, not including pumped storage, that does not require a new

¹ 4 CSR 240-20.100(1)(N)9.

diversion or impoundment of water and that *each generator has a nameplate rating* of ten megawatts (10 MW) or less." (emphasis added).² Division of Energy has certified the Keokuk hydroelectric facility as an eligible renewable energy resource pursuant to its regulation, but in its response to Renew Missouri's comment, it indicates its willingness to work with the Commission to clarify those regulatory definitions.

In determining how to address Renew Missouri's stated concerns, the Commission is guided by its rule, 4 CSR 240-20.100(8)(F), which gives the Commission authority to direct an electric utility to "provide additional information or to address any concerns or deficiencies identified in the comments of staff or other interested persons or entities." However, it is also important to understand that this proceeding is not a contested case in which the Commission will determine the rights of any party, or impose any penalty against a party.

After reviewing Ameren Missouri's filing and the responses of Staff, Renew Missouri, and the Division of Energy, the Commission finds that the commenters have clearly described their positions and concerns. Requiring additional filings in this non-contested case would not be productive. Therefore, the Commission will not require Ameren Missouri to provide any additional information or to address any concerns or deficiencies in this case, except for the updated RRI calculations requested by Staff. In deciding that no additional filings will be required, the Commission is not making any findings or determinations about the merits of the concerns raised by Renew Missouri. Renew Missouri is free to bring a complaint against Ameren Missouri as permitted by Section 386.390, RSMo 2016 and the penalty provisions of 4 CSR 240-20.100(9)(A). In addition, if Renew

² 4 CSR 340-8.010(2)8.

Missouri believes that a Commission regulation should be amended, it may file an appropriate petition pursuant to Section 536.041, RSMo 2016.

THE COMMISSION ORDERS THAT:

1. Union Electric Company d/b/a Ameren Missouri will not be required to provide additional information or to address any concerns or deficiencies, except that it shall file an updated retail rate impact (RRI) calculation as part of its 2017 IRP filing.

- 2. This order shall be effective on July 8, 2017.
- 3. This file shall be closed on July 9, 2017.

BY THE COMMISSION



/ V (orris L Woodruf

Morris L. Woodruff Secretary

Hall, Chm., Stoll, Kenney, Rupp, and Coleman, CC., concur.

Woodruff, Chief Regulatory Law Judge

STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City, Missouri, this 28th day of June 2017.



Morris L. Woodruff Secretary

MISSOURI PUBLIC SERVICE COMMISSION

June 28, 2017

File/Case No. EO-2017-0268

Missouri Public Service

Commission

Staff Counsel Department 200 Madison Street, Suite 800 P.O. Box 360 Jefferson City, MO 65102 staffcounselservice@psc.mo.gov Office of the Public Counsel Hampton Williams 200 Madison Street, Suite 650 P.O. Box 2230 Jefferson City, MO 65102 opcservice@ded.mo.gov

Missouri Division of Energy Brian T Bear 301 W. High St., Room 680 P.O. Box 1766 Jefferson City, MO 65102 brian.bear@ded.mo.gov

Missouri Industrial Energy

211 N. Broadway, Suite 3600

dmvuylsteke@bryancave.com

Consumers (MIEC)

St. Louis, MO 63102

Diana M Vuvlsteke

Missouri Industrial Energy Consumers (MIEC)

Edward F Downey 221 Bolivar Street, Suite 101 Jefferson City, MO 65101 efdowney@bryancave.com

Missouri Public Service Commission

Bob Berlin 200 Madison Street, Suite 800 P.O. Box 360 Jefferson City, MO 65102 bob.berlin@psc.mo.gov

Missouri Industrial Energy Consumers (MIEC) Lewis Mills 221 Bolivar Street, Suite 101 Jefferson City, MO 65101-1574 lewis.mills@bryancave.com

Renew Missouri David Cohen 1200 Rodgers St. Suite B Columbia, MO 65201 david@renewmo.org

Union Electric Company Paula Johnson 1901 Chouteau Ave St Louis, MO 63103 AmerenMOService@ameren.com

Union Electric Company

Wendy Tatro 1901 Chouteau Avenue St. Louis, MO 63103-6149 AmerenMOService@ameren.com

Enclosed find a certified copy of an Order or Notice issued in the above-referenced matter(s).

Sincerely,

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Morris L. Woodruff Secretary

Recipients listed above with a valid e-mail address will receive electronic service. Recipients without a valid e-mail address will receive paper service.