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BEFORE THE PUBLIC SERVICE COMMISSION  
STATE OF MISSOURI

In the Matter of the Application )  
of Union Electric Company for )  
Authority to Continue the Transfer )  
of Functional Control of its ) Case No. EO-2011-0128  
Transmission System to the Midwest )  
Independent Transmission System )  
Operator, Inc. )

DEPOSITION OF RYAN KIND  
TAKEN ON BEHALF OF AMEREN MISSOURI  
NOVEMBER 8, 2011

(The deposition began at 1:30 p.m.)

OPC Exhibit No. 18  
Date 2-9-12 Reporter JL  
File No. EO-2011-0128

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EXHIBIT	DESCRIPTION	IDENTIFIED
1	Response to OPC Data Request	85
2	Attachment to Ameren Missouri's DR Responses	112

(The original exhibits were attached to the original transcript.)

SIGNATURE INSTRUCTIONS: Read and sign, waive presentment.

EXHIBIT INSTRUCTIONS: original exhibits were attached to the original transcript.

1 likely to go away. And so it's going to be something that  
2 can create significant risks long-term for Ameren  
3 ratepayers, you know.

4 Q Big picture-wise, though, Mr. Kind, isn't it  
5 fair to say that what you're talking about, because it's  
6 not in the current proposal and that Ameren or any of its  
7 affiliates is not advancing at FERC other than maybe  
8 removal of the opt-out any of the PJM type capacity  
9 markets, you're talking about a what if in the future  
10 that's controlled by a whole lot of things, including what  
11 FERC decides to do. Correct?

12 A I don't have too much uncertainty that -- that,  
13 you know, people can sell this idea to FERC. It's already  
14 happened. And the -- you know, the what if, that's -- it  
15 really -- the concern is -- is that Ameren views the  
16 current resource adequacy proposal as an initial step  
17 towards PJM style capacity markets and that -- and that  
18 they are supportive of this as a first step.

19 They know they can't -- they can't accomplish it  
20 all in one step because of the outcry of other  
21 stakeholders at MISO in opposition to this.

22 Q But as it's proposed -- can we just talk about  
23 what -- as it's proposed, the capacity --

24 A Well, you can talk about that, but that's not  
25 all I think about in terms of, you know, trying to take

1 the future interests of Missouri ratepayers into account  
2 and trying to protect their interests.

3 Q It sounds to me, though, almost it's like the  
4 sky is falling kind of scenario because, really, if we're  
5 going to talk about what's actually on the table, what's  
6 actually being proposed or advanced by Ameren in the FERC  
7 filings, we're not talking about a PJM style market,  
8 correct?

9 A We are talking about getting your foot in the  
10 door for a PJM style market.

11 Q We are not talking about PJM style market under  
12 the capacity market that's proposed currently, correct?

13 A Relative to what MISO has today, yes, we are.  
14 we're talking about a serious step toward PJM style  
15 capacity markets.

16 Q Are you opposed to the capacity market that's  
17 proposed in the current resource adequacy construct?

18 A Yes.

19 Q Have you made a filing with FERC to that effect?

20 A Yes.

21 Q And what is it that you oppose?

22 A we -- we oppose there being a forward market for  
23 capacity. That's -- even with the opt-out and  
24 self-scheduling thing, that is -- that is a mandatory  
25 style market instead of just the voluntary market that

1 exists today. And we oppose it because we think it's just  
2 -- there's no problem that needs to be solved by this.

3 Q The opt out-provisions, the grandmothing  
4 agreement, the self-scheduling proposals, don't those, in  
5 a sense, continue the current status if someone wants to  
6 continue that current status?

7 A They might. But we've got one of the Ameren  
8 affiliates trying to get rid of them.

9 Q And it's ultimately a decision of what FERC's  
10 going to do, correct?

11 A And what gets put in front of FERC as proposals.

12 Q well, I mean -- let me ask you this: And I  
13 think you alluded to this earlier, that at least with  
14 regard to the fact that Ameren Missouri, in this  
15 particular case, if it's seeking authorization to  
16 participate in MISO until 2016, Ameren Missouri  
17 anticipates being long on capacity, and so regardless of  
18 the construct, or at least under the construct proposed,  
19 there's no disadvantage that accrues to Ameren Missouri or  
20 its customers under those conditions. True?

21 A Short-term, there may not be any harm. Not to  
22 Ameren Missouri customers. But there could, of course, be  
23 harm to other Missouri customers such as those represented  
24 by the other intervenors in this case, the municipal  
25 customers.

1           Q     Your concern about what may happen in the future  
2 if Ameren Missouri, for example, does not -- is not long  
3 on capacity, isn't that really an issue for the 2015  
4 authorization and not this one?

5           A     No.

6           Q     So are you saying, then, Mr. Kind, that we  
7 should just wait and see as to what capacity actually --  
8 capacity market gets ordered by FERC before even Ameren.  
9 Missouri is authorized to continue participation in MISO  
10 at this point?

11          A     NO.

12          Q     So what are you saying in this -- when you're  
13 going to be at hearing, what are you going to be saying  
14 about the capacity market and how that should actually  
15 impact either a condition on Ameren Missouri or whether or  
16 not it should be actually authorized to continue  
17 participation?

18          A     Well, it should impact conditions with respect  
19 to there being a limited duration of the interim approval,  
20 which, of course, is one of the alternatives that -- that  
21 Ameren is supporting.

22                 And it should impact conditions in terms of the  
23 Commission taking into account Public Counsel's concern  
24 about the mixture of interests being represented by Ameren  
25 Services at MISO.

1 Q At least with regard to the analysis that we've  
2 looked at, and even if there were a PJM type market, would  
3 benefit Ameren Missouri, at least on the analysis shown?

4 A Could have short-term benefits and much larger  
5 long-term risks.

6 Q And my question, as you understood it, was  
7 restricted to the analysis shown for the years shown,  
8 correct?

9 A I -- yeah. I mean, that's what this analysis  
10 purports to show. Of course, if we got fully responsive  
11 responses to our Data Requests, we'd be getting Excel  
12 spreadsheets instead of PDF documents. And I'd be  
13 analyzing those spreadsheets, and I'd be much more, you  
14 know, knowledgeable about the analysis being performed by  
15 Ameren.

16 Q Have I missed your DR asking for the analysis  
17 behind this?

18 A We asked for all -- I didn't ask specifically  
19 for the analysis behind this. We asked for all documents.  
20 And you've pointed out a document here which I'm -- you  
21 know, based on your bringing this to our attention appears  
22 to be a very important document, but it was not provided  
23 to us in Excel format. The document was manipulated and  
24 -- and converted into PDF before it was provided to OPC.

25 Q Well, you're assuming -- and I don't know the

1 answer to the question. You're assuming that it exists in  
2 an Excel format, correct, and that somehow we nefariously  
3 put it in a PDF format and provided it to you?

4 A It's a common practice of Ameren. I'm assuming  
5 it happened once again in this case.

6 Q And there's a shooter in the grassy knoll.  
7 Agree that among the MISO members there's little or no  
8 dispute that self-scheduling and self-supply provisions  
9 are necessary given the very high percentage of vertically  
10 integrated utilities in MISO?

11 A I'm still thinking about the grassy knoll.  
12 Could you repeat the question again, please?

13 Q It wasn't a question. It was a comment I  
14 shouldn't have made, and I'll withdraw it. I apologize.

15 MR. MILLS: Which one? The grassy knoll  
16 comment?

17 MR. TRIPP: I'm --

18 MR. MILLS: Somebody shot from somewhere. We  
19 know that.

20 MR. TRIPP: Yeah. We do know that.

21 Q (By Mr. Tripp) Okay. Here's the question.

22 A There is a body. We know that.

23 Q Yeah. We do know that. Can I ask this  
24 question? You agree that among MISO members, there's  
25 little or no dispute that self-scheduling and self-supply



1 provisions are necessary given the fact that, unlike the  
2 PJM style market, the MISO RTO has largely a very high  
3 percentage of vertically integrated utilities, correct?

4 A When you refer to MISO members, you just mean  
5 just all the members in the various stakeholder sectors?

6 Q I -- I'm talking about the transmission owners  
7 that are members of MISO.

8 A Okay. You mean people who are in the same  
9 sector as AEM? I don't think they would agree with that.

10 Q Okay. With that caveat, Mr. Kind, among the  
11 MISO transmission owners, you'd agree that the make-up of  
12 MISO is different than the PJM market -- or, I mean, PJM  
13 members?

14 A Largely, vertically integrated utilities, as you  
15 said, with the exception of the Ameren Illinois utilities.  
16 Yes.

17 Q And so with regard to those vertically  
18 integrated utilities that are members, self-supply,  
19 self-schedule is an important provision for them, correct?

20 A Well, it is if we have to swallow a one-year  
21 forward capacity market. Most of those same members don't  
22 even want the one-year forward capacity market from what I  
23 know.

24 Q And which members are those?

25 A Well, for the most part, you know, the State

1 Commissions that -- that make up the OMS. They -- none of  
 2 them were encouraging this kind of change to take place in  
 3 the resource adequacy construct at MISO.

4 Q Are you aware of any vertically integrated  
 5 utilities transmission owner member of MISO that's opposed  
 6 to those provisions?

7 A Well, no. As long as you limit it to those  
 8 companies as opposed to, you know, families of companies  
 9 like Ameren. There you obviously have a mixture of views.

10 Q Are you able to answer my question with a yes or  
 11 a no?

12 A Not readily because I don't see a distinction  
 13 often between the holding company and the transmission  
 14 company.

15 Q Do you agree with Staff witness McKinney's  
 16 testimony that the -- the study performed by Mr. Aurora is  
 17 most probably accurate regarding the effect of the  
 18 proposed resource adequacy construct for the time period  
 19 of the study?

20 A I'm not familiar with his testimony on that  
 21 enough to say if I agree or disagree.

22 Q Do you agree with Mr. Aurora's supplemental --  
 23 or I'm sorry -- surrebuttal testimony that there's only a  
 24 \$5 million impact on capacity sales revenue because of the  
 25 resource adequacy construct proposed by MISO making it one

1 of the least material components of his analysis?

2 A Again, I'm not familiar enough with his  
3 testimony, I don't think, to --

4 Q You just know you don't like it, right?

5 A I'm not sure what you're getting at there. I  
6 don't like what?

7 Q Have you -- have you quantified -- as an  
8 economist, have you quantified in any way the impact of  
9 these changes that you're talking about to the resource  
10 adequacy construct proposed by MISO and its impact on  
11 Ameren Missouri's customers?

12 A No.

13 Q Do you intend on filing any additional testimony  
14 in this matter?

15 A In -- in this case?

16 Q Uh-huh.

17 A It's possible.

18 Q well, on what topics?

19 A It would be responsive to the new alternative  
20 proposal presented in Mr. Aurora's testimony.

21 Q Okay. Other than the differences that you  
22 continue to have, even assuming that that's Ameren  
23 Missouri's position at this point in terms of its request  
24 for authorization to participate in MISO, other than the  
25 conditions you've already said what we've talked about