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Jordan Seaver
Direct Testimony
File No. ER-2022-0337

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Issue(s): Utility Coordination on Excavation
of Distribution Projects/Customer Account
Simulator of OPC and Staff Access/Generating
Capacity and Reliability
Witness/Type of Exhibit: Seaver/Direct
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Case No.: ER-2022-0337

DIRECT TESTIMONY

OF

JORDAN SEAVER

Submitted on Behalf of the Office of the Public Counsel

**UNION ELECTRIC COMPANY
D/B/A AMEREN MISSOURI**

CASE NO. ER-2022-0337

January 10, 2023

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UNION ELECTRIC COMPANY d/b/a AMEREN MISSOURI

CASE No. ER-2022-0337

1 **I. INTRODUCTION**

2 **Q. What is your name and what is your business address?**

3 A. My name is Jordan Seaver, and my business address is 200 Madison Street, Governor Office
4 Building, Suite 650, Jefferson City, MO 65102

5 **Q. By whom are you employed and in what capacity?**

6 A. I am employed by the Office of Public Counsel (“OPC”) as a Policy Analyst.

7 **Q. Have you previously testified before the Missouri Public Service Commission?**

8 A. No. I have prepared and submitted pre-filed written testimony, but I have not been called
9 to testify before the Commission.

10 **Q. What are your work and educational backgrounds?**

11 A. I have been employed as a Policy Analyst by OPC since January 2022. I previously worked
12 as a Legal Assistant for Cascino Vaughan Law Offices for 7 years. I have a Master of Arts
13 in Philosophy from the University of Wyoming, and a Bachelor of Arts in Philosophy from
14 the University of Illinois at Chicago. I have attended Michigan State University’s Institute
15 of Public Utilities (“IPU”) Accounting and Ratemaking Course, as well as the National
16 Association of Regulatory Utility Commissioners (“NARUC”) Rate School in 2022.

17 **Q. What is the purpose of your direct testimony?**

18 A. The purpose of this testimony is the following:

- 19 1. To propose that the Commission order Ameren Missouri to explore cost savings
20 between other utilities and public entities when planning and conducting excavation of
21 distribution projects;
- 22 2. To propose that the Commission order the Company to create a dummy account, or
23 what I call a Customer Account Simulator (“CAS”) for the use of OPC and Staff to

- 1 understand how Ameren Missouri is educating its customers about certain rates,
2 customer bills, and providing customers information about their usage; and
3 3. To raise concerns about the future reliability and capacity of Ameren Missouri's
4 generating plants as planned for in its triennial Integrated Resource Plan.

5 **II. UTILITY COORDINATION ON EXCAVATION OF DISTRIBUTION PROJECTS**

6 **Q. Why is it important for Ameren Missouri to proactively coordinate with private and**
7 **public entities regarding activities, such as excavations, that cause inconvenience or**
8 **avoidable cost?**

9 A. Proactive electric utility coordination with private and public entities on the excavation and
10 remediation of its distribution system can provide a number of ratepayer and public benefits,
11 including:

- 12 • Avoided surprises, relocations, construction delays, public inconvenience, and
- 13 redesigns;
- 14 • Savings in operational time and dollars;
- 15 • Increased safety to workers and the surrounding community; and
- 16 • Avoidance of duplicative excavation and paving.

17 **Q. What are examples of public and private entities with whom electric utilities can**
18 **coordinate to reduce inconvenience and cost?**

19 A. Examples of public and private entities to be coordinated with are municipalities, state or
20 federal agencies (e.g., Missouri Department of Transportation), other utilities (e.g., water,
21 sewer, and gas), and private sector businesses that may apply, such as companies that own
22 broadband cables.

23 **Q. Does Ameren Missouri already coordinate its excavation projects with appropriate**
24 **entities?**

25 A. Yes. According to data request responses in this case provided by the Company to OPC,¹
26 "Ameren Missouri requires a detailed survey to be completed which allows us to coordinate
27 the installation of our facilities with the other utilities in the area. Upon reviewing the survey

¹ See attached Schedules JS-D-1 and JS-D-2.

1 information, if we find that there are utility crossings that require additional information, we
2 will reach out to discuss the projects with the respective utilities.”² What this says is that
3 Ameren Missouri consults with other utilities when an excavation project is done in an area
4 with other utility crossings that need information. An attempt to avoid any potential damage
5 done to another utility’s infrastructure or issues arising from the excavation work is made by
6 this sort of coordination and communication. Ameren Missouri also coordinates with other
7 utilities to prevent duplicative excavation when possible, but I believe that more can be done
8 on this front to ensure that all possible costs savings for ratepayers are considered and that
9 disruptions to the public are limited.

10 **Q. Is there potential benefit from examining whether greater cost savings can be achieved**
11 **through deliberate coordinated efforts by Ameren Missouri and other utilities when**
12 **excavating or otherwise working on their systems?**

13 A. Yes. Electric, gas, and water each have generous infrastructure surcharges or related
14 mechanisms in place to accelerate the deployment of copious amounts of capital investment
15 necessary to provide safe and reliable service. The unfortunate byproduct of that aggressive
16 capital buildout is the accompanying double-digit rate increases that are now further stressed
17 by record levels of inflation and volatile fuel prices. Simply put, cost saving should be at the
18 forefront of all parties’ priorities. A greater emphasis on coordinated efforts have very real
19 impacts on costs, economic growth, public safety, and the public trust.

20 **Q. What is your recommendation to the Commission regarding Ameren Missouri**
21 **coordinating with others when it plans excavations or other activities where such**
22 **coordination may enable cost savings, or reduce inconvenience to the public or among**
23 **Ameren Missouri and those with whom it coordinates?**

24 A. I am recommending that the Commission order Ameren Missouri to document, report, and
25 finally benchmark its efforts taken and savings incurred from coordination with public and
26 private actors impacted by any excavation of its distribution system on a bi-annual basis (and
27 within six months of new rates going into effect) in this docket until the conclusion of its next
28 rate case. I am also recommending that the Commission order Ameren Missouri to meet with

² Schedule JS-D-1.

1 representatives from Staff and OPC at least twice to discuss what actions Ameren Missouri
2 will document and what Ameren Missouri will include in said reports. Finally, I am
3 recommending that the Commission consider ordering a working docket that results in a
4 reoccurring annual workshop in which invitations are extended to all regulated utilities, the
5 Missouri Municipal League, the Missouri Department of Transportation, and other relevant
6 actors to provide a forum to examine the possibility for cost savings from:

- 7 • Memoranda of Understanding (“MOU’s”);
- 8 • Shared-Savings Agreements (“SSA’s”); and
- 9 • Shared Best Practices on Coordinated Activity.

10 A one-day annual workshop will help achieve the goal of real cost savings across utilities and
11 municipalities and will facilitate an open and engaged dialogue on this topic.

12 **III. CUSTOMER ACCOUNT SIMULATOR (“CAS”) FOR OPC AND STAFF ACCESS**

13 **Q. Would OPC access to Ameren Missouri’s customer account system benefit OPC?**

14 A. Yes, and if Staff had access it would benefit as well.

15 **Q. How do you envision such access?**

16 A. By a customer account simulator (“CAS”) I simply mean a portal that is designed and operates
17 like a real customer account, but is not linked to any meter or actual customer account. Such
18 a portal would allow OPC and Staff to access information in the same way that actual
19 customers can access their accounts. This information would ideally change with changes in
20 the parameters of the CAS. For example, when a change is made to the customer rate selected
21 for the account, the monthly kWh usage would remain the same as before, but a different
22 billed amount would be shown.

23 **Q. What are the benefits of a CAS?**

24 A. The benefits of a CAS are that it would allow OPC and Staff to better understand what
25 customers are experiencing regarding their rate education, billing and usage information. The
26 CAS account would allow OPC and Staff to see what customers see, making it easier to assess
27 Company proposals about changes to rates, changes to rate schedules, education for customers

1 about new and current rate schedules, and many other company proposals. It would also allow
2 OPC and Staff to monitor the customer service performance of the Company. Any updates
3 to customer accounts in general could be made to the CAS, which would allow for better input
4 on future updates from OPC and Staff.

5 **Q. What features of a real customer account portal are you envisioning the CAS not have?**

6 A. The only features of a customer account that the CAS would not have are those that would be
7 associated with having a meter connected to a real account recording usage. The account
8 would not be an actual depiction of some customer's electricity usage, but would instead allow
9 an input of different values for kWh usage, which would then show different outputs in billed
10 amount, potential savings, etc. Anything that is used to educate or help customers understand
11 their electricity usage and rate structure should be sensitive to a deliberate change in inputs
12 for the simulation account.

13 **Q. Are the meetings with Company representatives working on customer service,
14 education, and rate design that OPC and Staff currently have not sufficient?**

15 A. The CAS would provide information that may not be provided in meetings because it would
16 allow OPC and Staff to regularly check on the status of new and continuing methods of
17 customer education, as well as new and continuing billing and rate communication. Meetings
18 with Company representatives on these topics do facilitate and generate useful discussions,
19 but many times questions and concerns arise later, or arise due to new information not
20 provided in regular meetings. Use of a CAS would also allow targeted rather than just general
21 meetings to be called on these topics.

22 **IV. GENERATING CAPACITY AND RELIABILITY**

23 **Q. What are Ameren Missouri's plans for adding generation plant?**

24 A. According to Ameren Missouri's triennial Integrated Resource Plan ("IRP") 2022 update, the
25 Company will be "accelerating our expansion of renewable generation, with the addition of
26 2,800 MW of renewable generation by 2030 and reaching total wind and solar generation of
27 5,400 MW by 2040."³ The stated goal of zero emissions generation has led the company to

³ Schedule JS-D-3, p 1.

1 build solar and wind generation, which is intermittent and cannot be considered base load
2 capacity.

3 **Q. Why are wind and solar generation not base load capacity?**

4 A. Base load capacity is defined as “the generating equipment normally operated to serve loads
5 on an around the clock basis.”⁴ Because wind and solar plants are intermittent in nature—
6 meaning that the times at which they generate energy are dependent on the sun shining and
7 the wind blowing, which are themselves not under the control of any operators of the
8 Company—these plants cannot run around the clock. If they cannot run around the clock,
9 then they cannot, by definition, serve as base load capacity.

10 **Q. Is there a concern that more intermittent generation into the MISO market will result
11 in reliability concerns?**

12 A. Yes. Presently, MISO’s current resource adequacy requirements do not consider the expected
13 marginal decline in load carrying capability from renewables as penetration increases. This is
14 expected to change in the next year and will almost certainly result in downgrades to wind
15 and solar capacity accreditation in order to prevent resource deficiencies.⁵

16 **Q. What will be the impact of Ameren Missouri’s preferred plan if MISO changes its non-
17 thermal capacity accreditation?**

18 A. Its planned solar and wind investments will likely be devalued and require significant
19 updates.

20 **Q. Have similar actions occurred in other energy markets?**

21 A. Yes, the Southwest Power Pool is adopting a performance-based accreditation that is based
22 on actual historical availability of its generating units.

23 **Q. Does Ameren Missouri currently have adequate baseload capacity?**

24 A. Yes, currently Ameren Missouri has a nameplate baseload capacity of around 7,275 MW, the
25 majority of which comes from coal generating plants. All of this coal generation is planned

⁴ U.S. Energy Information Administration, Glossary, <https://www.eia.gov/tools/glossary/>.

⁵ MISO (2023) Forward Capacity Accreditation for Renewable Resources (fka IR095) RASC-2020-4
<https://www.misoenergy.org/stakeholder-engagement/MISO-Dashboard/forward-capacity-accreditation-for-renewable-resources/>

1 for retirement by 2045.⁶ The operating license for the Callaway Energy Center, a nuclear
2 generating facility, is scheduled to expire before 2045 as well. As stated above, 5,400 MW
3 nameplate capacity of intermittent generation will be online by 2040. This is both less
4 nameplate capacity than is being retired and is also not baseload capacity.

5 **Q. Is the intermittent generation capacity Ameren Missouri plans to build enough to meet**
6 **the load of Ameren Missouri customers at all times in the future?**

7 A. No. Ameren Missouri's customer load has been increasing and is expected to increase in the
8 coming years as more EVs and electric devices are installed. There is a real possibility of
9 increased fuel switching (e.g., replacing gas furnaces, water heaters, and stoves with electric
10 counterparts) and EVs are likely to have more penetration in the auto market. These will
11 increase, not decrease, the load of Ameren Missouri customers. Thus, Ameren Missouri
12 should be expected to need more base load generation, not less.

13 **Q. What are you proposing the Commission do about your reliability and capacity**
14 **concerns with Ameren Missouri's plans for retiring and adding generating plants?**

15 A. Nothing now; however, these concerns are very important and I feel it prudent to bring them
16 to the attention of Ameren Missouri and the Commission now. The recent storms in February
17 2021 (Storm Uri), February 2022, and December 2022 pointedly highlight the need for
18 reliable generating capacity. Absent sufficient generating capacity when needed, Missouri's
19 regulated electric utility customers bear the exorbitantly high energy prices the utilities who
20 serve them incur that are not offset by value of the energy those same utilities sell into the
21 wholesale market when those energy prices are so high. It is important to raise the issue of
22 continuing reliability and capacity concerns in light of plans the Company has to retire coal
23 generating plants while building out intermittent generation and putting it in base rates. The
24 burden of paying for said buildout would be on ratepayers who will also be affected by any
25 problems resulting from a lack of capacity or reliability issues.

26 **Q. Does this conclude your testimony?**

27 A. Yes.

⁶ Schedule JS-D-3.

