

FILED
June 29, 2023
Data Center
Missouri Public
Service Commission

Exhibit No. 700

MEC – Exhibit 700
John Twitty
Rebuttal Testimony
File No. EA-2023-0017

Exhibit No.: _____
Issues: The Need for the Amended Grain Belt Express Project
which further Promotes the Public Interest
Witness: John Twitty
Type of Exhibit: Rebuttal Testimony
Sponsoring Party: MEC
File No.: EA-2023-0017

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

FILE NO. EA-2023-0017

REBUTTAL TESTIMONY

OF

JOHN TWITTY

ON BEHALF OF

**THE MISSOURI JOINT MUNICIPAL ELECTRIC
UTILITY COMMISSION d/b/a
MISSOURI ELECTRIC COMMISSION**

APRIL 19, 2023

NP

1 **I. INTRODUCTION OF WITNESS AND TESTIMONY**

2 **Q. Please state your name, title, and business address.**

3 A. My name is John Twitty. I am the President and Chief Executive Officer (“CEO”) of the
4 Missouri Public Utility Alliance, which includes the Missouri Joint Municipal Electric
5 Utility Commission d/b/a Missouri Electric Commission (“MEC”). MEC’s business
6 address is 2200 Maguire Boulevard, Columbia, MO 65201.

7 **Q. Please describe your professional background.**

8 A. My utility career began in 1983 with Rolla Municipal Utilities where I served as General
9 Manager. I then served at City Utilities of Springfield from 1991 until I retired in 2011 as
10 their General Manager and CEO. I served as the Executive Director of the Transmission
11 Access Policy Study Group from 2011 to 2020, and then joined the Missouri Public
12 Utility Alliance (“MPUA”), which includes MEC, as President and CEO in 2020. I have
13 served as Chair of the Board of the American Public Power Association, which advocates and
14 advises in federal forums on behalf of public power regarding electricity policy, technology,
15 trends, training and operations. I have also served as Chair of the Board of The Energy
16 Authority, a nonprofit that advises public power to manage risks and execute solutions to
17 maximize the value of their assets and meet their goals in a cost-effective manner. I am a past
18 Chair of the North American Electric Reliability Corporation Member Representatives
19 Committee and am currently a member. I am a 1975 graduate of the University of Missouri
20 and received a Professional Degree from the University of Missouri-Rolla in 2006. My
21 curriculum vitae is attached as Schedule JT-1.

22 **Q. On whose behalf are you testifying?**

23 A. I am testifying on behalf of MEC, an intervenor in this proceeding.

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

2 A. No.

3 **Q. What is the purpose of your testimony?**

4 A. My testimony provides further explanation and information additional to the testimony of Grain Belt
5 Express LLC (“Grain Belt”) witness Shashank Sane regarding the transmission services
6 agreement (“TSA”) that MEC has with Grain Belt, and the corresponding power purchase
7 agreement (“PPA”) that MEC has with Santa Fe Wind Project, LLC (“Santa Fe,” the
8 assignee of the Iron Star Wind Project, LLC). After describing the background of MEC, I
9 will support Grain Belt’s request in its request for amendments to its Certificate of
10 Convenience and Necessity (“CCN”). There is a need for the Amended Project, and the
11 Amended Project promotes the public interest because many of MEC’s municipal members
12 have already assessed the benefit and their need and contracted to take this low cost
13 renewable energy for their customers, and I expect that other MEC members will choose to
14 do the same.

15 **Q. Please summarize your testimony.**

16 A. MEC is a joint action agency organized on a state-wide basis to promote efficient wheeling,
17 pooling, generation, and transmission arrangements to meet the energy requirements of the
18 municipal electric utilities in the State of Missouri. MEC’s membership now includes seventy-
19 two (72) municipal entities in Missouri and four advisory members in Arkansas. My
20 attached Schedule JT-2 is a map of Missouri showing MEC’s municipal members.
21 Together, MEC’s members serve over 500,000 electric customers, over 350,000 of which
22 are Missourians. While MEC owns generation that supplies a significant portion of its
23 members’ energy needs, MEC has primarily used TSAs and PPAs to provide renewable

1 energy to its members.

2 The TSA that MEC has agreed to with Grain Belt is quite affordable and will
3 allow predictable, stable cost increases in transmission well into the future (Schedule JT-,
4 3, 4, 5, 6 and 7). The corresponding PPA that MEC has with Santa Fe (Schedule JT-8, 9
5 and 10) will allow low-cost renewable energy to flow across that transmission path and
6 into MISO and the Associated Electric Cooperative Incorporated (“AECI”), where it will
7 be delivered to the customers of the thirty-five municipal members of MEC’s Missouri
8 Public Energy Pool (“MoPEP;” Schedule JT-11), Centralia, Columbia, Hannibal and
9 Kirkwood who have already chosen to participate, and other members I expect will yet choose to
10 participate in delivering that low-cost renewable energy to their customers. The rebuttal
11 testimony of MEC’s Chief Electric Operations Officer John Grotzinger will provide the
12 detail on the PPAs executed by these MEC members.

13 The rebuttal testimony of Mr. Grotzinger and MEC’s Chief Markets Officer
14 Rebecca Atkins also explains MEC’s work with its consultant The Energy Authority
15 (“TEA”) to determine whether Grain Belt’s Amended Project would lower the cost of
16 energy and so provide financial benefit to MEC’s members who choose to participate. As a
17 result of Mr. Grotzinger’s and Ms. Atkins’ work with TEA, MEC has concluded that just the
18 first full year of Grain Belt’s operation is projected to provide over \$1 billion dollars in
19 energy cost savings across the footprint of the Midcontinent Independent System Operator
20 (“MISO”).

21 **II. BACKGROUND ON MEC AND ITS ACTIONS RELATED TO GRAIN BELT**

22 **Q. Please describe MEC and what it does?**

23 A. The Missouri Joint Municipal Electric Utility Commission d/b/a Missouri Electric

1 Commission is a joint action agency and a public body politic and corporate of the State
2 of Missouri created pursuant to §§393.700 – 393.770 *Revised Statutes of Missouri*. MEC
3 allows non-profit utilities, such as municipal utilities, to choose to work together to
4 achieve economies of scale in purchasing commodities (such as electricity or natural gas)
5 or achieve economies of scale for providing services that would be difficult for the
6 individual utilities to achieve on their own. MEC’s membership now includes seventy-two
7 (72) municipal entities in Missouri and four advisory members in Arkansas (Schedule JT-
8 2). MEC is authorized to construct, operate, and maintain transmission and generation
9 facilities for the production and transmission of electric power for its members; purchase
10 and sell electric power and energy; and enter into agreements with any person for the
11 transmission of electric power.

12 MEC’s members’ combined peak load is approximately 2,600 MW. MEC has
13 loads and/or resources located within the transmission systems of several members of
14 MISO, the Southwest Power Pool and the Associated Electric Cooperative Incorporated
15 (“AECI”). MEC has been successful in obtaining ownership in large base load and
16 intermediate generators to serve our members. MEC owns transmission systems in Nixa
17 and Hannibal, has another project in southeast Missouri coming online later this year or
18 early next year, and continues to seek new opportunities. MEC has an interest in and need
19 for low-cost energy, and in renewable energy, for consumption by its members.

20 **Q. Please describe the contracts between MEC and Grain Belt, and MEC and Santa Fe?**

21 A. MEC has primarily used TSAs and PPAs to provide renewable energy choices to its
22 members. So, my predecessor at MEC, Duncan Kincheloe, executed the TSA with Grain
23 Belt, and I agree that it is quite affordable and will allow predictable, stable cost increases

1 in transmission well into the future (Schedule JT-, 3, 4, 5, 6 and 7). Mr. Kincheloe also
2 executed the PPA that MEC has with Santa Fe (Schedule JT-8, 9 and 10) which will allow
3 low-cost renewable energy to flow across that Grain Belt transmission path and into MISO
4 and now also into AECL.

5 **Q.** ** [REDACTED]
6 [REDACTED] **

7 **A.** ** [REDACTED]
8 [REDACTED]
9 [REDACTED]
10 [REDACTED]
11 [REDACTED]
12 [REDACTED] **

13 **Q.** ** [REDACTED]
14 [REDACTED] **

15 **A.** ** [REDACTED] **

16 **Q. How does MEC serve its member cities by causing this delivery of renewable energy**
17 **over Grain Belt and into MISO and AECL?**

18 **A.** Once this renewable energy is transmitted by Grain Belt to MISO and AECL, it can be
19 delivered to the customers of the thirty-five municipal members of MEC's MoPEP
20 (Schedule JT-11), Centralia, Columbia, Hannibal and Kirkwood who have already chosen
21 to participate by executing PPAs with MEC. Given the expected energy cost savings, I expect
22 other MEC members will yet choose to participate in delivering that low-cost renewable
23 energy to their customers.

1 **III. MEC’S SUPORT FOR GRAIN BELT’S REQUEST TO AMEND ITS CCN**

2 **Q. Does Grain Belt’s request to amend its CCN promote the public interest?**

3 A. Yes. The renewable energy Grain Belt will deliver is price competitive, and of course,
4 has an attractive carbon attribute. I understand that Grain Belt has requested amendments
5 to its CCN to allow it to construct the project in phases so that it can deliver more power
6 sooner into Missouri. These requested amendments will make more affordable,
7 renewable energy available sooner to MEC’s many municipal utilities, and in turn, the
8 hundreds of thousands of electric customers of MEC’s members. As discussed more fully
9 in Mr. Grotzinger’s and Ms. Atkins’ testimony, MEC has concluded that just the first full
10 year of Grain Belt’s operation is projected to provide over \$1 billion dollars in energy cost
11 savings across the footprint of MISO.

12 Recall that MEC’s members are not-for-profit utilities. So, the cost savings
13 MEC’s members will obtain from choosing Grain Belt are likely to result in rate relief for
14 the cities’ customers, and/or investment in their systems. The 35 municipal members of
15 MoPEP, Centralia, Columbia, Hannibal and Kirkwood have already decided, by executing
16 PPAs, that the affordable, renewable energy delivered over Grain Belt is needed and
17 beneficial to their public interest. Mr. Grotzinger’s rebuttal testimony will provide more
18 detail on these PPAs.

19 **Q. Does MEC need Grain Belt’s requested amendments to its CCN?**

20 A. Yes. As discussed in more detail in the rebuttal testimony of Mr. Grotzinger and Ms.
21 Atkins, Grain Belt is a price competitive option for renewable energy. To date, the thirty-
22 five MoPEP cities, Columbia, Hannibal, Kirkwood and Centralia have contracted to
23 purchase power over our TSA with Grain Belt. I expect additional MEC pools and/or

1 member cities to be interested in purchasing additional power over the Grain Belt
2 Amended Project, which I understand will provide five times the renewable energy of the
3 original, now Certificated Project.

4 **Q. Have you seen a demand from your wholesale customers for renewable energy?**

5 A. Yes, particularly if it is affordable. Grain Belt provides a rare opportunity to provide
6 renewable energy to our members at a competitive rate. Some of our members have been
7 leaders within the state in providing renewable energy to their customers, and this will be
8 a great opportunity for them to continue those programs.

9 **Q. Does this conclude your pre-filed rebuttal testimony in this case?**

10 A. Yes. However, I wish to preserve the right to provide additional testimony in the form of
11 sur-rebuttal or at the hearing to rebut the testimony of any other party.

