

IN THE MATTER OF THE AMENDMENT OF THE COMMISSION'S RULE REGARDING SOLAR REBATE

EX-2019-0050, VOL 1

May 07, 2019



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BEFORE THE PUBLIC SERVICE COMMISSION

STATE OF MISSOURI

TRANSCRIPT OF PROCEEDINGS

Rulemaking Hearing

May 7, 2019

Jefferson City, Missouri

Volume 1

In the Matter of the Amendment of the)
Commission's Rule Regarding Solar Rebate) Case No. EX-2019-0050
4 CSR 240-20.100(4))

MORRIS WOODRUFF, Presiding
CHIEF REGULATORY LAW JUDGE

1 JUDGE WOODRUFF: We are here for a rulemaking
2 hearing. It's Commission File No. EX-2019-0050. It concerns
3 4 CSR 240-20.100(4), which are electric utility renewable energy
4 standard requirements and specifically the Amendment of the
5 Commission's Rule Regarding Solar Rebates.

6 This is an informal -- fairly an informal
7 process. We're here to take comments from the public. We've
8 already taken some written comments. It's not a formal hearing
9 in that I'm not going to swear any witnesses in or anything.
10 It's just a chance for the public. There's no particular order
11 in which we'll take comments other than I'll ask Staff to go
12 last so they will have an opportunity to respond to any other
13 comments that come forward.

14 With that, I'll ask is there anyone here who
15 wished to make a comment?

16 MS. SHEMWELL: Yes, Judge. We'll take you up on
17 that. Thank you.

18 JUDGE WOODRUFF: Why don't you come on up to the
19 podium. Okay. And if you will identify who you are for the
20 record.

21 MR. MARKE: Good morning, Judge. My name is
22 Geoff Marke. I'm the chief economist with Missouri Office of
23 Public Counsel.

24 JUDGE WOODRUFF: What would you like to tell us?

25 MR. MARKE Thank you. Public Counsel filed

1 comments both in the working docket -- in the workshop docket
2 and in the rulemaking docket, identical comments in fact. In
3 short, Public Counsel supports the sentiment that was echoed by
4 the commissioners and -- about a year ago over two agendas,
5 which was to open up a low-little income option for the solar
6 rebates.

7 We submitted comments of roughly four pages
8 articulating what we believe is a sound policy position to -- as
9 a foundation for jumping off the Commission's points. In short,
10 we think that nonprofit, low-income homeless shelters in
11 particular would be a perfect venue to check multiple boxes both
12 on equity and in maximizing utility scale solar just on pure
13 size alone.

14 With that, our comments are submitted and we
15 stand by them today.

16 JUDGE WOODRUFF: Can you tell me how that would
17 work as far as how would we find these shelters and get them to
18 apply for this?

19 MR. MARKE: Sure. Most of the information there
20 is publicly available. We singled out homeless shelters because
21 that made sense to us from a real practical standpoint. These
22 are customers -- presumably future customers, you know, when
23 they find shelter and they get households again. So freeing up
24 funds for a homeless shelter to allocate towards their services
25 as opposed to the utility services serves a greater good. But

1 the information is publicly available. Our office can also
2 supply that information if requested.

3 JUDGE WOODRUFF: Now, are you talking about
4 putting solar panels on the physical location?

5 MR. MARKE On the physical buildings themselves.

6 JUDGE WOODRUFF: The building that is owned by
7 the shelter?

8 MR. MARKE: Right.

9 JUDGE WOODRUFF: Would it also imply providing
10 extra rebates to the customers or the patrons of the shelter?

11 MR. MARKE: That's a great question. You know,
12 we -- the low-income element, actually carving out something
13 specifically for a low-income household I think is much more
14 complex. There's obviously more low-income customers than there
15 are rebates available for solar. There's also a give-and-take
16 in terms of how much those rebates would actually -- how much it
17 would cover in terms of overall solar impact. That's why we
18 limited our focus really just to the nonprofit sector. We
19 figured that a larger rooftop, A, could create more solar
20 opportunity just to kind of scale; and B, it takes away that
21 picking and choosing winners and losers element.

22 JUDGE WOODRUFF: Have you looked into the
23 legality of making that sort of distinction under the statute?

24 MR. MARKE: Sure. That's a great question. I'm
25 not an attorney, but have been advised by legal counsel that our

1 comments within the first workshop docket articulated a legal
2 reason. If I want to paraphrase those comments it was -- the
3 greater public -- it was due discrimination for a public policy.
4 We can resubmit those if need be.

5 JUDGE WOODRUFF: That's not necessary. Thank
6 you very much.

7 MR. MARKE: Thank you.

8 JUDGE WOODRUFF: Anything else from Public
9 Counsel, Ms. Shemwell?

10 MS. SHEMWELL: I thought I would just add,
11 Judge, that the Commission has long agreed to pilot experimental
12 programs that do target low income. Those have typically been
13 residential and we do agree that residential is probably not the
14 best option in this case, but the Commission has done pilot
15 programs as well.

16 JUDGE WOODRUFF: Thank you.

17 MS. SHEMWELL: Thank you.

18 JUDGE WOODRUFF: Anyone else like to come
19 forward? Mr. Mitten?

20 MR. MITTEN: Thank you. Your Honor, my name is
21 Russ Mitten. I'm here on behalf of Union Electric Company doing
22 business as Ameren Missouri. We filed written comments to the
23 proposed rule changes and will stand on those, but I did want to
24 briefly address the comments Dr. Marke made with regard to
25 Public Counsel's comments. We don't believe that there's

1 anything in the legislative history of Senate Bill 564 that
2 suggests the general assembly intended to limit future rebates
3 in the manner proposed by the Office of Public Counsel. So we
4 believe that it would be a breach of legislative intent for the
5 Commission to adopt Public Counsel's proposal.

6 Ameren Missouri does not oppose extending solar
7 rebates to low-income customers, but we don't believe that you
8 can limit them exclusively to low-income customers in the manner
9 proposed by the Office of Public Counsel.

10 JUDGE WOODRUFF: Okay. Anything else?

11 MR. MITTEN: Nothing else. Thank you.

12 JUDGE WOODRUFF: Anyone else wishing to come
13 forward? Mr. Opitz?

14 MR. OPITZ: Good morning. Tim Opitz on behalf
15 of Renew Missouri. Just two comments on two issues. The first
16 is we believe this rulemaking is meant to facilitate the rebates
17 authorized under 393.1670, but we wanted to monitor it to make
18 sure that any remaining rebates that were already authorized
19 under 393.1030 would remain in effect. We believe that this
20 version of the rule submitted to the Secretary of State
21 accomplishes that.

22 And then the second, I wanted to say we
23 appreciate the concerns raised by Office of Public Counsel
24 regarding low-income customers. Renew Missouri is committed to
25 providing low-income customers a way and opportunities to

1 participate in renewable energy, but we don't believe -- and
2 we've taken the position in the workshop that rooftop solar
3 rebates for individual customers are the best way to accomplish
4 that for low-income customers.

5 We continue to view that large-scale systems
6 that drive down the economies of scale that can give those
7 low-income customers real bill savings would have a greater
8 impact on benefiting low-income customers. Thank you.

9 JUDGE WOODRUFF: Can could you describe your
10 last comment a little bit more?

11 MR. OPITZ: There our systems in other states
12 where customers can subscribe to a portion of a solar panel.

13 JUDGE WOODRUFF: Like a community solar?

14 MR. OPITZ: Community solar. Right now, my
15 understanding is that the offerings by our investor-owned
16 utilities don't reach the economies of scale where they would be
17 bill savings from customer signing up for those, that they are
18 actually paying premium. But with larger projects, there's
19 opportunities for customers to see a bill benefit. We have
20 sponsored testimony in a few rate cases talking about different
21 subscriptions that might facilitate that, that have been adopted
22 by -- I think one was a co-op in Colorado and there was another
23 that slips my mind right now.

24 JUDGE WOODRUFF: And you're not proposing any
25 changes for this rulemaking?

1 MR. OPITZ: We are not proposing any changes
2 regarding that to this rulemaking. We just wanted to voice our
3 support for providing low-income customers an opportunity to
4 participate and then to reiterate our prior comments that we
5 didn't believe that this provision of the rule was the best way
6 to accomplish that.

7 And as I understand that prior provisions were
8 not submitted in the latest round regarding allocating to
9 low-income customers. Thank you.

10 MR. WOODRUFF: Thank you. Anyone else wish to
11 come forward?

12 MR. FISCHER: Judge, on behalf of Kansas City
13 Power and Light and Kansas City -- KCPL Greater Missouri
14 Operations Company, Jim Fischer. I just wanted to say we are
15 generally supportive of what Mr. Mitten had to say regarding the
16 low-income solar. We also -- did not file any written comments,
17 but I think we are generally supportive of what Ameren filed in
18 their written comments.

19 JUDGE WOODRUFF: Okay. Thank you very much.
20 Anyone else wish to come forward? All right. Then we will turn
21 to Staff.

22 MS. MYERS: Thank you, Judge. Jamie Myers on
23 behalf of Staff of the Missouri Public Service Commission.
24 First, I would like to address Ameren Missouri's filed written
25 comments. I'd like to say I appreciate Ameren and Office of the

1 Public Counsel filing comments. In terms of Ameren's comments
2 specifically, I believe in Paragraphs 4, is where Ameren starts
3 their comments. Starting with Paragraph 5 is where I'll speak
4 specifically.

5 I believe most of Paragraph 5 Ameren comments on
6 rules -- part of the rule that was not published for this
7 rulemaking. And as Staff was reviewing these, we viewed most of
8 Paragraph 5's comments as better suited for our cogeneration and
9 net metering workshop that we are looking at. And so what I
10 wanted to say is that Staff is still working, taking those
11 comments into consideration and will also be taking these
12 comments into consideration when we are looking to move forward
13 with those cogeneration and net metering rule changes.

14 Additionally, Ameren did file two comments that
15 were specific to this published rulemaking. One is to strike
16 out language -- well, two are to strike out language. Staff
17 doesn't think it is necessary to strike that language out.

18 Staff would also like to address the comments
19 made by Mr. Opitz from Renew. I believe Mr. Opitz commented
20 that he believed the published version of the rule accomplishes
21 facilitating solar rebates under 393.1670 as well as any rebates
22 left over from 393.1030. Staff would agree with that. However,
23 Staff is also suggesting some additional language deletion in
24 our filed comments. I wanted to make note that those additional
25 language deletions are not in anyway not to -- or to prevent

1 facilitating rebates under both 393.1030 and 393.1670. Staff's
2 views the language that we are deleting -- we are recommending
3 deleting, as being unnecessary because both statutes
4 specifically list what the rebate amount should be and those
5 dollar values are also and company tariffs. So having this
6 language in the rule is unnecessarily repetitive of the
7 statutory language.

8 With that, I am happy to answer any questions.

9 JUDGE WOODRUFF: I'm looking at Ameren's written
10 comments. It suggests striking some provisions in 100(4)(B)(2)
11 about residential metered solar electric systems greater than 25
12 kilowatts, but less than a 100 kilowatts in size. I believe you
13 indicated Staff does not support deleting that language.

14 MS. MYERS: Correct.

15 JUDGE WOODRUFF: Can you explain why?

16 MS. MYERS: I would ask that Claire Eubanks
17 could probably better answer that question.

18 MS. EUBANKS: Good morning. So the question
19 about the language in 42 -- we think the language is
20 informational and it clarifies that net metering customers
21 between 25 KW and 100 KW are eligible to receive a solar rebate.
22 So we just think it is good clarifying language. And then I
23 think the -- there is also language proposed to be added in
24 Section 4E. And then -- just clarifying. Sorry. Section 4E,
25 the proposed language we don't think that is necessary either.

1 And part of this is the rule as proposed has it set up where
2 when Empire has finished paying rebates under 564 -- the Senate
3 Bill 564, there's still the potential pay rebates under the
4 older statute, but the older statute references net metering
5 specifically. So we want to make sure that it is clear what
6 happens when, you know, when they hit their cap under 564 that
7 the other rebates are still in play.

8 JUDGE WOODRUFF: And that's the reason you went
9 -- need to net metering?

10 MS. MYERS: Yes. References in there. Correct.

11 JUDGE WOODRUFF: Okay. Anything else from
12 Staff?

13 MR. PRINGLE: Nothing more, Your Honor.

14 JUDGE WOODRUFF: Mr. Mitten, does Ameren wish to
15 respond to Staff's comments?

16 MR. MITTEN: Just briefly, Your Honor. We
17 believe the comments speak for themselves. Our concern was that
18 the definition of customer generator that is included in the
19 proposed rule is broad enough to include net metered customers.
20 So it creates ambiguity in the rule when later you use both
21 customer generator and net metered customers. It suggests maybe
22 there's a distinction between the two and we believe if you
23 simply eliminate the references to net metered customers that
24 that eliminates the ambiguity.

25 JUDGE WOODRUFF: Okay. Anyone else wishing to

1 make any comments? All right. Thank you all for coming. And
2 with that, we are adjourned.

3 (OFF THE RECORD.)
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CERTIFICATE OF REPORTER

I, Lisa M. Banks, CCR within and for the State of Missouri, do hereby certify that the witness whose testimony appears in the foregoing deposition was duly sworn by me; that the testimony of said witness was taken by me to the best of my ability and thereafter reduced to typewriting under my direction; that I am neither counsel for, related to, nor employed by any of the parties to the action in which this deposition was taken, and further, that I am not a relative or employee of any attorney or counsel employed by the parties thereto, nor financially or otherwise interested in the outcome of the action.



Lisa M. Banks, CCR No. 1081

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