

## Comments to WLAB 11/11/2019. Sarah Read, 3802 Bedford Drive, Columbia, MO

The key question that WLAB should be focusing on is “what is the best, most efficient way to engineer our electric grid (transmission and distribution) to provide cost-effective services to the people of Columbia?” We are losing this focus. And if you have been aiming for transparency, you have been falling short.

Citizens deserve clear and easily accessible information on the costs and consequences of decisions made and options considered. All appropriate options, both traditional and non traditional, need to be evaluated for cost and reliability and risk so that trade-offs can be appropriately weighted. We have not been getting this type of information, and some of the information provided, such as that which confuses production and delivery, is misleading.

I was concerned to read in Staff’s recent November 4, 2019 report to Council on the proposed Boone Solar Energy Contract that W & L might purchase renewable energy in amounts greater than the loads it serves in order to help the City meet its climate change goals. This approach would have significant risks for customers (as other cities have found)<sup>1</sup> and is not consistent with the service-based focus in the City’s ordinances.<sup>2</sup> I don’t think many citizens would support over-buying with an expectation that future market sales would mitigate the costs, particularly when those costs are in the millions. And if the 3% rate cap voted by the public is to be eliminated or reinterpreted, that should be put to a public vote.

The confusion in current political narratives over production and delivery, and system load growth v. system operation has obscured the need for the Mill Creek substation and transmission line. The need for that project is shown by the increased overloading of our substations in past few years. In 2015, the Perche Creek substation exceeded its loading goal by 22%. In 2017, that number was 29%. In July 2018, it was 48%.<sup>3</sup> Because the transmission line was not built, Perche Creek is still connected to only one transmission line, which limits the options if there is an outage.

And Perche Creek was not the only substation to exceed its loading goals. In July of 2018. Blue Ridge, Rebel Hill, and the Power Plant all exceeded 100% of their loading goals. Hinkson Creek was at 99%. We were fortunate that 2019 was an unusually cool summer. Loads would be much higher if we returned to the high temperatures of 2011. At times of system peak, if two or more transformers at any of the City’s eight substations fail, it is unlikely that there would be sufficient capacity to restore all customers by transferring load to adjacent substation circuits during peak loading conditions. This is why our current contingency plans involve rolling blackouts.

The decision to delay the Mill Creek line has proved costly. Some of the associated costs include (but are not limited to):

Sunk costs prior to pause:	>	\$4,400,000
Additional studies of alternate options (Ameren, Quanta, Burns & McDonnell): @		\$200,000
“Master plan” distribution study added to IRP:		\$385,000
Interest payments on bonds (increasing with every payment):	>	\$6,000,000
Increased costs of future construction:	>	\$8,000,000 <sup>4</sup>

A related consequence of failing to finish the line is the delayed funding of needed public safety programs. Because the electric utility pays a property tax equivalent into the General Fund, the failure to complete the substation and transmission project in 2017 has resulted in approximately \$600,000 per year in General Fund revenue not being available to meet our needs for additional police or fire personnel or services.

We deserve a full accounting of the consequences of that decision, if only to develop ways not to repeat our past mistakes.

We also deserve clear information on what happened (or didn't happen) with regard to the recommendations from the Mayor's Task Force on Infrastructure, and an open discussion of the Burns & McDonnell Option E study, and the Quanta study.

Decisions about our critical electric infrastructure must be made openly and fairly presented. The traditional factors of reliability, cost of service, and sound engineering must continue to be part of our analysis. Our city charter envisioned a professionally run system, and for this reason the power to design, construct and run the electric system was not given to the City Council, it was given specifically to the Director of Water & Light. (Review Article II, Section 19, and Article XII, Section 100).<sup>5</sup> That power should be respected, not undermined in the public discussions of our energy options. We will all benefit from electric service that is reliably delivered and cost effective.

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1. <https://www.usnews.com/news/cities/articles/2019-03-28/in-georgetown-texas-a-clean-energy-deal-falls-flat>.

2. Sec. 27-45. - Efficiency programs. "The director is authorized to research, develop and implement programs which enhance efficient use of water or electric services, reduce peak demands, reduce distribution and maintenance costs to the utility, and promote water or electric conservation among consumers. Prior to implementation of any program on a city-wide basis, the director shall make a report to council."

3. <https://1community1columbia.files.wordpress.com/2018/08/2018-substation-loading-factors.pdf>.

4. As reported in the *Columbia Daily Tribune*, June 18, 2017, "City Council to Review Transmission Line Report", Brittany Ruess

5. Section 100. - Powers and Duties. "The director of the water and light department shall serve as the operating engineer of the water and light plants and shall have charge of: . . . (2) The designing, construction, reconstruction, addition, repair, replacement, maintenance, supervision and operation of the water and light plants, physical properties, buildings and distribution systems; and street lighting system and equipment, . . ."