

STATE OF IOWA
BEFORE THE IOWA UTILITIES BOARD

IN RE:)	
)	DOCKET NO. RPU-2023-0002
)	
INTERSTATE POWER AND LIGHT)	
COMPANY, PROPOSED RATE)	
INCREASE)	SUPPLEMENTAL TESTIMONY
)	
)	

PUBLIC VERSION
SUPPLEMENTAL TESTIMONY OF
DEVI GLICK
ON BEHALF OF ENVIRONMENTAL INTERVENORS

June 21, 2024

1 **Q. Please state your name and occupation.**

2 A. My name is Devi Glick. I am a Senior Principal at Synapse Energy Economics, Inc.
3 (“Synapse”). My business address is 485 Massachusetts Avenue, Suite 3, Cambridge,
4 Massachusetts 02139.

5 **Q. Are you the same Devi Glick who filed direct testimony in this docket?**

6 A. Yes.

7 **Q. What is the purpose of your supplemental testimony?**

8 A. My supplemental testimony addresses information that had been requested by
9 Environmental Intervenors but not yet made available to Environmental Intervenors at
10 the time of my direct testimony.

11 **Q. In your direct testimony at page 21 and 22, you addressed actions IPL has taken to**
12 **exercise oversight over the management and operations of the co-owned plants at**
13 **Neal 3, Neal 4, and Louisa. Subsequently, have you reviewed information related to**
14 **this issue that you did not have access to at the time of your direct testimony?**

15 A. Yes. I have reviewed MidAmerican’s full presentations from five co-owner meetings in
16 2022 and 2023. I have also reviewed redacted presentations provided by MidAmerican
17 from 2019 through 2023 that IPL had not retained. I have grouped these presentations by
18 plant and attached them as EI Glick Supplemental Exhibit 1 (Neal 3), 2 (Neal 4), and 3
19 (Louisa).

20 **Q. Why didn’t you have this information when you filed your direct testimony?**

21 A. IPL indicated that it attended biannual co-owner meetings and discussions with
22 MidAmerican about co-owned plants, but IPL initially claimed that it did not retain any
23 supporting documentation.¹ After the testimony deadline had passed, IPL produced five

¹ EI Glick Direct Ex. 21, 22, and 23.

1 presentations from co-owner meetings.² In addition, MidAmerican produced the redacted
2 presentations just this past Friday June 14, 2024.³

3 **Q. In your direct testimony, you noted that IPL had not taken actions that a prudent**
4 **utility would take to provide oversight of a co-owned asset. Do the presentations**
5 **change your assessment?**

6 A. No. The costs of operating these assets are passed on directly to IPL ratepayers. A
7 prudent utility would exercise active engagement in, and oversight of, co-owned assets
8 and take efforts to minimize costs when possible. IPL should have done so and also
9 retained records of the actions it took to manage costs. IPL only produced presentations
10 for five of the twelve co-owner meetings it identified.⁴ The fact that IPL only has five of
11 the twelve presentations it identified and that it could not even identify the dates of joint
12 owner meetings prior to 2022 reinforces my concerns that IPL provided minimal
13 oversight that did not reflect best practices.

14 **Q. Why are the co-owner meeting presentations relevant?**

15 A. IPL identified attendance at the co-owner meetings as the only action that IPL has taken
16 to control costs and provide oversight or review of its co-owned generating assets.⁵ The
17 meeting presentations demonstrate what information IPL had. That information may have
18 led a prudent entity to take further action whether that be requesting information from the
19 operator, recommending a specific action for the operator to take to control costs or
20 minimize future costs, requiring certain economic analysis prior to approving investment
21 in environmental controls, incorporating information to IPL's own generation planning,
22 incorporating practices that MidAmerican utilized at its own plants to control costs at the
23 Ottumwa Generating Station and more.

² EI Glick Supplemental Ex. 4, IPL Supp. Response to EI DR 72.

³ EI Glick Supplemental Ex. 5, MidAmerican Subpoena Response.

⁴ EI Glick Direct Ex. 22.

⁵ EI Glick Direct Ex. 22.

1 One example of the type of actions a co-owner can take comes from my involvement in
2 dockets related to the Ohio Valley Electric Cooperative (OVEC) coal plants in Ohio and
3 Indiana. The 12 co-owners of the OVEC plants regularly hold board and operating
4 committee meetings. During COVID, one of the co-owners used its experience operating
5 its own coal fleet to recommend to the Board a change in the commitment and dispatch
6 practices of the OVEC plants. This move resulted in reduced operation of the plants
7 during periods of low market prices, which resulted in savings for the ratepayers of all
8 co-owners.⁶

9 **Q. What information is contained in these presentations?**

10 A. Topics in the presentations include fuel matters; coal and rail transportation;
11 environmental policy and regulatory issues; environmental updates; operations updates;
12 operations and maintenance and capital budget updates; planned and forced outages, as
13 well as human performance error outages; average availability and plant utilization,
14 production statistics, reliability and derates. This information should all be incorporated
15 into IPLs planning

16 **Q. Is there any information in the presentations that you requested from IPL for Neal**
17 **3, Neal 4, or Louisa but that it had indicated it didn't retain or have access to?**

18 A. Yes. For example, EI requested information on all outages that occurred over the past
19 five years at IPL's coal plants.⁷ IPL provided outage data for Ottumwa but responded that
20 it did not retain outage information for co-owned coal plants. Several of the unredacted
21 meeting presentations contain summary information on unplanned outages at the plants in
22 the past year as part of the operations update.⁸ While this was still not a complete set of

⁶ *In Re: Reconciliation Rider of Duke Energy Ohio, Inc.*, Public Utilities Commission of Ohio Case No. 20-167-EL-RDR, Direct Testimony of Devi Glick at 46 (filed Oct. 26, 2021).

⁷ EI Glick Supplemental Ex. 6, IPL Response to EI 59.

⁸ EI Glick Supplemental Ex. 1, N3 Presentation Spring 2022, N3 Presentation FINAL Fall 2022, and N3 Presentation Draft Fall 2023 New Version; EI Glick Supplemental Ex. 2, N4 Presentation Spring 2022; N4 Presentation FINAL Fall 2022.

1 outage data, the presentation provided substantially more information on planned and
2 unplanned outages at the MEC operated units than IPL had provided before.

3 These presentations also had critical information on the heat rate and emissions rates for
4 each unit, and itemized spending on capital projects at the co-owned plants. At Neal 4 in
5 particular, it showed a concerning [REDACTED]

6 **Q. The presentations contain projected operations and maintenance (O&M) and**
7 **capital budget updates. How does this information compare to the information that**
8 **IPL provided you elsewhere in discovery on historical and projected spending at the**
9 **co-owned plants?**

10 A. In discovery,⁹ IPL provided total aggregate projected capex spending at the co-owned
11 plants but did not provide any details or itemization of the capital spending. In the
12 presentation decks,¹⁰ however, in both the redacted and unredacted presentations,
13 MidAmerican provided an itemized list by year of capital spending on items over a
14 certain threshold [REDACTED] The projections in the presentations do not align with
15 what IPL provided in discovery, and it is not clear why.

16 **Q. The co-owner meeting presentations addressed environmental compliance. What**
17 **would you expect from a prudent utility co-owner with regards to environmental**
18 **compliance?**

19 A. While the presentations do have some detailed information on environmental regulations,
20 environmental compliance, and permitting, it is unclear how IPL used this information,
21 whether it conducted any analysis on the economics of continuing to operate the units
22 relative to investment, and its role in making environmental compliance spending
23 decisions. Prior to spending ratepayer dollars on environmental compliance, utilities
24 should evaluate the costs of compliance relative to retirement and replacement. While
25 compliance costs are often viewed as one-off investments that individually can be

⁹ EI Glick Direct Ex. 3, IPL Response to EI Request 51.

¹⁰ EI Glick Supplemental Ex. 1, 2 and 3.

1 difficult to predict, there is in fact a high degree of certainty that a fossil plants with high
2 pollution levels and environmental impacts will face increasing regulatory pressures and
3 costs. A prudent utility would plan for this uncertainty to mitigate risk to ratepayers, even
4 if it didn't know precisely what investments it would be required to make in the future.

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

6 **A. Yes.**

AFFIDAVIT OF DEVI GLICK

STATE OF Maine)
) ss.
COUNTY OF Cumberland)

I, Devi Glick, being duly sworn on oath, state that I am the same Devi Glick identified in the testimony being filed with this affidavit, that I have caused the testimony to be prepared and am familiar with its contents, and that the testimony is true and correct to the best of my knowledge and belief as of the date of this affidavit.

/s/ Devi Glick _____
Devi Glick

State of Maine)
) ss.
County of Cumberland)

Subscribed and Sworn before me this 20 day of June, 2024.

/s/ Carrie M Weeman _____
Notary Public