

**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE COMMONWEALTH OF KENTUCKY**

**In the Matter of:**

**THE ELECTRONIC FILING OF BIG  
RIVERS ELECTRIC CORPORATION AND  
KENERGY CORP.TO REVISE THE LARGE  
INDUSTRIAL CUSTOMER STANDBY  
SERVICE TARIFF**

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**CASE NO. 2023-00312**

**SURREBUTTAL TESTIMONY**

**OF**

**JAMIE SCRIPPS**

**ON BEHALF OF**

**KIMBERLY-CLARK CORPORATION**

**MARCH 18, 2024**

1 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS FOR THE RECORD.**

2 A. My name is Jamie Scripps. My business address is Hunterston Consulting LLC, 103 E. 5<sup>th</sup>  
3 Street, Northport, Michigan 49670. My email address is jamie@hunterstonconsulting.com.

4 **Q. ARE YOU SPONSORING ANY EXHIBITS?**

5 A. Yes, I am sponsoring Exhibit JS-1: Jamie Scripps Resumé.

6 **Q. WHERE ARE YOU EMPLOYED?**

7 A. I am the principal of Hunterston Consulting LLC, a Michigan-registered consulting firm,  
8 where I offer services in energy policy research and regulatory analysis.

9 **Q. PLEASE SUMMARIZE YOUR EDUCATIONAL BACKGROUND.**

10 A. I have a law degree from the University of Michigan Law School, conferred in May  
11 2005. I also have a Master's in Leadership Studies from North Central College in  
12 Naperville, Illinois, conferred in June 2002, and a Bachelor's in Education from the  
13 University of Michigan, conferred in May 1999.

14 **Q. PLEASE PROVIDE A BRIEF SUMMARY OF YOUR BACKGROUND AS IT IS  
15 RELEVANT TO THIS TESTIMONY.**

16 A. Since forming Hunterston Consulting LLC in February 2019, I have served as a subject  
17 matter expert on behalf of the U.S. Department of Energy's Midwest and Central On-Site  
18 Energy Technical Assistance Partnerships (formerly known as the Combined Heat and  
19 Power ("CHP") Technical Assistance Partnerships), covering activities in Indiana, Illinois,  
20 Ohio, Michigan, Minnesota, and Wisconsin (Midwest) and Iowa, Kansas, Missouri,  
21 Nebraska (Central). Prior to that time, I was a partner with 5 Lakes Energy, where I served  
22 as a consultant in energy policy and utility regulation and provided expert witness  
23 testimony before the state utility regulatory commissions in Michigan, Missouri, and

1 Pennsylvania. The majority of my previously filed expert witness testimony has been on  
2 the topic of standby rates. I also provided standby rate analyses that were used in filings  
3 and presentations before the state utility commissions in Indiana, Minnesota, and Ohio. In  
4 2018, I presented at the National Association of Regulatory Utility Commissioners  
5 (“NARUC”) Summer Policy Summit on the topic of standby rates for CHP. From 2009-  
6 2010, I worked at the Michigan Department of Energy, Labor and Economic Growth  
7 (“DELEG”) as the Assistant Deputy Director for energy programs, where I provided  
8 research and support for the application of scientific, engineering, and economic principles  
9 to the formation and adoption of energy policies for the State of Michigan. From 2008-  
10 2009, I worked as an associate attorney at Sondee, Racine & Doren LLP in Traverse City,  
11 Michigan, where I assisted in providing legal representation to the local municipal utility.  
12 From 2007-2008, I served as Deputy Policy Director for the Michigan Environmental  
13 Council, where I provided research and advocacy on issues related to energy policy and  
14 utility regulation. From 2005-2007, I worked as an associate attorney at Venable LLP in  
15 Washington, D.C., where I assisted in the legal representation of a large investor-owned  
16 utility serving the Mid-Atlantic region. My work experience is set forth in detail in Exhibit  
17 JS-1.

18 **Q. PLEASE SUMMARIZE YOUR RESEARCH AND PUBLICATIONS ON THE**  
19 **TOPIC OF STANDBY RATES AND CHP.**

20 A. From 2015-2017, I conducted research on Midwest utilities’ standby rate approaches  
21 using an “apples-to-apples” comparison methodology to examine the difference in  
22 monthly standby charges for a sample CHP system under various scheduled and  
23 unscheduled outage scenarios. The results of this study were published in 2017 in the

1 report titled *Apples-to-Apples: Comparing Customer Standby Charges for Improved Rate*  
2 *Design*.<sup>1</sup> In 2019, I provided an updated landscape analysis of recent state utility  
3 regulatory activities on the topic of standby rates in the report titled *Where Things Stand*  
4 *on Standby Rates*.<sup>2</sup> In 2020, I co-authored a report for the U.S. Department of Energy's  
5 Advanced Manufacturing Office titled *Combined Heat and Power in Integrated Resource*  
6 *Planning: Examples and Planning Considerations*.<sup>3</sup> In 2021, I researched and published a  
7 report on *Best Practices for Standby Rates for Combined Heat and Power*, in which I  
8 defined and tested emerging recommended practices with interested stakeholders such as  
9 regulators, potential CHP users, developers, technical experts, and utilities.<sup>4</sup>

10 **Q. ON WHOSE BEHALF ARE YOU TESTIFYING?**

11 A. I am testifying on behalf of the Kimberly-Clark Corporation ("K-C").

12 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

13 A. I provide analysis and recommendations related to Big Rivers Electric Corporation's  
14 ("BREC") and Kenergy, Corp.'s ("Kenergy" and, jointly, "Companies") proposed Large  
15 Industrial Customer Standby Service ("LICSS") in direct response to the BREC rebuttal  
16 testimony filed on January 9, 2024 in this LICSS proceeding under consideration by the  
17 Kentucky Public Service Commission ("PSC" or "Commission").

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<sup>1</sup> Jamie Scripps, 5 Lakes Energy LLC (2018). *Apples-to-Apples: Comparing Customer Standby Charges for Improved Rate Design*. Available at [https://5lakesenergy.com/a2a\\_whitepaper/](https://5lakesenergy.com/a2a_whitepaper/).

<sup>2</sup> Jamie Scripps, Hunterston Consulting LLC (2019). *Where Things Stand on Standby Rates*. Available at <https://tinyurl.com/y3kga94r>.

<sup>3</sup> Meegan Kelly and Jamie Scripps, ICF for the U.S. Department of Energy's Advanced Manufacturing Office (2020). *Combined Heat and Power in Integrated Resource Planning: Examples and Planning Considerations*. Available at <https://www.energy.gov/sites/default/files/2022-03/see-action-chpirp-fy22.pdf>.

<sup>4</sup> Jamie Scripps, Hunterston Consulting LLC for the Great Plains Institute (2021). *Best Practices for Standby Rates for Combined Heat and Power*. Available at <https://betterenergy.org/wp-content/uploads/2021/04/best-practices-for-standby-rates-for-combined-heat-and-power.pdf>.

1 **Q. IN HIS REBUTTAL TESTIMONY, MR. WRIGHT STATES THAT “MISO**  
2 **PERMITS A GENERATOR TO REGISTER AS A LOAD MODIFYING**  
3 **RESOURCE (LMR) – BEHIND THE METER GENERATION (BTMG).”<sup>5</sup> WHAT**  
4 **IS YOUR RESPONSE TO THIS STATEMENT?**

5 A. Mr. Wright is correct that MISO permits a generator to register as a Load Modifying  
6 Resource (“LMR”) – Behind the Meter Generation (“BTMG”). However, it is clear from  
7 the MISO Tariff that MISO does not intend for all behind-the-meter generation to be  
8 registered as an LMR. In order for behind-the-meter generation to qualify as an LMR-  
9 BTMG, the generation owner must volunteer for the obligation to make the generator  
10 available to MISO during emergencies. According to the MISO Tariff, “A BTMG  
11 Resource for which operation is not an obligation during Emergency events declared by  
12 the Transmission Provider pursuant to the Transmission Provider emergency operating  
13 procedures, will not qualify as an LMR.”<sup>6</sup> Further, the MISO Tariff defines an LMR  
14 Market Participant (“MP”) as “A Market Participant that has the rights to control the  
15 energy demand or the energy production from a Load Modifying Resource.”<sup>7</sup> As is  
16 emphasized in the surrebuttal testimony of K-C witness Steven Cassady, K-C has not  
17 volunteered its generation to be utilized as an LMR.<sup>8</sup> Further, I am not aware of any  
18 agreement between MISO and K-C, BREC and K-C, or Kenergy and K-C whereby  
19 MISO, BREC, or Kenergy has any rights to control the energy production from K-C’s

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<sup>5</sup> Rebuttal Testimony of BREC Witness Terry Wright, Jr. filed January 9, 2024, p. 6, lines 16-17.

<sup>6</sup> MISO Tariff, p. 69A.3.6-1(h).

<sup>7</sup> MISO Tariff, Definitions – L.

<sup>8</sup> Surrebuttal Testimony of K-C Witness Steven Cassady filed March 18, 2024, p. 1-2, lines 15-23, 1.

1 generation, which means the Companies would not qualify as an LMR MP as to the K-C  
2 cogeneration unit.

3 **Q. IS THERE A DIFFERENCE BETWEEN TARIFF-DEFINED BEHIND THE**  
4 **METER GENERATION (“BTMG”) AND NON-TARIFF-DEFINED BEHIND**  
5 **THE METER GENERATION UNDER THE MISO RULES?**

6 A. Yes. MISO Tariff-defined BTMG are “[g]eneration resources used to serve wholesale or  
7 retail load located behind a CPNode that are not included in the Transmission Provider’s  
8 Setpoint Instructions and in some cases can also be deliverable to Load located within the  
9 Transmission Provider Region using either Network Integration, Point-To-Point  
10 Transmission Service or transmission service pursuant to a Grandfathered Agreement.  
11 These resources have an obligation to be made available during Emergencies.”<sup>9</sup> The  
12 MISO Tariff definition of BTMG excludes non-LMR behind-the-meter generation that  
13 has no LMR obligations, such as the requirement to be available to MISO during MISO  
14 Emergency Events. In this case, the K-C cogeneration unit has not taken on any LMR  
15 obligations, will not take on any LMR obligations, and has historically operated only to  
16 serve the Kimberly-Clark Owensboro Facility, which has a “standard operating profile  
17 (24 hrs/day, 7 days/week, 365 days/year).”<sup>10</sup> Consequently, the LMR-related provisions  
18 in the MISO Tariff do not apply to K-C’s cogeneration.

19 **Q. CAN K-C’S COGENERATION UNIT “BE AVAILABLE” TO MISO DURING**  
20 **MISO EMERGENCY EVENTS?**

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<sup>9</sup> MISO Tariff, Definitions – B.

<sup>10</sup> Direct Testimony of K-C Witness Steven Cassady, p. 3, lines 7-8.

1 A. No, based on the plain language of the MISO Tariff, K-C’s cogeneration cannot “be  
2 available” to MISO during MISO emergency events. K-C’s cogeneration unit is operated  
3 to serve the Kimberly-Clark Owensboro Facility, which has a “standard operating profile  
4 (24 hrs/day, 7 days/week, 365 days/year).”<sup>11</sup> While K-C operates its cogeneration unit  
5 during MISO Emergency Events, K-C’s focus is appropriately centered upon meeting a  
6 portion of its own load requirements, not upon furthering or responding to MISO dispatch  
7 requirements.

8 **Q. WHAT IS THE ROLE OF AN LMR IN THE RESOURCE ADEQUACY**  
9 **CONTEXT?**

10 A. LMRs can be used as a replacement for capacity in the context of resource adequacy. The  
11 MISO Tariff states: “Load Modifying Resources can be offered as [Zonal Resource  
12 Credits] in the [Planning Resource Auction] or can be used in [Fixed Resource Adequacy  
13 Plans] pursuant to Section 69A.9 or used in a [Reliability Based Demand Curve] Opt Out  
14 pursuant to Section 69A.9.1.”<sup>12</sup> A Zonal Resource Credit is defined as “A MW unit of a  
15 Planning Resource that has been converted from a MW of Seasonal Accredited Capacity  
16 to a credit in the [Module E Capacity Tracking tool], which is eligible to be offered by a  
17 Market Participant into the [Planning Resource Auction], to be sold bilaterally, eligible to  
18 be used for replacement capacity, and/or to be submitted through a Fixed Resource  
19 Adequacy Plan.”<sup>13</sup> LMRs are generally viewed as interruptible load which take on the  
20 commitment of being available to respond to Emergency Events. LMRs can be  
21 interruptible load, direct load control management or BTMG. K-C’s cogeneration unit

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<sup>11</sup> Direct Testimony of K-C Witness Steven Cassady, p. 3, lines 7-8.

<sup>12</sup> MISO Tariff 69A.3.3.

<sup>13</sup> MISO Tariff – Definitions Z.

1 would not be available to MISO as replacement capacity during MISO Emergency  
2 Events and, thus, the LMR-related provisions in the MISO Tariff are not applicable in  
3 this case.

4 **Q. PLEASE EXPLAIN THE RELEVANCE OF LMR PARTICIPATION TO BREC'S**  
5 **LOAD FORECASTING.**

6 A. Contrary to the implications in Mr. Wright's Rebuttal Testimony, BREC does have some  
7 discretion as to what load it includes in its MISO coincident peak ("CP") forecast, except  
8 that all LMR load reductions should be included with, or "added back," to the load  
9 forecast. Importantly, because K-C's cogeneration should not be offered, and does not  
10 qualify, as an LMR, there is no requirement for BREC to include in its load forecast the  
11 K-C load that is served by K-C's cogeneration. First, the MISO Tariff defines Coincident  
12 Peak Demand as: "The Demand in MWs, for a [Load Serving Entity] and/or [Electricity  
13 Distribution Company] , that occurs coincident to the peak Demand for each Season in  
14 the Transmission Provider Region, where all Demand has been augmented to include any  
15 known reductions in Demand related to LMRs and/or Energy Efficiency Resources."<sup>14</sup>  
16 There is no requirement to adjust load forecasts upward for non-tariff-defined behind-the-  
17 meter generation that is not an LMR. Second, according to the MISO Peak Forecasting  
18 Methodology Review Whitepaper, "[E]ntities responsible for providing the coincident  
19 peak forecast are free to discuss alternative approaches with MISO staff. The goal of  
20 coincident peak forecasting is to obtain accurate estimates of each entity's coincident  
21 peak – not to blindly follow a script that could be improved upon."<sup>15</sup> In sum, BREC has

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<sup>14</sup> MISO Tariff, Definitions – C.

<sup>15</sup> MISO Peak Forecasting Methodology Review, p. 8. Available at <https://cdn.misoenergy.org/Peak%20Forecasting%20Methodology%20Review%20Whitepaper173766.pdf>.



1 some discretion as to what load it includes in its MISO CP forecast, as long as the  
2 approach is consistent with the goal of obtaining an accurate estimate of BREC's CP. As  
3 particularly relevant to this proceeding, there is no requirement in the MISO Tariff  
4 definition of Coincident Peak Demand to adjust for non-tariff-defined behind-the-meter  
5 generation that is not an LMR, such as K-C's cogeneration.

6 **Q. HOW SHOULD BREC APPROACH BTMG-LMR AND NON-TARIFF-DEFINED**  
7 **BEHIND-THE-METER GENERATION IN ITS CP FORECAST?**

8 A. BREC should not gross up its CP forecast with the demand normally served by non-  
9 tariff-defined behind-the-meter generation. Here, I use the term "gross up" to mean add  
10 on top of or add back to the metered load measured at the system peak. According to the  
11 MISO Peak Forecasting Methodology Review Whitepaper, "LMR's reduction of the  
12 coincident peak will be separately credited through the resource adequacy process, and  
13 should not be subtracted from the CP forecast."<sup>16</sup> However, non-tariff-defined behind-  
14 the-meter generation is not an LMR under the MISO Tariff, and its reduction of the CP is  
15 not separately credited through the resource adequacy process. Therefore, the utility  
16 should not gross up its CP forecast with the demand normally served by non-tariff-  
17 defined behind-the-meter generation. Inclusion of such load in the CP forecast would not  
18 reflect normal conditions, and would artificially inflate BREC's CP forecast, hindering  
19 efforts to "obtain accurate estimates of each entity's coincident peak."<sup>17</sup>

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<sup>16</sup> MISO Peak Forecasting Methodology Review, p. 9. Available at <https://cdn.misoenergy.org/Peak%20Forecasting%20Methodology%20Review%20Whitepaper173766.pdf>.

<sup>17</sup> See MISO Peak Forecasting Methodology Review, p. 8. Available at <https://cdn.misoenergy.org/Peak%20Forecasting%20Methodology%20Review%20Whitepaper173766.pdf>.

1 **Q. WHAT IS THE IMPACT ON CUSTOMER COSTS FOR ALL BIG RIVERS’**  
2 **CUSTOMERS IF THE COMPANY ARTIFICIALLY INFLATES ITS CP**  
3 **FORECAST?**

4 A. According to Mr. Wright, higher load forecasts mean higher costs for Big Rivers’  
5 customers. In his response to Intervenors’ Joint Requests for Information 3-3(g), Mr.  
6 Wright states, “However, if Big Rivers consistently exceeds the values that it submits,  
7 then MISO will require Big Rivers to submit higher load forecasts in the future, which  
8 will increase costs for Big Rivers’ customers.”<sup>18</sup> Because the K-C cogeneration unit has a  
9 low forced outage rate, and because K-C rarely if ever places cogeneration-served load  
10 on the grid during CPs, BREC would be significantly overstating K-C’s forecast CP load  
11 if it included in its load forecast the full amount of the K-C load that is served by K-C’s  
12 cogeneration unit.

13 **Q. IN HIS REBUTTAL TESTIMONY, MR. WRIGHT STATES: “AS LONG AS A**  
14 **BEHIND-THE-METER GENERATOR IS SUBJECT TO FORCED OUTAGES**  
15 **(AND ALL ARE, THUS NECESSITATING STANDBY SERVICE), BIG RIVERS**  
16 **MUST PLAN FOR THE CAPACITY TO SERVE ITS FULL LOAD**  
17 **IRRESPECTIVE OF THE BEHIND-THE-METER GENERATOR.”<sup>19</sup> WHAT IS**  
18 **YOUR RESPONSE TO THIS STATEMENT?**

19 A. This statement in Mr. Wright’s Rebuttal Testimony is at odds with his own description of  
20 the planning approach taken in BREC’s most recent Integrated Resource Plan (“IRP”)  
21 filed in Commission Case No. 2023-00310. In discovery response 3-14(c), Mr. Wright

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<sup>18</sup> Joint Responses of Big Rivers Electric Corporation and Kenergy Corp. to Domtar Paper Company, LLC’s Third Request For Information, Witness Terry Wright, Jr. Discovery Response 3-3(g) filed March 8, 2024.

<sup>19</sup> (Wright, p. 5, lines 5-8).

1 explains that in its most recent IRP, BREC incorporated load from K-C net of the load  
2 that is served by K-C's cogeneration unit: "For Kimberly Clark, a smaller generator and  
3 load, ClearSpring utilized the total forecasted take (*load less generation*) from Big  
4 Rivers' system in MWh, which was [CONFIDENTIAL INFORMATION OMITTED] for  
5 2024. This value was then converted to a Coincident Peak Value."<sup>20</sup>

6 **Q. WHAT LOAD FORECASTING APPROACH IS CORRECT, IN YOUR OPINION,  
7 AND WHAT ARE THE RESULTS OF CORRECT LOAD FORECASTING?**

8 A. BREC's approach of using the actual net load that is served by BREC during peak hours  
9 for load forecasting accurately reflects the contributions of customers' behind-the-meter  
10 generation. BREC should continue following this "net load" approach going forward so  
11 that BREC does not overstate the amount of K-C load that it is likely to be serving during  
12 CP hours, does not overstate the costs that BREC incurs to serve K-C load, and, thus,  
13 does not overstate LICSS charges.

14 **Q. IN HIS REBUTTAL TESTIMONY, MR. WRIGHT ARGUES THAT "IN LIGHT  
15 OF THE MISO MARKETPLACE AND THE RISKS AND COSTS ASSOCIATED  
16 WITH THE ACQUISITION OF RELIABLE CAPACITY AND ENERGY, A NEW  
17 FRAMEWORK IS APPROPRIATE." WHAT IS YOUR RESPONSE TO THIS  
18 STATEMENT?**

19 A. Here, I interpret the phrase "new framework" to refer to the Companies' proposed LICSS  
20 standby rate design. First, Mr. Wright is correct that "[f]or many years, utilities  
21 approached standby service needs differently" ... "by assuming that maintenance and

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<sup>20</sup> Joint Responses of Big Rivers Electric Corporation and Kenergy Corp. to Domtar Paper Company, LLC's Third Request For Information, Witness Terry Wright, Jr. Discovery Response 3-14(c) filed March 8, 2024 (emphasis added).

1 back-up service had different cost-of-service profiles.”<sup>21</sup> However, what Mr. Wright has  
2 not demonstrated is that this well-established approach is not working or inadequate to  
3 the task of recovering the appropriate level of costs from standby service customers. Over  
4 the past decade, I have performed research on standby rates across many states and many  
5 utilities.<sup>22</sup> The Companies’ proposed tariff is an unwarranted departure from utilities’  
6 traditional approach to standby service. I am not aware of any other utility in the MISO  
7 territory that has adopted this “new framework.” Further, there are numerous examples of  
8 other utilities in the MISO footprint that follow widely accepted approaches to standby  
9 rate design, such as DTE Energy in Michigan with its Rider 3,<sup>23</sup> and Xcel Energy  
10 Minnesota with its Standby Service Rider.<sup>24</sup> Not only does the Companies’ proposed  
11 LICSS tariff contravene best practices, the proposed tariff increases risk and costs for  
12 both the utility and its customers by disincentivizing the efficient use of grid and  
13 consumer-owned resources.

14 **Q. PLEASE SUMMARIZE HOW BREC’S PROPOSAL IS A DEPARTURE FROM**  
15 **UTILITIES’ ESTABLISHED APPROACH TO STANDBY RATES.**

16 A. The Companies’ proposed LICSS tariff would require a customer to register their behind-  
17 the-meter generation as an LMR as a component of the standby service tariff. The

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<sup>21</sup> (Wright, p. 10-11, lines 22, 1-8).

<sup>22</sup> See Jamie Scripps, 5 Lakes Energy LLC (2018). *Apples-to-Apples: Comparing Customer Standby Charges for Improved Rate Design*. Available at [https://5lakesenergy.com/a2a\\_whitepaper/](https://5lakesenergy.com/a2a_whitepaper/); Jamie Scripps, Hunterston Consulting LLC (2019). *Where Things Stand on Standby Rates*. Available at <https://tinyurl.com/y3kga94r>; Jamie Scripps, Hunterston Consulting LLC for the Great Plains Institute (2021). *Best Practices for Standby Rates for Combined Heat and Power*. Available at <https://betterenergy.org/wp-content/uploads/2021/04/best-practices-for-standby-rates-for-combined-heat-and-power.pdf>.

<sup>23</sup> DTE Energy, Rider No. 3. Available at <https://newlook.dteenergy.com/wps/wcm/connect/acc6aa3a-0ee7-4c67-9fe6-02cf129f370e/StandardContract3StandbyService.pdf?MOD=AJPERES>.

<sup>24</sup> Xcel – Minnesota, Standby Service Rider. Available at [https://www.xcelenergy.com/staticfiles/xcel-responsive/Working%20With%20Us/Renewable%20Developers/Me\\_Section\\_10.pdf](https://www.xcelenergy.com/staticfiles/xcel-responsive/Working%20With%20Us/Renewable%20Developers/Me_Section_10.pdf).

1 peculiarity of this aspect of the Companies’ proposal is underscored by Mr. Wright’s  
2 response to Joint Request for Information 3-7(b), in which he failed to cite to "any other  
3 utilities in Kentucky or MISO [that] require their customers owning behind the meter  
4 generation to register as Load Modifying Resource – Behind the Meter Generation with  
5 MISO.”<sup>25</sup> Instead of citing an example of another utility imposing such a requirement,  
6 Mr. Wright responded, “Big Rivers is the only Commission-regulated utility in Kentucky  
7 that is a MISO Market Participant.”<sup>26</sup> The Companies’ proposed LICSS is an anomalous  
8 approach to standby service overall, and the specific requirement for the customer to  
9 register its behind-the-meter generation as an LMR is anomalous on its own.

10 **Q. WHAT KEY BENEFITS OF THE TRADITIONAL STANDBY RATE MODEL**  
11 **ARE EXCLUDED FROM BREC’S PROPOSED “NEW FRAMEWORK”?**

12 A. The Companies’ proposed “new framework” ignores key features of widely accepted  
13 standby rate models that have provided benefits for utilities and customers alike. Under  
14 the widely accepted models, the utility would offer a standby rate design that is based on  
15 the large industrial rate but, critically, pro-rated to recover the costs of only occasionally  
16 using standby service during scheduled and unscheduled outages. Typically, the utility  
17 would differentiate between scheduled maintenance and unscheduled outages both in  
18 terms of per-kW and per-kWh rates charged (with scheduled maintenance reflecting a  
19 lower cost), and to create a communication pathway whereby the customer notifies the  
20 utility in advance of upcoming scheduled maintenance. Such a structure provides the

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<sup>25</sup> Joint Responses of Big Rivers Electric Corporation and Kenergy Corp. to Domtar Paper Company, LLC’s Third Request For Information, Witness Terry Wright, Jr. Discovery Request 3-7(b) filed March 8, 2024.

<sup>26</sup> Joint Responses of Big Rivers Electric Corporation and Kenergy Corp. to Domtar Paper Company, LLC’s Third Request For Information, Witness Terry Wright, Jr. Discovery Response 3-7(b) filed March 8, 2024.

1 customer with more appropriate price signals, and creates an incentive for proactive  
2 maintenance of cogeneration systems, including a method by which the utility and the  
3 customer cooperate on the scheduling of maintenance outages to avoid times of increased  
4 grid stress and costs.

5 **Q. ARE THERE EXAMPLES OF UTILITIES IN KENTUCKY OR IN THE MISO**  
6 **TERRITORY THAT ACKNOWLEDGE THAT MAINTENANCE AND BACK-UP**  
7 **SERVICE HAVE DIFFERENT COST-OF-SERVICE PROFILES?**

8 A. Yes. For example, Duke Energy Kentucky differentiates “Supplemental Power Service,  
9 Maintenance Power Service and Backup Power Service” in its Rider GSS (Generation  
10 Support Service).<sup>27</sup> In the MISO area of Michigan, DTE Energy provides for  
11 differentiated maintenance and backup on-peak daily demand charge rates in its Rider  
12 No. 3 for Parallel Operation and Standby Service.<sup>28</sup> In its Standby Service Rider, Xcel  
13 Energy – Minnesota (in the MISO territory) differentiates unscheduled and scheduled  
14 outages, and provides for seasonal per kWh energy pricing.<sup>29</sup> In my experience, most  
15 standby rate structures recognize a distinction between scheduled maintenance and  
16 unscheduled backup service and allow for coordination between the customer and the  
17 utility to schedule maintenance outages during times of less grid strain because both the  
18 utility and the customer are motivated to avoid unnecessary uncertainty and cost.

19 **Q. IN HIS REBUTTAL TESTIMONY, MR. WRIGHT STATES THAT “A BEHIND-**  
20 **THE-METER GENERATOR DOES NOT ALLOW BIG RIVERS TO REDUCE**

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<sup>27</sup> Duke Energy – Kentucky, Rider GSS (Generation Support Service). Available at <https://psc.ky.gov/tariffs/electric/duke%20energy%20kentucky/tariff.pdf>.

<sup>28</sup> DTE Energy, Rider No. 3. Available at <https://newlook.dteenergy.com/wps/wcm/connect/acc6aa3a-0ee7-4c67-9fe6-02cf129f370e/StandardContract3StandbyService.pdf?MOD=AJPERES>.

<sup>29</sup> Xcel – Minnesota, Standby Service Rider. Available at [https://www.xcelenergy.com/staticfiles/xcel-responsive/Working%20With%20Us/Renewable%20Developers/Me\\_Section\\_10.pdf](https://www.xcelenergy.com/staticfiles/xcel-responsive/Working%20With%20Us/Renewable%20Developers/Me_Section_10.pdf).

1           **ANY OF ITS TRANSMISSION DEMAND RELATED COSTS,” AND THAT**  
2           **COSTS “ARE SUBSTANTIALLY THE SAME WHETHER OR NOT THE**  
3           **SWITCH IS ACTUALLY FLIPPED.” WHAT IS YOUR RESPONSE TO THIS**  
4           **STATEMENT?**

5    A.    Mr. Wright ignores the potential for communication between the customer and the utility  
6           as to the advanced scheduling of maintenance outages of the cogeneration unit to reduce  
7           risk and cost. A standby rate structure that differentiates between scheduled maintenance  
8           and unscheduled outages of a customer’s cogeneration unit would provide the customer  
9           with more appropriate price signals, which may influence customer behavior. It would  
10          also provide BREC with more complete information and improve the accuracy of its  
11          forecasting, allowing it to make better and less costly decisions in every phase of its  
12          planning. To the extent that there are transmission costs associated with a customer’s use  
13          of standby service even after the utility and the customer have coordinated as to  
14          scheduled maintenance outages, those costs are more appropriately recovered through  
15          established standby rate models that differentiate between scheduled maintenance and  
16          unscheduled outages on a cost of service basis.

17   **Q.    DOES THIS CONCLUDE YOUR TESTIMONY?**

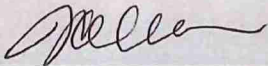
18    A.    Yes.

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of: )  
)  
ELECTRONIC TARIFF FILING OF BIG RIVERS ) CASE NO.  
ELECTRIC CORPORATION AND KENERGY ) 2023-00312  
CORP. TO REVISE THE LARGE INDUSTRIAL )  
CUSTOMER STANDBY SERVICE TARIFF )

**VERIFICATION OF JAMIE SCRIPPS OF TESTIMONY ON BEHALF OF  
INTERVENOR KIMBERLY-CLARK CORPORATION**

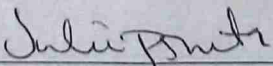
The undersigned, Jamie Scripps, being duly sworn, deposes and says that she is Principal at Hunterston Consulting, LLC, that she has personal knowledge of the matters set forth in the foregoing testimony, and that the answers contained therein are true and correct to the best of her information, knowledge, and belief.

  
\_\_\_\_\_  
**Jamie Scripps**  
**Principal**  
**Hunterston Consulting, LLC**

STATE OF Michigan )  
) ss.  
COUNTY OF Leelanau )

Subscribed and sworn to before me on this 13 day of March, 2024.



  
\_\_\_\_\_  
Notary Public

My commission expires: 6/2/2029



# JAMIE SCRIPPS

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103 East Fifth Street, P.O. Box 474, Northport, Michigan 49670  
(517) 897-4649 – jamie@hunterstonconsulting.com

## PROFESSIONAL EXPERIENCE

Hunterston Consulting LLC

*Owner*

FEBRUARY 2019 – PRESENT

- Owner of consultancy offering expertise in advanced energy policy and utility regulation.
- 10+ years of experience managing complex projects requiring subject matter expertise in state climate policy and energy regulation, in partnership with an extensive and diverse network of partners, allies, and engaged stakeholders, including electric and gas utilities.
- Provide support for the Michigan Council on Climate Solutions, including meeting preparation and report development.
- Provide technical and project management support to Institute for Energy Innovation in support of the development of its energy storage roadmap for Michigan.
- Offer services in expert research, analysis, and testimony informing regulation of electric utilities with attention to cost causation principles, sound rate design, and public policy impacts.
- Serve as a subject matter expert on behalf of the U.S. Department of Energy Midwest and Central On-Site Energy Technical Assistance Partnerships (formerly known as the Combined Heat and Power (“CHP”) Technical Assistance Partnerships), covering activities in Indiana, Illinois, Ohio, Michigan, Minnesota, and Wisconsin (Midwest) and Iowa, Kansas, Missouri, Nebraska (Central).
- Provided strategic and technical support to partners engaged in CHP, waste heat to power and industrial energy efficiency policy efforts, including collaborations with the CHP Alliance/Alliance for Industrial Efficiency, the Great Plains Institute, Fresh Energy, the Ohio Environmental Council, and the Ohio Manufacturers’ Association.

U.S. Climate Alliance

*Senior Associate, Midwest Climate Policy*

OCTOBER 2020 – FEBRUARY 2021

- Advised state governors and their policy staff regarding potential decarbonization policies based on shared best practices and economic analyses considering emissions reductions, cost impacts, technology advancements, legislative and regulatory proceedings, and implementation.
- Provided research and expertise to support state advisory councils on climate change, and engagement by state officials on power, buildings, and transportation sector working groups.
- Advised state governors and their policy staff on federal climate actions, including research and drafting of briefing memoranda.

ICF

*Expert Consultant*

October 2019 – OCTOBER 2020; MARCH 2021 – PRESENT

- Research, analyze, and draft comments and other filings on behalf of electric utilities in energy efficiency and demand response program regulatory proceedings, including focus on cost recovery, performance incentives, evaluation, measurement, and verification.
- Support the filing of transportation electrification plans by electric utilities, including drafting of expert witness testimony and tariff sheets.
- Provided research and drafting in support of the filing of a microgrid incentive program by a coalition of investor-owned utilities.
- Researched and analyzed organizational decarbonization goals in relation to deployment of distributed energy resources, with a focus on combined heat and power (CHP) applications.
- Researched, analyzed, and co-authored reports for the U.S. Department of Energy on integrated resource planning and utility ownership of CHP.

5 Lakes Energy LLC

*Partner*

JULY 2012 – FEBRUARY 2019

- Co-owned Michigan-based policy consulting firm offering services in clean energy policy engagement and expert witness services leveraging analytical and modeling techniques developed to assess cost and emissions impacts.
- Supported modeling and analysis using the State Tool for Electricity Emissions Reduction, an open access integrated resource planning model developed for analyzing least-cost strategies for implementing the Clean Power Plan.
- Provided expert research, analysis and testimony informing regulation of electric utilities with attention to cost causation principles, sound rate design and public policy impacts, including:
  - Testimony before the Pennsylvania Public Utility Commission as an expert witness on behalf of Peoples Gas on the topic of standby rates for CHP in the 2018 Duquesne Light Company distribution rate case proceeding R-2018-3000124.
  - Testimony before the Michigan Public Service Commission as an expert witness on behalf of the Michigan EIBC and IEI on the topic of standby rates for combined heat and power (CHP) in the 2018 Consumers Energy and DTE Electric general rate case proceedings U-20134 and U-20162.
  - Testimony before the Missouri Public Service Commission as an expert witness on behalf of Renew Missouri on the topics of residential fixed charges, electric vehicle rate design, residential time-of-use pilot programs, and standby rates in the Kansas City Power & Light (KCPL) and Greater Missouri Operations (GMO) general rate case proceedings ER-2018-0145 and ER-2018-0146.
  - Technical support provided to Midwest Cogeneration Association (MCA) in comments submitted to and presentations before the Illinois Commerce Commission (ICC) on the topic of standby rates for CHP as part of NextGrid: Illinois Utility of the Future Study.
  - Presentation before the National Association of Regulatory Utility Commissioners (NARUC) 2018 Summer Policy Summit on the topic of standby rates for CHP.
  - Technical support provided to the U.S. Department of Energy Mid-Atlantic CHP Technical Assistance Partnership (TAP) in modeling standby rates in an avoided electricity rate

analysis presented to the Pennsylvania Public Utility Commission CHP Working Group in July 2018.

- Technical support provided to Midwest Cogeneration Association (MCA) in comments submitted to the Indiana Utility Regulatory Commission (IURC) on the topic of standby rates for CHP as part of the 2018 Backup, Maintenance, and Supplemental Power Rate Review.
- Presentation before the Public Utility Commission of Ohio (PUCO) on the topic of standby rates for CHP in Phase 3 of the PowerForward grid modernization initiative (featured in recap: [https://youtu.be/l\\_vMVol6Xtk](https://youtu.be/l_vMVol6Xtk))
- Testimony before the Michigan Public Service Commission as an expert witness on behalf of the MCA on the topic of standby rates for CHP in the 2017 Consumers Energy and DTE Electric general rate case proceedings U-18322 and U-18255.
- Technical support provided to Midwest Cogeneration Association (MCA) in comments submitted to the Minnesota Public Utility Commission on the topic of standby rates for CHP as part of its Commission Inquiry into Standby Tariffs, Docket No. 15-115.

Kaplan University

*Academic Department Chair*

AUGUST 2010 – JULY 2012

- Managed online faculty teaching in Master of Public Administration, MS in Legal Studies, and MS in Environmental Policy programs; served as subject matter expert in development of curricula for courses in public administration and environmental policy.

Michigan Department of Energy, Labor & Economic Growth

*Assistant Deputy Director for Energy*

FEBRUARY 2009 – JULY 2010

- Managed clean energy stakeholder engagement processes on behalf of the department, including strengthening relationships with representatives from environmental groups, agricultural organizations, manufacturing associations, labor unions, utilities, ratepayers, and advanced energy companies on the development of state-level clean energy policy and programs.
- Managed energy systems teams in the strategic deployment of energy-related stimulus funds through the state energy office, including weatherization, green schools, and the creation of the Michigan Saves energy efficiency financing program.

Sondee, Racine & Doren, PLC

*Associate Attorney*

JANUARY 2008 – DECEMBER 2008

- Provided counsel to local governmental clients including Traverse City Light & Power and the Grand Traverse County Brownfield Redevelopment Authority.

Michigan Environmental Council

*Deputy Policy Director*

APRIL 2007 – DECEMBER 2007

- Supported legislative campaigns aimed at the creation of renewable energy standard and utility energy efficiency programs, including policy support for the legislative campaign that resulted in passage of Michigan Public Act 295 of 2008.

Venable LLP

*Associate Attorney*

SEPTEMBER 2005 – MARCH 2007

- Provided counsel to shipping and manufacturing clients under investigation for federal environmental crimes; supported representation of electric and gas utilities.

### EDUCATIONAL BACKGROUND

University of Michigan Law School – Ann Arbor, MI

- Juris Doctor awarded May 2005
  - Recipient of Irving Stenn, Jr. Leadership Award 2005

North Central College – Naperville, IL

- Master’s Degree in Leadership Studies awarded June 2002

University of Michigan School of Education – Ann Arbor, MI

- Bachelor’s in Education (with honors) awarded May 1999

### PUBLICATIONS

Jamie Scripps, Hunterston Consulting LLC (2021). Best Practices for Standby Rates for Combined Heat and Power (CHP), available at <https://betterenergy.org/wp-content/uploads/2021/04/best-practices-for-standby-rates-for-combined-heat-and-power.pdf>

Meegan Kelly and Jamie Scripps (2020). Combined Heat and Power in Integrated Resource Planning: Examples and Planning Considerations. Prepared by ICF for the State and Local Energy Efficiency Action Network, available at <https://www7.eere.energy.gov/seeaction/CHPIRP>

Jamie Scripps, Hunterston Consulting LLC (2019). Where Things Stand on Standby Rates, available at <https://tinyurl.com/y3kga94r>

Jamie Scripps, 5 Lakes Energy (2018). Apples-to-Apples: Comparing Customer Standby Charges for Improved Rate Design, available at [https://5lakesenergy.com/a2a\\_whitepaper/](https://5lakesenergy.com/a2a_whitepaper/)

Jamie Scripps, How Will the “Clean Power Plan” Affect Michigan?, 33 Mich Env L J N. 4, p 3-9 (2015), available at <https://tinyurl.com/ybfrlrgc>