

Exhibit No.:	
Issues:	
Witness:	Annika Brink
Sponsoring Party:	National Housing Trust
Type of Exhibit:	Rebuttal Testimony
Case Nos.:	GR-2019-0077
Date Testimony Prepared:	June 7, 2019

MISSOURI PUBLIC SERVICE COMMISSION

FILE NO. GR-2019-0077

**REBUTTAL TESTIMONY
OF
ANNIKA BRINK
ON
BEHALF OF
NATIONAL HOUSING TRUST**

June 7, 2019

Renew Exhibit No. 353
Date 8-15-19 Reporter COT
File No. GR-2019-0077

1 **Q. Please state your name and business address.**

2 A. Annika Brink, National Housing Trust, 1101 30th Street NW, Suite 100A, Washington,
3 DC 20007.

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

5 A. I am testifying on behalf of the National Housing Trust (NHT). All work developing my
6 testimony has been completed by me or under my direction.

7 **Q. By whom are you employed and in what capacity?**

8 A. I am employed by the National Housing Trust as its Midwest Director of Energy
9 Efficiency Policy. In this capacity I work with state and local partners across the country to make
10 multifamily housing healthy and affordable through energy efficiency. I have primary
11 responsibility for NHT's energy efficiency policy work in the Midwest, including Missouri.

12 **Q. Please provide a summary of your qualifications and experience.**

13 A. Please refer to this information in my Direct Testimony in this case.

14 **Q. Have you previously testified before this Commission?**

15 A. Yes, in addition to my Direct Testimony on Revenue Requirement and Rate Design in
16 this case, I previously provided testimony in Ameren Missouri's 2016-18 MEEIA filing (EO-
17 2015-0055), in Spire's 2017 rate cases (GR-2017-0215 and GR-2017-0216), in Ameren
18 Missouri's 2019-2024 MEEIA filing (EO-2018-0211), and in Kansas City Power & Light's
19 2019-2024 MEEIA filing (EO-2019-0132 and EO-2019-0133). I have also presented to
20 Commissioners and stakeholders at various workshops, convenings, and meetings, such as the
21 Missouri Energy Efficiency Advisory Collaborative (MEEAC).

22 **Q. Please summarize your testimony.**

1 A. My testimony focuses on the Company's proposed Weather and Conservation
2 Adjustment Rider (WCAR). Specifically, I respond to the position of PSC Staff that this
3 proposed rider be replaced with a Weather Normalization Adjustment Rider (WNAR) that does
4 not adjust for changes in energy usage caused by conservation and energy efficiency. I express
5 strong support for the Company's original WCAR. First, I state our position that using PSC
6 Staff's WNAR rather than the Company's proposed WCAR would be harmful to customers,
7 including income-qualified customers. Then I outline the lack of evidence of a need to replace
8 the WCAR with a WNAR and discuss why the Company's WCAR should be approved as filed
9 or with any necessary changes while still preserving a conservation adjustment.

10 **Q. You indicate that PSC Staff objected to the Company's proposed Weatherization**
11 **and Conservation Adjustment Rider (WCAR) and proposed its own Weatherization**
12 **Normalization Adjustment Rider (WNAR), which you do not support. Please explain why.**

13 A. PSC Staff made this objection in its Staff Class Cost of Service Report.¹ I do not support
14 their suggestion to eliminate the conservation adjustment portion of the Company's WCAR and
15 instead approve a WNAR that has no conservation adjustment. Including a conservation
16 adjustment in its rider will help eliminate the Company's natural disincentive to investing in
17 energy efficiency improvements for its customers. As outlined in my Revenue Requirement
18 testimony in this case, energy efficiency can exert a downward pressure on customer bills
19 systemwide, making it beneficial for all customers, but especially for under-resourced (low-
20 income) customers. Customers who receive energy efficiency upgrades benefit even more.
21 Preventing the Company from adjusting for lost sales due to energy efficiency and conservation
22 is therefore likely to harm the Company's customers, because it is likely to lead the Company to
23 invest less in energy efficiency than it otherwise would.

¹ PSC Staff, "Staff Report – Class Cost of Service with Appendices," File No. GR-2019-0077, May 3, 2019, pg. 20.

1 While I am not a lawyer, an adjustment for conservation appears to be allowed by
2 Missouri law, Section 386.266.3 RSMo. In stating its position that the Company should not
3 include a conservation adjustment, PSC Staff did not provide a credible reason for excluding a
4 conservation adjustment, but instead merely stated that a conservation adjustment “can be
5 difficult to define or accurately quantify.”² However, the Company has proposed a detailed
6 methodology for doing just that,³ of which PSC Staff did not offer specific critiques.

7 **Q. Are decoupling-type mechanisms mainstream?**

8 A. Yes: according to NRDC research, as of January 2019 there are 64 gas utilities with
9 decoupling mechanisms in 26 states, up from 49 gas utilities in 20 states in 2013. Notably, this
10 includes the Company’s sister utility, Ameren Illinois, which adopted a decoupling mechanism
11 in December 2015. These utilities also include two additional utilities in Illinois, three utilities in
12 Indiana, three utilities in Michigan, two utilities in Minnesota, three utilities in Arkansas, and one
13 utility in Tennessee.⁴ While this research describes the prevalence of true decoupling—a more
14 comprehensive form of lost revenue adjustment, rather than the type of lost revenue adjustment
15 mechanism proposed by the Company—it is still illustrative of the extent of similar mechanisms
16 across the industry and in neighboring states.

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

18 A. Yes, it does.

² Staff CCOS Report, at 18.

³ Ameren Missouri, “Tariff Revision (YG-2019-0113),” File No. GR-2019-0077, December 3, 2018, Sheet No. 32-32.6.

⁴ “Gas and Electric Decoupling,” *Natural Resources Defense Council*, Accessed June 7, 2019, <https://www.nrdc.org/resources/gas-and-electric-decoupling>. Additional utility details drawn from underlying data used by NRDC for this report. Peoples Gas & Coke (No. 07-0241/07-0242), North Shore Gas (No. 07-0241/07-0242), Ameren Illinois (No. 15-0142), Vectren Indiana Gas (No. 42943), Vectren Southern Indiana Gas (No. 42943), Citizen’s Gas & Coke (No. 42767), Consumers Energy (U-15986), Michigan Consolidated Gas (DTE Gas) (U-15985), CenterPoint Energy (GR-08-1075), Minnesota Energy Resources (GR-10-977), Arkansas Oklahoma (07-016-U, Order No. 7), Arkansas Western (Source Gas) (06-124-U, Order No. 6), CenterPoint Energy Resources (06-161-U, Order No. 6), and Chattanooga Natural Gas Company (No. 09-00183).

