

**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI**

In the Matter of the Application of Union Electric                    )  
Company d/b/a Ameren Missouri for an Accounting                    )  
Authority Order to Record and Preserve Net Costs and                ) File No. GU-2021-0112  
Revenues Related to COVID-19.    )

**NOTICE OF SUBMISSION OF ACCOUNTING PRACTICES AND PROCEDURES**

**COMES NOW** Union Electric Company d/b/a Ameren Missouri, and as required by Paragraph 9 of the Non-Unanimous Stipulation and Agreement approved by the Commission in this docket, states as follows:

1. On March 10, 2021, the Commission approved the Non-Unanimous Stipulation and Agreement (“Stipulation”) filed in this docket on February 25, 2021.
2. Paragraph 9 of the Stipulation requires Ameren Missouri to file, within 30 days of the Commission’s approval of the Stipulation, Ameren Missouri’s final policies and procedures intended to govern how the items to be deferred under the Accounting Authority Order approved by the Commission will be tracked and how the monthly deferral amounts are to be calculated for each applicable category.
3. The final policies and procedures are attached as Attachment 1, with the related reporting format attached as Attachment 2.

**WHEREFORE**, Ameren Missouri hereby submits said policies and procedures in compliance with the Stipulation and the Commission’s order approving the same.

Respectfully Submitted,

/s/ James B. Lowery

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**ATTORNEYS FOR UNION ELECTRIC  
COMPANY d/b/a AMEREN MISSOURI**

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that the foregoing Motion was served on all parties of record in this case via electronic mail (e-mail) or via regular mail on this 15th day of March, 2021.

*/s/ James B. Lowery*  
James B. Lowery



## COVID DEFERRAL FEBRUARY 2021

### Policies and Procedures:

Prior to the Company's application for an Accounting Authority Order ("AAO") to defer incremental COVID costs, net of applicable cost savings, the Company established managerial accounting (project codes) and provided instructions on their use for the purpose of identifying the COVID-related costs to be deferred according to its AAO application, now modified under the Non-Unanimous Stipulation and Agreement ("Stipulation") approved in File Nos. EU-2021-0027 and GU-2021-0112, respectively, granting the Company AAOs. The Company established a specific work order (J04HZ) for the purpose of recording the subject costs and savings.

The established accounting will be utilized in conjunction with other existing policies and practices (ex. employee expenses, time reporting, etc.), and Regulatory Accounting review, to determine the sums that can properly be deferred according to the Stipulation. Specifically, Regulatory Accounting will periodically analyze these costs to ensure that the proper costs/savings within the scope of the AAOs are deferred.

Unless otherwise noted, the below procedures are applicable to Electric and Gas Operations. Electric Operations are denoted as Utility 1 in the Company's General Ledger, while Gas Operations are denoted as Utility 2. Procedural details by cost or cost savings grouping are as follows (references to the Stipulation):

- 2(a)(i) Cleaning of Facilities and Vehicles – As a means to protect employees, incremental costs related to cleaning of facilities and vehicles were incurred. These costs are charged to the COVID work order, J04HZ. Regulatory Accounting reviews the charges to J04HZ and groups the costs according to the categories allowed in the Stipulation. Specific procedures performed by Regulatory Accounting can include reviewing accounting description, employee expense report justification, invoices, purchase orders, and/or contacting the party responsible for the charge. All eligible non-labor cleaning costs charged to this work order are considered incremental costs due to the impact of COVID-19, and therefore are included in the deferral.
- 2(a)(ii) Personal Protective Equipment – As a means to protect employees, incremental costs related to personal protective equipment were incurred. These costs are charged to the COVID work order, J04HZ. Regulatory Accounting reviews the charges to J04HZ and groups the costs according to the categories allowed in the Stipulation. Specific procedures performed by Regulatory Accounting can include reviewing accounting description, employee expense report justification, invoices, purchase orders, and/or contacting the party responsible for the charge. All eligible non-labor personal protective costs charged to this work order are considered incremental costs due to the impact of COVID-19, and therefore are included in the deferral.
- 2(a)(iii) Technology Upgrades/Associated Contract Labor/Illinois-Domiciled Employee Stipend. –Beginning in March 2020, most employees were required to work from home, a situation that has continued since that time for a majority of employees as a means to mitigate the spread of the coronavirus. This necessitated certain incremental costs related to technology upgrades and associated contract labor, which are charged to the COVID work order, J04HZ. Specific procedures performed by Regulatory Accounting can include reviewing accounting description, employee expense report justification, invoices, purchase orders, and/or contacting the party responsible for the charge. All eligible non-labor costs within this category charged to this work order are considered incremental costs due to the impact of COVID-19, and therefore are included in the deferral. Additionally, one-half of the \$62 per month technology stipend paid to employees domiciled in Illinois related to the requirement that they work from home is to be deferred as provided for in the Stipulation. These stipends were paid quarterly in 2020 and are paid monthly in 2021. Details of Illinois technology stipends paid are obtained from the payroll department. Stipends are allocated to UEC (when incurred by AMS and applicable to UEC), to non-labor O&M, and to Electric or Gas Operations based on the underlying labor split of the employee's department.



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- 2(a)(iv) Sequestration – The Pandemic required measures to prepare for the sequestration of employees who could not work from home to ensure that essential utility services could continue to be provided. Examples include on-site sleeping arrangements and "meals ready-to-eat". Incremental costs related to sequestration are charged to the COVID work order, J04HZ. Regulatory Accounting reviews the charges to J04HZ and groups the costs according to the categories allowed in the AAO filing. Specific procedures performed by Regulatory Accounting can include reviewing accounting description, employee expense report justification, invoices, purchase orders, and/or contacting the party responsible for the charge. All eligible non-labor costs in this category charged to this work order are considered incremental costs due to the impact of COVID-19, and therefore are included in the deferral.
- 2(b) Bad Debt – To determine if write-offs of bad debt exceed the level included in cost of service, regulatory Accounting queries Account 144, subaccounts 001, 002, and 003, for total bad debt write offs in the AAO deferral period. The total bad debt write offs in the AAO period are then compared to the bad debt write offs for the respective months associated with the base amounts defined in the AAO Order. The difference is included in the AAO deferral.
- 2(c) Communication Costs – In response to the Pandemic, the Company provided targeted and general communications to customers, including communications about disconnection moratoria, the resumption of regular policies, payment program options given the difficulties caused by the Pandemic, and modified past due notices. Incremental costs related to these kind of communications costs are charged to the COVID work order, J04HZ. Regulatory Accounting reviews the charges to J04HZ and groups the costs according to the categories allowed in the Stipulation. Specific procedures performed by Regulatory Accounting can include reviewing accounting description, employee expense report justification, invoices, purchase orders, and/or contacting the party responsible for the charge. All eligible non-labor costs for this category charged to this work order are considered incremental costs due to the impact of COVID-19, and therefore are included in the deferral.
- 2(e) Temporary Operating Centers – To maintain social distancing, the Company established temporary operating centers. Incremental costs related to temporary operating centers are charged to the COVID work order, J04HZ. Regulatory Accounting reviews the charges to J04HZ and groups the costs according to the categories allowed in the AAO filing. Specific procedures performed by Regulatory Accounting can include reviewing accounting description, employee expense report justification, invoices, purchase orders, and/or contacting the party responsible for the charge. All eligible non-labor costs charged to this work order are considered incremental costs due to the impact of COVID-19, and therefore are included in the deferral.
- 2(f) Mileage and Rental Vehicles – To maintain social distancing, the sharing of vehicles was minimized, resulting in incremental mileage and rental vehicle costs. Such incremental costs are charged to the COVID work order, J04HZ. Regulatory Accounting reviews the charges to J04HZ and groups the costs according to the categories allowed in the AAO filing. Specific procedures performed by Regulatory Accounting can include reviewing accounting description, employee expense report justification, invoices, purchase orders, and/or contacting the party responsible for the charge. All eligible non-labor costs charged to this work order are considered incremental costs due to the impact of COVID-19, and therefore are included in the deferral.
- 2(g) Waived Fee Revenue – Late payment fees are assessed when payment is not received by the bill due date. Reconnection fees are assessed when an account has been disconnected for nonpayment and service must be reestablished. Regulatory Accounting queries activity code RRR7 (late pay charge and reconnection fee write off) and revenue Accounts 450 and 487, for electric and gas respectively, to identify the waived fee revenue in the AAO deferral period. To the extent the waived fee revenue from the AAO deferral period is less than the late fee base amounts defined in the Stipulation, it is included in the deferral.



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- 5(a-c) Travel, Training, and Office Supplies –To identify cost savings for these categories, two code block sections are analyzed: employee expense resource types and training activity codes.

To analyze employee expenses, Regulatory Accounting queries resource type 80, 82, 83, 88, and 89 (resource type 84 for alcohol purchases has been excluded). All costs charged to the COVID work order, J04HZ, are excluded from the savings analysis as these costs are already accounted for in the incremental cost categories above. The calculated total employee expense costs during the AAO recovery period are then compared to the employee expenses for the respective months associated with the base amounts defined in the Stipulation. Regulatory Accounting analyzes the training costs incurred via activity code. Regulatory Accounting queries RMC 02E and 02T (the departments where training costs are incurred outside of the expense reporting process). The following training activity codes are then used to isolate training costs: TRAI, TRDI, TRNA, TRND, TRNL, and TRSI. In order to remove any costs already analyzed, work order J04HZ, RT 80-89, and any labor (and labor loaders) are removed from the population. The remaining total costs in the AAO deferral period are then compared to the monthly amounts derived from the base amounts defined in the Stipulation.

The total cost savings for Travel, Training, and Office supplies is the sum of the employee expense savings and training savings.

- 5(d) Utility Service – Utility services at Company-owned facilities are recorded within the combination of activity code FMBO (Facilities Management Building Operations) and resource type BV (utility services). Costs from the deferral period are compared to the monthly amounts derived from the base amounts defined in the Stipulation.

Utility services at leased facilities are included in the lease arrangements for those facilities (Bank of America, AMI Building, etc.). No modifications to the lease arrangements or lease payments have been made as a result of the pandemic.

5(e-f) Staffing, Compensation, and Benefits – The Company has not reduced staffing, compensation, or benefits levels due to COVID, nor does it have any plans to do so. However, it did identify a reduction in medical claims costs paid, which is primarily attributed to COVID and the reduction in elective procedures at medical facilities.

To identify cost savings related to medical claims benefits, Regulatory Accounting compares the group major medical expense for the AAO deferral period to the group major medical expense base amount defined in the AAO Stipulation by respective month. Major medical claims expense is identified in the GL by Account 926 and resource type 'WB' (benefits expense). Medical claims costs consist of both costs charged directly to UEC and AMS charges partially allocated to UEC. Allocations to UEC and allocations between electric and gas are updated annually, and therefore will vary depending on the period in question. A portion of medical claims costs are capitalized as an overhead and this portion is excluded from consideration for deferral.

- 5(g) Taxable NOL Carrybacks per CARES - No such cost savings exist through December 31, 2020. Regulatory Accounting will inquire with Tax at the end of Q1 2021 to determine whether this benefit has been utilized.
- 5(h) Government Assistance – No such cost savings exist through December 31, 2020. Regulatory Accounting will inquire with Tax and Legal at the end of Q1 2021 to determine whether assistance has been received.