

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

In the Matter of Union Electric Company d/b/a)
Ameren Missouri's 3rd Filing to Implement)
Regulatory Changes in Furtherance of Energy) File No. EO-2018-0211
Efficiency as Allowed by MEEIA.)

RESPONSE TO CHANGE REQUEST

Comes now Union Electric Company d/b/a Ameren Missouri ("Ameren Missouri" or "Company") and pursuant to the Missouri Public Service Commission's ("Commission") July 8, 2021 Order, submits its *Response to Change Request* ("*Response*") in order to respond to the *Staff Change Request* ("*Change Request*") submitted by the Commission's Staff ("Staff"). In support of its position, Ameren Missouri states as follows.

1. Evergreen Economics ("Evergreen") raised five issues and recommendations in its July 1st report, all of which are addressed in more detail in Attachment 1 to this *Response*. Four of these issues did not explicitly state that changes should be made to the Program Year 2020 ("PY20") results, and instead appear to address future program years.¹ Ameren Missouri generally agrees that these recommendations can be addressed in the Program Year 2021 ("PY21") evaluation and looks forward to future discussions on these topics. However, Ameren Missouri disputes the arguments and recommendation made by Evergreen and supported by Staff in the *Change Request* regarding the COVID-19 adjustment.

¹ These issues include: the appropriate In-Service Rate ("ISR") and Hours of Use ("HOU") parameters to use for the Business Standard, Small Business Direct Install, and Social Services programs; the use of a randomized control design for the evaluation of Residential Demand Response programs; verification regarding the use of AMI data for business demand response customers; and considerations regarding the Effective Full Load Hours ("EFLH") used in the Business Custom and Retro-commissioning programs.

2. Opinion Dynamics Consulting ("ODC") is a nationally recognized evaluation, measurement, and verification ("EM&V") consulting firm. During their evaluation of the Company's 2020 programs, ODC developed a modest "COVID-19 adjustment" to better reflect the impact of the Company's programs on customer decision making. Specifically, ODC found that the BizSavers program helped some customers install energy efficiency measures and upgrades that they otherwise would have deferred or delayed because of the COVID-19 pandemic. This impact was not, and could not have been, contemplated when the initial survey and algorithm were developed.

3. ODC did not develop the COVID-19 adjustment to get the answer they wanted, as implied by Evergreen, nor is it "arbitrary." Instead, ODC developed its adjustment in response to a once-in-a-lifetime situation and based their conclusions on extensive market research. Specifically, ODC surveyed 17 trade allies five different times over a period of multiple months in 2020. It was based on this extensive research that ODC determined it would be appropriate to account for the impacts of COVID-19. As explained in Attachment 1, even the 20% adjustment was conservative and likely does not represent the full extent of COVID-19's impacts. In contrast, while ODC conducted market research to support its proposed adjustment, Evergreen cites nothing more substantive than a hypothetical argument using a single assumption regarding customer choices in tough economic times.

4. Evergreen claims, among other things, that adopting the COVID-19 adjustment will create a "very bad precedent" because use of the previously-approved algorithm did not match the pre-conceived notion of what the "correct" answer should be. This argument, however, completely ignores that we have all, as a global community, weathered a pandemic that merits additional and appropriate review and modification of plans. This was clear in, among other things, how Ameren

Missouri stepped up in formulating its pandemic response to assist its customers.² Formulating a special response to special circumstances is absolutely warranted under the circumstances.

5. Ameren Missouri is sensitive to the importance of precedence. But the COVID-19 pandemic is unprecedented. Accounting for the unprecedented impact of a global pandemic is appropriate. Ignoring the impact of COVID-19 on customer decision making and participation also fails to properly recognize the program changes made by the Company that helped encourage customer participation and supported the local economy, consistent with Commission guidance. In contrast to Evergreen's claims, failure to consider unprecedented events and a failure to consider all relevant market research would set a "very bad precedent" and have a negative effect on the Company's ability to offer and adapt these programs in the future, for the benefit of customers.

WHEREFORE, for the reasons stated above and in Attachment 1, Ameren Missouri requests that Staff's *Change Request* be rejected.

Respectfully submitted,

/s/ Paula N. Johnson _____

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² Ameren Missouri has already taken unprecedented actions in order to assist its customers, including MEEIA modifications to keep programs engaged, the development of energy assistance programming, disconnection moratoriums, disconnect and reconnect fee waivers, Keeping Current extensions, MEEIA modifications, and more.

CERTIFICATE OF SERVICE

I do hereby certify that a true and correct copy of the foregoing document has been hand-delivered, transmitted by e-mail, or mailed, First Class, postage prepaid, this 15th day of July 2021, to counsel for all parties on the Commission's service list in this case.

/s/ Paula N. Johnson _____