Exhibit No.:
Issue(s): Cash Working Capital, Pensions, OPEBs, SERP, Rate Case Expense, Sales and Use Tax Audits, Severance
Witness: Jared Giacone
Sponsoring Party: MoPSC Staff
Type of Exhibit: Surrebuttal/True-Up Direct Testimony
Case No.: ER-2022-0337
Date Testimony Prepared: March 13, 2023

MISSOURI PUBLIC SERVICE COMMISSION

FINANCIAL & BUSINESS ANALYSIS DIVISION

AUDITING DEPARTMENT

SURREBUTTAL/TRUE-UP DIRECT TESTIMONY

OF

JARED GIACONE

UNION ELECTRIC COMPANY,
d/b/a AMEREN MISSOURI

CASE NO. ER-2022-0337

Jefferson City, Missouri
March 2023

** Denotes Confidential Information **

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SURREBUTTAL/TRUE-UP DIRECT TESTIMONY OF

JARED GIACONE

UNION ELECTRIC COMPANY,
d/b/a AMEREN MISSOURI

CASE NO. ER-2022-0337

SURREBUTTAL/TRUE-UP DIRECT TESTIMONY

OF

JARED GIACONE

UNION ELECTRIC COMPANY,
d/b/a AMEREN MISSOURI

CASE NO. ER-2022-0337

Q. Please state your name and business address.

A. My name is Jared Giacone and my business address is 615 East 13th Street, Kansas City, MO 64106.

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

A. I am employed by the Missouri Public Service Commission as a Lead Senior Utility Regulatory Auditor.

Q. Are you the same Jared Giacone who filed Direct Testimony on January 10, 2023 in this case?

A. Yes.

EXECUTIVE SUMMARY

Q. What is the purpose of your surrebuttal/true-up direct testimony?

A. I will respond to the rebuttal testimonies of Union Electric Company, d/b/a Ameren Missouri ("Ameren Missouri" or "Company") witness Charles Steib (CWC[1]), Mitchell J. Lansford (lease expense, Supplemental Executive Retirement Plan ("SERP") and rate case expense) and Kelly Hasenfratz (Severance). I will also address true-up adjustments for pensions, OPEBs[2], CWC, lease expense, SERP, rate case expense and severance.

[1] Cash Working Capital
[2] Other Post Employment Benefits

SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN

Q. For clarity, is there a difference in Staff's reference to "SERP" and Ameren Missouri's reference to "non-qualified pension expense"?

A. No, Ameren Missouri's use of "non-qualified pension expense" terminology refers to the same concept that Staff uses "SERP" terminology for.

Q. What is the difference between Ameren Missouri's recommendation and Staff's recommendation for SERP funding?

A. Ameren Missouri recommends that the level of SERP expense to include in Cost of Service should be based on actuarial projections. Staff's recommendation is that the level of SERP expense to include in Cost of Service should be based on actual cash payments to recipients and not actuarial projections. The actuarial projections can be a guide for the company but they do not correlate to the actual cash outlay that Ameren Missouri experiences for SERP.

Q. What level of SERP expense did Staff and Ameren Missouri recommend for electric operations in the previous rate case ER-2021-0240?

A. In the prior rate case ER-2021-0240, Staff's true-up workpapers supported an annual SERP expense of ** [redacted] ** which was based upon historical cash payments, and Ameren Missouri's true-up workpapers supported an annual SERP expense of ** [redacted] ** which was based on actuarial projections.

Q. What level of SERP expense did Ameren Missouri electric operations actually incur for 2020, 2021 and 2022?

A. The results are summarized in the table below:

**

[redacted]

**

Q. If Ameren Missouri's recommended annual amount of ** [redacted] ** was adopted in the ER-2021-0240 case, would that indicate that a just and reasonable amount of SERP expense would have been included in customer rates?

A. No. Customer rates would have been set unjustly and unreasonably higher for an actuarial projected expense that did not materialize.

Q. What level of SERP expense is Ameren Missouri recommending the Commission adopt for electric operations in the present case?

A. Ameren Missouri recommends ** [redacted] ** which is again based on actuarial projections.

Q. Based on the 2020, 2021 and 2022 SERP payouts that Ameren Missouri electric operations actually incurred how many of those 3 years did the actual SERP payouts equal or exceed ** [redacted] **?

A. None. In each of those three years the actual level of expense incurred was less than the amount Ameren is recommending to include in the present case.

Q. What is Ameren Missouri's funding policy for non-qualified pension expense?

A. In a response to Staff Data Request No. 0066 which is attached to this testimony as Confidential Schedule JG-s1, Ameren Missouri provided a copy of a letter supporting documentation for the forecast dated August 17, 2022 which states:

> ** [redacted] **

Q. What is pay-as-you-go?

A. Pay-as-you-go funding is making SERP payments to recipients as they arise. The payments to recipients are not prefunded based on actuarial projections. Ameren Missouri might use actuarial reports to project when payments might need to be made but the actual cash outlay or financial impact is what determines the expense level, not actuarial assumptions.

Q. Is there a statutory requirement for companies that offer SERP to prefund future SERP payments to recipients?

A. Not to my knowledge, although I am not an attorney. In contrast to pension benefits with funding requirements required by the Pension Benefit Guaranty Corporation ("PBGC") the SERP plan is over and above Internal Revenue Service ("IRS") limits on pensions.

Q. In summary, what is Staff's true-up recommendation for SERP?

A. Staff recommends the Commission include ** [redacted] **, which is a three-year average of known and measurable actual historical SERP payments made. This recommendation aligns with pay-as-you-go funding. The facts do not support and therefore it would not be appropriate for the Commission to adopt Ameren Missouri's recommendation to include SERP expense in a tracker or base the SERP expense level on actuarial projections that are not required and not reflective of actual expense incurred for pay-as-you-go funding.

RATE CASE EXPENSE

Q. Mr. Lansford states on page 19, line 3 that Staff provided no justification for its recommendation of a 50/50 sharing of rate case expense between rate payers and shareholders. What is Staff's justification?

A. Staff's justification for recommending a 50/50 sharing of rate case expense between ratepayers and shareholders is prior Commission Reports and Orders and a Missouri Court of Appeals decision. This justification will be further outlined in the questions and answers that follow.

Q. Did the Commission's decision from the Report and Order in the Evergy Metro (formerly Kansas City Power & Light ("KCPL")) ER-2014-0370 case discuss the reasonableness of shareholders sharing a portion of rate case expense?

A. Yes. The Commission decision beginning on page 70 of the Report and Order from the ER-2014-0370 case provided a foundation for the reasonableness of shareholders sharing a portion of rate case expense:

> Instead, the Commission will consider whether it is reasonable that KCPL shareholders cover a portion of KCPL's rate case expense. In one sense, rate case expense is like other common operational expenses that a utility must incur to provide utility service to customers. Since customers benefit from having just and reasonable rates, it is appropriate for customers to bear some portion of the utility's cost of prosecuting a rate case. However, rate case expense is also different from most other types of utility operational expenses, in that 1) the rate case process is adversarial in nature,

> with the utility on one side and its customers on the other; 2) rate case expense produces some direct benefits to shareholders that are not shared with customers, such as seeking a higher return on equity; 3) requiring all rate case expense to be paid by ratepayers provides the utility with an inequitable financial advantage over other case participants; and 4) full reimbursement of all rate case expense does nothing to encourage reasonable levels of cost containment. The Commission has the legal authority to apportion rate case expense between ratepayers and shareholders. Under Missouri law, the Commission must set just and reasonable rates, and rates that include all of the utility's rate case expense, for the reasons set forth above, may not be just and reasonable.

Q. Did the Commission's Report and Order from the Empire electric utility docket ER-2019-0374 address the 50/50 split of rate case expense?

A. Yes. Page 83 of the Commission's Amended Report and Order from docket ER-2019-0374 states:

> Therefore, it is just and reasonable that the shareholders and the ratepayers, who both benefited from the rate case, share in the rate case expense. The Commission finds that in order to set just and reasonable rates under the facts in this case, the Commission will require Empire's shareholders to cover a portion of Empire's rate case expense. The Commission will assign Empire's discretionary rate case expense to both ratepayers and shareholders based upon a 50/50 split.

Q. Has the Missouri Court of Appeals acknowledged that ratepayers and shareholders should share rate case expense?

A. Yes they have. Evergy Metro (formerly KCPL) appealed the Commission's rate case expense decision from the ER-2014-0370 rate case to the Missouri Western District Court of Appeals. In the Missouri Western District Court of Appeals decision in WD79125 to affirm the Commission's decision, they acknowledged rate case expense sharing between ratepayers and shareholders. Page 31 of the Western District Court of Appeals Order states:

> Regarding rate case expenses, the PSC recognized that rate cases are both beneficial to shareholders of a utility and also utility customers, but in different ways. Shareholders benefit from the rate case expenses as the costs are incurred to increase the utility's revenues and profitability. Customers benefit by having a healthy utility. In this case, the PSC found that a standard prudency review of each expenditure in the rate case would not be possible and, even if conducted, would not provide a strong incentive for KCPL to impose cost controls because the utility holds all the information needed to identify imprudence. Therefore, the PSC did not identify any line item expense as explicitly imprudent, but rather found that the costs incurred by KCPL, as a whole, in pursuing its litigation strategy that in large part inured to the sole benefit of shareholders, were imprudent. An expert testified for the Staff of the PSC that, in similar context, highly discretionary costs that do not benefit customers, such as charitable donations, political lobbying expenses, and incentive compensation tied to earnings per share are typically allocated entirely to shareholders.

Q. Is it Staff's opinion that creating serious doubt as to the prudence of each rate case expenditure is the only justification for disallowing rate case expense?

A. No. The Missouri Court of Appeals decision addressed this very topic, and the relevant portion of their decision is in the previous answer. A prudency review of each rate case expenditure is not a reasonable nor efficient approach to analyzing rate case expense. Staff's consistent position is to recommend highly discretionary expenses that do not solely benefit customers, and are not necessary for the provision of safe and adequate service, be paid by shareholders. For example, in this case Staff reviewed charitable donations, political lobbying costs, and incentive compensation expense tied to Earnings Per Share ("EPS") and made adjustments to allocate at least a portion of these items solely to shareholders.

Q. Does Mr. Lansford agree with Staff's recommendation for rate case expense using a three year average?

A. No. On page 18, beginning on line 16 of his rebuttal testimony, he states:

> The previous four cases have been settled before evidentiary hearings. There is additional expense involved in evidentiary hearings such as costs relating to the participation of external expert witnesses and outside legal counsel. Although costs relating to evidentiary hearings do not always occur, they often do, and any normalization should reflect both settled and non-settled cases.

Q. Were the three prior rate cases that you included in your average globally stipulated without a Commission hearing on any of the issues in the case?

A. No. Only one of the three cases used in the average was globally stipulated and that was case ER-2016-0179. In ER-2019-0335 there was a partial stipulation but issues related to the Fuel Adjustment Clause ("FAC") were fully litigated before the Commission. In ER-2021-0240, there was a partial stipulation but the Residential Time Of Use ("TOU") rates and Class Cost of Service ("CCOS") issues were fully litigated before the Commission. That means in two of the three rate cases used in Staff's average, there were issues fully litigated and the costs of that litigation is included in the respective case total which was then used in Staff's average.

Q. When did Ameren Missouri incur the largest amount of rate case expense?

A. The largest amount of rate case expense by far was incurred in the 2014 rate case which was partially stipulated. The amount of rate case expense Ameren Missouri incurred for the 2012 rate case, which was fully litigated, was less than the partially stipulated 2014 rate case. The table below shows the amount of rate case expense Ameren Missouri incurred in their prior five rate cases:

Rate Case	Rate case expense (excluding depreciation study)	
ER-2021-0240	** [redacted] **	Partially stipulated
ER-2019-0335	** [redacted] **	Partially stipulated
ER-2016-0179	** [redacted] **	Fully stipulated
ER-2014-0258	** [redacted] **	Partially stipulated
ER-2012-0166	** [redacted] **	Fully litigated—no stipulation

Q. When was the last time Ameren Missouri had a fully litigated rate case before the Commission?

A. In the year 2012. That is just more than 10 years and five rate cases ago. The recent trend, in the last four rate cases has been for Ameren Missouri to at least partially stipulate the case. Therefore, the Commission should deny Ameren Missouri's recommendation to include a five case average of rate case expense and adopt Staff's recommendation to include a three case average of rate case expense split 50/50 between shareholders and ratepayers.

Q. Did you update your adjustment for rate case expense for true-up?

A. Yes. Ameren Missouri provided an updated spreadsheet showing the amount of rate case expense they incurred in their previous five rate cases. There were minor changes in the rate cases expense amounts used in Staff's three-case average at direct. The adjustment was updated for true-up to reflect those changes, which resulted in a minor change to Staff's three-case average.

LEASE EXPENSE

Q. As recommended on Page 16, Lines 10-18 of the Rebuttal testimony of Ameren witness Lansford, do you think it is appropriate for the Commission to reject Staff's recommended adjustment to remove test year lease costs related to a lease that has expired by December 31, 2022, and the costs for which the expired lease will not be incurred going forward?

A. No. The historical ratemaking concept fundamentally relies on the use of test year data and adjusting the test year balances up or down for known and measurable changes. Staff's recommendation to remove the known and measurable costs from the test year for a lease that expired is fundamentally in accordance with that concept and therefore appropriate. The relevant portion of Ameren Missouri's response to Staff Data Request No. 0111 which clearly identifies the lease expired and was not renewed is attached to this testimony as Schedule JG-s2.

Q. Did Staff submit data requests to Ameren Missouri requesting lease detail?

A. Yes. I submitted data requests on December 19, 2022 requesting additional lease detail to further address lease costs in the true-up phase of this case.

Q. What lease detail information did Staff request?

A. Data Request No. 0456 which is attached to this testimony as Schedule JG-s3 requested the following:

> Please reference the meeting held with Mitch Lansford on December 16, 2022: 1) Please provide a listing and cost for any leases entered into since April 1, 2022 and any planned leases for 2023 along with the FERC account the lease expense is recorded to 2) For any leases with increased lease payments since April 1, 2022 through December 31, 2022, please provide a listing and comparison of costs booked in the test year by FERC account compared to the increased level of lease payment.

Q. What was the Ameren Missouri's response to Data Request No. 0456?

A. Ameren Missouri provided the following response:

> The Company does not track or summarize its leases in the manner requested. However, the data provided in response to Data Request MPSC 0455 shows that real estate lease expense charged to O&M and excluding those costs tracked in the RESRAM was $270,573 during the test year and $284,869 during the twelve months ended December 31, 2022. This is indicative of new leases or escalating prices net of any expiring leases.

Q. Do you think it is appropriate to oversimplify the rate review process for expense analysis by simply comparing the 12-month ending March 31, 2022 test year costs for leases to the calendar year ending December 31, 2022 lease costs and reflect an adjustment for the difference?

A. No. Comparing the test year to the calendar year is just making the calendar year a new test year in disguise. Staff's inquiries are an attempt to identify leases that will be ongoing as well as leases that are not recurring which is not shown by a total 12 month cost. There could be lease costs in only some of the months in the calendar year for either new leases that started or leases that expired. In other words, if a new lease started and costs start being incurred in November then only two of the twelve months or 2/12ths of the calendar year would reflect the new lease cost. In that instance, using the calendar year could understate the expense for that new lease. Alternatively, if a lease expired and final lease payment made in October then ten of the twelve or 10/12ths of the calendar year would reflect costs for a lease that had expired. In that instance, using the calendar year amount would overstate the expense for that lease. This Commission should deny any attempt to oversimplify the rate review process. In this case, Ameren Missouri has the files and information needed to identify and verify changes in known and measurable test year costs. It is Ameren Missouri's choice for how they respond to data requests and reflect their burden of proof for any adjustments needed to the test year. Providing a data request response to "indicate" new leases or escalating prices net of expired leases is an oversimplification that fails the burden of proof to make known and measurable changes to the test year.

Q. What is Staff's final true-up recommendation for lease expense in this case?

A. Staff recommends the test year lease cost balance reduced by the adjustment for the expired lease since that was the only known and measurable change Staff could verify.

SEVERANCE

Q. Does Ameren Missouri witness Hasenfratz agree with Staff's recommendation to disallow severance expense?

A. No. The rebuttal testimony of Ameren Missouri witness Hasenfratz states on Page 13, beginning at line 4:

> Staff asserts that the Company will have cost savings by means of regulatory lag because the employees who are no longer employed are still included in current customer rates. It is not appropriate to apply ratemaking considerations to a single issue like severance. No savings exist after considering overall wages increased, as well as employment levels when compared to the Company's last rate review. Staff's recommendation of a wage increase in this case further demonstrates that on an overall basis net savings as compared to current rates do not exist.
>
> Staff also asserts that severance payments are not a reoccurring cost; however, some level of ongoing severance costs is necessary and normal for the Company to incur in the normal course of business.

Q. Does Ameren Missouri witness Hasenfratz acknowledge that regulatory lag exists when employee headcount is reduced?

A. Indirectly. Ameren Missouri witness Hasenfratz glosses over the positive regulatory lag that occurs when employee headcount is reduced below the level included in their prior rate review. What is important to clarify is the claim that no savings existing is only

"<u>after</u>" the reality that positive regulatory lag did exist, just not to the point of completely offsetting current wage rates and employment levels.

Q. Does Ameren Missouri have a document that gives an overview of their severance plan?

A. Yes. In response to Staff Data Request No. 0365, Ameren Missouri provided the severance Summary Plan Description. The Summary Plan Description is attached to this testimony as Confidential Schedule JG-s4.

Q. Are severance payments discretionary?

A. ** [redacted]

> [redacted] **

Q. Does the severance Summary Plan Description address "at-will" employment?

A. ** [redacted]

> [redacted] **

Q. Did Ameren Missouri witness Hasenfratz identify any benefits to ratepayers with regards to severance expense?

A. Yes, in the rebuttal testimony of Ameren Missouri witness Hasenfratz on page 13, lines 15-18 it says:

> Additionally, severance is intended to be a safety net for employees who are displaced from their position due to a reduction in force, elimination of position, or change in strategic direction. This safety net encourages retention, which benefits customers as noted above with respect to other tenure-based programs.

Q. Did Ameren Missouri witness Hasenfratz quantify any ratepayer savings that would result if customers were ordered to pay severance expenses in their utility rates?

A. No. Savings to ratepayers were not quantified and are incidental at most. The claim that the sole benefit to customers is enhanced employee retention is purely theoretical and not quantified with known and measurable data.

Q. Are there any benefits to shareholders by Ameren Missouri offering a severance program?

A. Yes. Shareholders benefit from Ameren Missouri offering a severance program through reduced litigation risk. Reduced litigation risk related to severed employment benefits shareholders but generally does not benefit ratepayers. That is because litigation is discretionary, subject to disallowance and not guaranteed to be recovered from ratepayers. ** [redacted]

> [redacted]

[redacted] **

Q. Did you update the adjustment for disallowed severance expense in the true-up phase of this case?

A. Yes. Ameren Missouri supplemented and updated their original response to Staff's data request on severance payments made during the test year. I updated the adjustment in the true-up phase to reflect additional Ameren Services severance payments that Staff did not have data for when direct testimony was filed. I also reflected the Operations & Maintenance Expenses ("O&M") expense ratio and electric allocation percent in the adjustment.

Q. By applying the O&M expense ratio to severance payments does that mean that a portion of severance payments are assumed to be capitalized to or included in plant accounts?

A. Yes. Therefore, in addition to denying recovery of the expense portion of severance costs, I would also recommend the Commission order Ameren Missouri to cease capitalization of severance costs without establishing a relationship between severance payments and construction.

CASH WORKING CAPITAL

Q. On page 13, lines 13-18 of the rebuttal testimony of Ameren Missouri witness Steib he states Staff should be consistent with case ER-2021-0240 for the expense lead factor for sales taxes of 7.37. Do you agree?

A. Yes.

Q. Did Staff update the CWC expense lag for sales taxes?

A. Yes. Staff updated the expense lag for sales taxes to agree with Staff's calculation in the ER-2021-0240 case, which was 7.37 days.

Q. Did Staff update the CWC schedule to reflect the balances for the items as of the true-up cutoff?

A. Yes.

ADDITIONAL TRUE-UP ADJUSTMENTS

a. PENSIONS

Q. Did you update the pension adjustments for true-up?

A. Yes. I updated the pension tracker balances to the true-up date of December 31, 2022 and calculated the new amortizations. Staff also accepted Ameren Missouri's true-up pension rebase adjustment for the expense level to include in the Cost of Service, which is based on 2023 actuarial projections.

b. OTHER POST EMPLOYMENT BENEFITS ("OPEB")

Q. Did you update the OPEB adjustments for true-up?

A. Yes. I updated the OPEB tracker balances to the true-up date of December 31, 2022 and calculated the new amortizations. Staff also accepted Ameren Missouri's true-up OPEB rebase adjustment for the expense level to include in the Cost of Service, which is based on 2023 actuarial projections.

Q. Does this conclude your surrebuttal/true-up direct testimony?

A. Yes it does.

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of Union Electric Company d/b/a Ameren Missouri's Tariffs to Adjust Its Revenues for Electric Service	)))	Case No. ER-2022-0337

AFFIDAVIT OF JARED GIACONE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

COMES NOW JARED GIACONE and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Surrebuttal/True-Up Direct Testimony of Jared Giacone*; and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.

Jared Giacone
JARED GIACONE

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Jackson, State of Missouri, at my office in Kansas City, on this 9th day of March 2023.

Janiece Davis
Notary Public

JANIECE DAVIS
NOTARY PUBLIC - NOTARY SEAL
STATE OF MISSOURI
MY COMMISSION EXPIRES FEBRUARY 13, 2026
JACKSON COUNTY
COMMISSION #22076386

SCHEDULE JG-s1

HAS BEEN DEEMED

CONFIDENTIAL

IN ITS ENTIRETY

resource_type	(Multiple Items)

Sum of amount	Column Labels						
Row Labels	202104	202105	202106	202107	202109	Grand Total	
GREATAMERICA FINANCI	**7,383.58**	**7,383.58**	**7,383.58**	**7,383.58**	**2,457.04**	**31,991.36**	
ADC	2.00	2.00	2.00	2.00	1.00	9.00	Includes Amounts Allocated from AMS
AIC	1,466.00	1,465.00	1,465.00	1,466.00	488.00	6,350.00	Includes Amounts Allocated from AMS
AMC	323.00	324.00	324.00	323.00	108.00	1,402.00	Includes Amounts Allocated from AMS
AMS	3,691.79	3,691.79	3,691.79	3,691.79	1,228.52	15,995.68	
ATX	1.00	1.00	1.00	1.00		4.00	Includes Amounts Allocated from AMS
ITC	103.00	103.00	103.00	103.00	34.00	446.00	Includes Amounts Allocated from AMS
UEC	1,796.79	1,796.79	1,796.79	1,796.79	597.52	7,784.68	Includes Amounts Allocated from AMS
Grand Total	**7,383.58**	**7,383.58**	**7,383.58**	**7,383.58**	**2,457.04**	**31,991.36**	

AMS Allocation to Operating Companies

resource_type	(Multiple Items)
original_project	A1049

Sum of amount	Column Labels					
Row Labels	202104	202105	202106	202107	202109	Grand Total
GREATAMERICA FINANCI	**3691.79**	**3691.79**	**3691.79**	**3691.79**	**1228.52**	**15995.68**
ADC	2.00	2.00	2.00	2.00	1.00	9.00
AIC	1,466.00	1,465.00	1,465.00	1,466.00	488.00	6,350.00
AMC	323.00	324.00	324.00	323.00	108.00	1,402.00
ATX	1.00	1.00	1.00	1.00		4.00
ITC	103.00	103.00	103.00	103.00	34.00	446.00
UEC	1,796.79	1,796.79	1,796.79	1,796.79	597.52	7,784.68
Grand Total	**3,691.79**	**3,691.79**	**3,691.79**	**3,691.79**	**1,228.52**	**15,995.68**

Ameren Missouri Allocation	-	-	-	-	-	-
Natural Gas Allocation %	4.72%	4.72%	4.72%	4.72%	4.72%	
Electric Allocation %	95.28%	95.28%	95.28%	95.28%	95.28%	
Natural Gas Allocation $	**174**	**174**	**174**	**174**	**58**	**755**
Electric Allocation $	**3,518**	**3,518**	**3,518**	**3,518**	**1,171**	**15,241**

All activity is recorded in FERC Account 921 - Office Supplies and Expenses

Lease expired in August/September 2021 and was not renewed.

Case No. ER-2022-0337
Schedule JG-s2

Ameren Missouri's
Response to MPSC Data Request - MPSC
ER-2022-0337
In the Matter of Union Electric Company d/b/a Ameren Missouri's Tariffs to Adjust Its Revenues for Electric Service

No.: MPSC 0456

Please reference the meeting held with Mitch Lansford on December 16, 2022: 1) Please provide a listing and cost for any leases entered into since April 1, 2022 and any planned leases for 2023 along with the FERC account the lease expense is recorded to 2) For any leases with increased lease payments since April 1, 2022 through December 31, 2022, please provide a listing and comparison of costs booked in the test year by FERC account compared to the increased level of lease payment DR Requested by Jared Giacone (jared.giacone@psc.mo.gov <mailto:jared.giacone@psc.mo.gov>)

RESPONSE

Prepared By: Mitch Lansford
Title: Director Regulatory Accounting
Date: January 21, 2023

The Company does not track or summarize its leases in the manner requested. However, the data provided in response to Data Request MPSC 0455 shows that real estate lease expense charged to O&M and excluding those costs tracked in the RESRAM was $270,573 during the test year and $284,869 during the twelve months ended December 31, 2022. This is indicative of new leases or escalating prices net of any expiring leases.

SCHEDULE JG-s4

HAS BEEN DEEMED

CONFIDENTIAL

IN ITS ENTIRETY