

Exhibit No.:
Issues: Red Tag Repair Program
Witness: Jordan R. Elliott
Sponsoring Party: Missouri Department of
Economic Development –
Division of Energy
Type of Exhibit: Rebuttal Testimony
Case No.: GR-2019-0077

MISSOURI PUBLIC SERVICE COMMISSION

UNION ELECTRIC COMPANY d/b/a AMEREN MISSOURI

CASE NO. GR-2019-0077

REBUTTAL TESTIMONY

OF

JORDAN R. ELLIOTT

ON

BEHALF OF

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT

DIVISION OF ENERGY

Jefferson City, Missouri

June 7, 2019

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

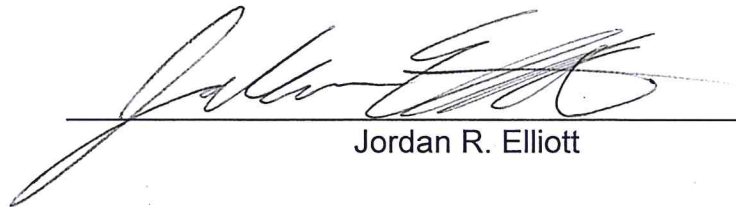
In the Matter of Union Electric Company)
d/b/a Ameren Missouri's Tariffs to Increase) File No. GR-2019-0077
Its Revenues for Natural Gas Service)

AFFIDAVIT OF JORDAN R. ELLIOTT

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

Jordan R. Elliott, of lawful age, being duly sworn on his oath, deposes and states:

1. My name is Jordan R. Elliott. I work in the City of Jefferson, Missouri, and I am employed by the Missouri Department of Economic Development as an Energy Policy Analyst, Planner II, Division of Energy.
2. Attached hereto and made a part hereof for all purposes is my Rebuttal Testimony on behalf of the Missouri Department of Economic Development, Division of Energy.
3. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded are true and correct to the best of my knowledge.


Jordan R. Elliott

Subscribed and sworn to before me this 7th day of June, 2019.

LAURIE ANN ARNOLD
Notary Public - Notary Seal
State of Missouri
Commissioned for Callaway County
My Commission Expires: April 26, 2020
Commission Number: 16808714


Notary Public

My commission expires: 4/26/20

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1 **I. INTRODUCTION**

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

3 A. My name is Jordan R. Elliott. My business address is 301 West High Street, Suite
4 720, PO Box 1766, Jefferson City, Missouri 65102.

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

6 A. I am employed by the Missouri Department of Economic Development – Division
7 of Energy (“DE”) as an Energy Policy Analyst, Planner II.

8 **Q. Please describe your educational background and employment experience.**

9 A. I was awarded a Bachelor of Arts degree in Business Administration in 2017 and
10 a Master of Business Administration degree in 2018, both from William Woods
11 University in Fulton, Missouri. I began work with DE in 2018. Currently, I am a
12 supporting project manager for the development of a resilience plan for a Missouri
13 city, a project coordinator for four grants administered by DE, and participate in
14 electric and natural gas utility low-income collaborative groups. I have also been
15 involved in DE’s exploration of a Missouri Green Bank or Energy Investment
16 Partnership as the result of a federal grant. Areas I address as part of my duties
17 include energy financing options for businesses and individuals (such as Property
18 Assessed Clean Energy), legislative activity relating to energy financing, and low-
19 income weatherization policy.

20 **Q. Have you previously testified before the Missouri Public Service
21 Commission (“PSC” or “Commission”) on behalf of DE or any other party?**

22 A. No.

1 **II. PURPOSE AND SUMMARY OF TESTIMONY**

2 **Q. What is the purpose of your Rebuttal Testimony in this proceeding?**

3 A. The purpose of my testimony is to respond to the testimony of Union Electric
4 Company d/b/a Ameren Missouri (“Ameren Missouri” or “Company”) witness
5 Laureen M. Welikson in this case regarding a Red Tag Repair Program. DE
6 supports the availability of Red Tag Repair Programs. Such programs can
7 supplement the weatherization efforts of homes and promote health and safety by
8 ensuring customers are using their primary heat source appropriately. DE
9 recommends that furnace replacements under the Red Tag Repair Program be at
10 least 90 percent energy-efficient if: (1) they are installed in conjunction with the
11 federal Low-Income Weatherization Assistance Program (“LIWAP”) under its
12 health and safety provisions and (2) are without cost to the income-eligible
13 customers. In other situations where those customers would incur expenses
14 related to the equipment replacement, DE would be satisfied with the funding of at
15 least 85 percent energy-efficient furnaces. Such an outcome would be consistent
16 with other Red Tag Repair programs currently offered by other gas utilities in
17 Missouri.

18 **Q. What information did you review in preparation of this testimony?**

19 A. I reviewed the Direct Testimony filed by the Company’s witnesses in this case,
20 relevant portions of case-related filings in this and previous natural gas rate cases
21 (Case Nos: GR-2018-0013, GR-2017-0215, GR-2017-0216), materials pertaining
22 to energy efficiency, and past tariffs.

1 **Q. What is the primary statutory guidance that informs DE’s interest in energy**
2 **efficiency in the context of the proposed Red Tag Repair Program?**

3 A. Under Section 620.035.1, RSMo., DE is tasked with, among other duties:
4 ... (4) Analyzing the potential for increased utilization of coal, nuclear,
5 solar, resource recovery and reuse, landfill gas, projects to reduce and
6 capture methane and other greenhouse gas emissions from landfills,
7 energy efficient technologies and other energy alternatives, and making
8 recommendations for the expanded use of alternate energy sources and
9 technologies;

10 **III. PROPOSED RED TAG REPAIR PROGRAM**

11 **Q. Please describe the proposed Red Tag Repair Program**

12 A. “Red Tagging” a furnace or other piece of equipment means shutting the furnace
13 or other equipment down because it is dangerous to operate unless repaired or
14 replaced. The Red Tag Repair Program proposed by the Company has two parts:
15 (1) “Heating Only for Lower Income” and (2) “Avoid Red Tags.” “Heating Only for
16 Lower Income” would assist income-qualifying customers in paying for the repair
17 or replacement of Red Tagged appliances and/or piping that must be functioning
18 in order to maintain natural gas service. This would help customers afford the up-
19 front capital expenditure associated with the repair or replacement of such
20 inoperable appliances and/or piping. “Avoid Red Tags” would allow for customers
21 to receive minor repairs to their gas appliances and piping to obtain or retain
22 natural gas service while a field service representative (“FSR”) is already on site.

1 **Q. What are the proposed terms and conditions of the Company’s proposed**
2 **Red Tag Repair Program?**

3 A. The Company suggests allocating up to \$25,000 annually to provide repairs or
4 assistance with the replacement of furnaces that have been “Red Tagged.” Under
5 “Heating Only for Lower Income”, reimbursements would be provided to either the
6 customer, qualified social service agencies, or any licensed repair service provider
7 that is willing to accept payment according to the terms of the program. No
8 customer would be able to receive more than \$1,000 from the program. For each
9 customer, assistance from funds under this program would be limited to \$700 for
10 permanent space heating equipment (“PSHE”) and assistance for each other gas
11 appliance or piping would be limited to \$450. Administrative costs are not to
12 exceed 10 percent of the funds provided. Under “Avoid Red Tags”, the FSR would
13 be able to complete repairs to customer gas appliances and piping to obtain or
14 retain natural gas service that take no more than 15 minutes and cost less than
15 \$20 in parts.¹

16 **Q. Does DE support Red Tag Repair Programs?**

17 A. Yes. In addition to assuring heating services, the availability of Red Tag programs
18 allow for more homes to be weatherized by supplementing funds already set aside
19 for that purpose. DE witness Sharlet E. Kroll addresses the customer and company

¹ Missouri Public Service Commission Case No. GR-2019-0077, *In the Matter of Union Electric Company d/b/a Ameren Missouri’s Tariffs to Increase Its Revenues for Natural Gas Service*, Direct Testimony of Laureen M. Welikson on Behalf of Union Electric Company d/b/a Ameren Missouri, Schedule LMW-D8, pages 1-2.

1 benefits of weatherization and reducing energy burden through energy efficiency
2 in her direct testimony in this case.

3 **IV. RED TAG REPAIR PROGRAM RECOMMENDATIONS**

4 **Q. Do you have any recommendations regarding the Company's proposed Red**
5 **Tag Repair program?**

6 A. Yes. DE recommends that the Company modify its proposed Red Tag Repair
7 Program to require a 90 percent minimum energy efficiency level in situations
8 when (1) a furnace is installed under the program in conjunction with funds from
9 the Weatherization program, where (2) the customer does not incur out-of-pocket
10 expense in the unit's replacement. In situations where the customer is paying the
11 remainder after utilizing Red Tag funds, DE suggests the requirement of installing
12 a furnace with at least 85 percent energy efficiency. DE's preference would be the
13 incorporation of language found in Liberty Utilities (Midstates Natural Gas) Corp.'s
14 approved tariff under the program's Terms and Conditions:

15 Energy efficiency being preferred, where a furnace qualifies for
16 replacement under the health and safety provisions of the federal
17 Low-Income Weatherization Assistance Program, the furnace will be
18 replaced with a 90% or higher energy efficient furnace, where
19 feasible. In cases where the PSHE is being replaced at cost to the
20 customer, prior to installation the customer shall be offered an
21 opportunity to use red tag funding towards the purchase and
22 installation of a 85% or higher energy efficient furnace. If the
23 customer declines, then the customer shall be informed that they

1 may use any licensed or qualified repair service provider or appliance
2 seller that is willing to accept payment according to the terms of the
3 program.²

4 **V. CONCLUSIONS**

5 **Q. Please summarize your conclusions and recommendations.**

6 A. DE generally supports the Company's proposed Red Tag Repair Program, and
7 recommends the replacement of furnaces with at least 90 percent energy-efficient
8 equipment when installing in conjunction with the health and safety provisions of
9 LIWAP at no customer cost and 85 percent when installing otherwise. This would
10 be consistent with guidelines approved for other utilities' current Red Tag programs
11 in Missouri.

12 **Q. Does this conclude your Rebuttal Testimony?**

13 A. Yes.

² Missouri Public Service Commission Tariff No. YG-2014-0157, Liberty Utilities (Midstates Natural Gas) Corp. d/b/a Liberty Utilities, Rules and Regulations, Red Tag Repair Program, October 17, 2018, Sheet No. R-69