

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

In the Matter of Union Electric Company d/b/a)
Ameren Missouri's 2nd Filing to Implement) File No. EO-2015-0055
Regulatory Changes in Furtherance of Energy)
Efficiency as Allowed by MEEIA.)

**AMEREN MISSOURI'S OBJECTION TO NON-UNANIMOUS STIPULATION
(AS AMENDED) FILED BY THE OFFICE OF THE PUBLIC COUNSEL, MISSOURI
PUBLIC SERVICE COMMISSION STAFF, MISSOURI INDUSTRIAL ENERGY
CONSUMERS AND EARTH ISLAND INSTITUTE d/b/a RENEW MISSOURI**

COMES NOW, Union Electric Company d/b/a Ameren Missouri and, pursuant to 4 CSR 240-2.115, hereby objects to the Amended Non-Unanimous Stipulation and Agreement regarding Ameren Missouri's Missouri Energy Efficiency Investment Act (MEEIA) Cycle dated July 7, 2015 (July 7 Stipulation) and, in support thereof, states as follows:

1. Ameren Missouri has reviewed the July 7 Stipulation. Signatories to the July 7 Stipulation included Missouri Public Service Commission Staff, the Office of the Public Counsel, Missouri Industrial Energy Consumers, Midwest Energy Consumers Group, and Earth Island Institute d/b/a Renew Missouri. The Stipulation follows the filing of a Non-Unanimous Stipulation by Ameren Missouri, Natural Resources Defense Council, the Missouri Department of Economic Development - Division of Energy, Kansas City Power and Light and KCP&L Greater Missouri Operations Company, and United for Missouri on June 30, 2015 (June 30 Stipulation).

2. Ameren Missouri was not afforded the opportunity to review the terms of the July 7 Stipulation until it was filed on the Commission's EFIS system and served on the Company. Having now reviewed its provisions, the Company hereby objects to the July 7 Stipulation because it is inconsistent with the principal requirements of MEEIA (Mo. Rev. Stat. 393.1075) and suffers from numerous fundamental flaws, including:

- (a) Its terms advocate for the establishment of a Demand-Side Investment Mechanism (DSIM) that does not provide a timely cost recovery for Ameren Missouri;
- (b) Its purported DSIM does not align the incentives of the utility with helping customers save energy;
- (c) Its terms fail to provide timely earnings opportunities associated with cost-effective measureable and verifiable savings;
- (d) It promotes policies that encourage investment in non-economic programs, discourages cost-effective programs, and does not benefit all customer classes;
- (e) It sets forth a policy framework that values investment in demand-side programs less than traditional investments in supply-side infrastructure; and
- (f) It unlawfully and inadvisably delegates authority to a “moderator” and “panel expert” to make substantive recommendations affecting Ameren Missouri and its customers without due process of law in a manner unsupported by MEEIA, the Commission’s regulations and Missouri law in general.

3. MEEIA is, by its own unequivocal terms, permissive and seeks to encourage utility-sponsored energy efficiency in the State of Missouri. Simply put, the July 7 Stipulation asks the Commission to require Ameren Missouri to spend approximately \$150 million dollars to persuade customers to use less of the product the Company sells with no meaningful opportunity to be made whole in a manner that the Company can recognize on its financial statements.

Indeed, it does not even allow the Company to be made whole for the lost sales and earnings the proposed energy efficiency programs would cause. Further, the document calls upon the Commission to unlawfully remove management planning authority with respect to energy efficiency and cede it to a loosely-defined panel of “experts” but leaves all responsibility of administering the program to Company management. The July 7 Stipulation also creates an illusory incentive structure that asks Ameren Missouri to meet unrealistic *demand* savings, while at the same time incenting the utility to avoid what would otherwise be cost-effective *energy* savings.

4. The terms of the July 7 Stipulation are plainly inconsistent with MEEIA, state policy and are at odds with the public interest. Accordingly, the terms reflect an unacceptable modification to Ameren Missouri’s Proposed MEEIA Cycle 2 Plan. Ameren Missouri intends to respond by and through its witnesses under the procedural schedule approved by the Commission and avail itself the opportunity to confront witnesses at hearing through cross examination.

5. The July 7 Stipulation is, at this point, nothing more than a new position on the part of its signatories. The Commission cannot approve it and it is not acceptable to Ameren Missouri.

WHEREFORE, Ameren Missouri respectfully submits this objection.

Respectfully submitted,

UNION ELECTRIC COMPANY,
d/b/a Ameren Missouri

/s/ Wendy K. Tatro _____

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CERTIFICATE OF SERVICE

The undersigned certifies that a true and correct copy of the foregoing document was sent by electronic transmission, facsimile or email to counsel for parties in this case on this 10th day of July, 2015.

/s/ Wendy K. Tatro