

*Exhibit No.:*  
*Issue(s):* MEEIA, Revenue and  
Tariff  
*Witness:* Robin Kliethermes  
*Sponsoring Party:* MoPSC Staff  
*Type of Exhibit:* Rebuttal Testimony  
*Case No.:* ER-2021-0240  
*Date Testimony Prepared:* October 15, 2021

**MISSOURI PUBLIC SERVICE COMMISSION**

**INDUSTRY ANALYSIS DIVISION**

**TARIFF AND RATE DESIGN DEPARTMENT**

**REBUTTAL TESTIMONY**

**OF**

**ROBIN KLIETHERMES**

**UNION ELECTRIC COMPANY**

**d/b/a Ameren Missouri**

**CASE NO. ER-2021-0240**

*Jefferson City, Missouri*

*October 2021*

1 **REBUTTAL TESTIMONY**

2 **OF**

3 **ROBIN KLIETHERMES**

4 **UNION ELECTRIC COMPANY**

5 **d/b/a Ameren Missouri**

6 **CASE NO. ER-2021-0240**

7 Q. Please state your name and business address.

8 A. Robin Kliethermes, 200 Madison Street, Jefferson City, MO 65101.

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

10 A. I am employed by the Missouri Public Service Commission (“Commission”) as  
11 the Regulatory Compliance Manager of the Tariff and Rate Design Department of the  
12 Industry Analysis Division.

13 Q. Have you previously filed testimony in this case?

14 A. Yes. I contributed to Staff’s Cost of Service Report filed on September 3, 2021  
15 and filed direct testimony sponsoring Staff’s Class Cost of Service Report filed on  
16 September 17, 2021.

17 Q. What is the purpose of your rebuttal testimony?

18 A. The purpose of my rebuttal testimony is to respond to Union Electric Company  
19 d/b/a Ameren Missouri (“Ameren Missouri”) witnesses Steven Wills, Dr. Nicholas Bowden,  
20 and Michael Harding regarding Ameren Missouri’s proposed time-of-use (“ToU”) rate  
21 switching tracker, seasonal rate proration, proposed Missouri Energy Efficiency Investment Act  
22 (“MEEIA”) margin rates, proposed adjustment to kWh for MEEIA energy efficiency measures,  
23 and other tariff changes.

24

1           **TWO-WAY RATE SWITCHING TRACKER**

2           Q.     What is Ameren Missouri's requested Rate Switching Tracker?

3           A.     Ameren Missouri is requesting a two-way tracker for the change in revenues that  
4 would result from customers billed on Ameren Missouri's currently effective and proposed  
5 opt-in time-of-use rate options, such as Ultimate Savers Rate, Smart Savers Rate and  
6 Ameren Missouri's basic residential rate schedule.

7           Ameren Missouri is also requesting to track the change in revenue resulting from  
8 customers who may switch from the Company's Small Primary Service ("SPS") rate schedule  
9 and the Large Power Service ("LPS") rate schedule due to a proposed tariff change by  
10 Ameren Missouri within the same two-way tracker as residential ToU rates.

11          Q.     Is it appropriate to allow Ameren Missouri to defer the difference for future  
12 recovery between the bill a customer would have paid under the basic residential rate compared  
13 to the bill a customer did pay under the opt-in ToU rate schedules?

14          A.     No. Ameren Missouri built its case in ET-2018-0132 on the premise that  
15 increased Electric Vehicle deployment will increase its sales of electricity. Ameren Missouri  
16 will obtain more revenue selling a kWh at a lower rate than it would not have sold otherwise,  
17 so there is no reason to cause other customers to contribute the difference between that value  
18 and the value of that kWh sold at the otherwise applicable tariffed rate. Ameren Missouri's  
19 anticipated deployment of AMI meters is predictable, and generally customers cannot  
20 participate in the alternative rates without an AMI meter. Thus, Ameren Missouri is unlikely  
21 to experience a sudden rush of customers self-selecting into a rate option to achieve bill savings.  
22 Finally, these rates are designed in a manner that if customers do change behavior in response  
23 to the rate's price signal, then Ameren Missouri will be able to avoid costs. It would not be

1 proper to compensate Ameren Missouri for revenues associated with costs that are avoided.  
2 For example, if a customer does change behavior due to the ToU rates then it is reasonable to  
3 assume that the customer is using less energy in high cost hours than they were prior to being  
4 served on the ToU rate. In this example, Ameren Missouri is avoiding a higher level of energy  
5 costs which are reflected as reduced purchased power costs through Ameren Missouri's Fuel  
6 Adjustment Clause. Even though the customer is paying less than they would under the  
7 standard residential rate, Ameren Missouri's revenues will not be impacted because the  
8 Fuel Adjustment Rate ("FAR") will be adjusted to reflect the savings in purchased power costs.  
9 In fact, for recovery periods in which Ameren Missouri over-collects through the FAR due to  
10 reductions in purchased power costs, Ameren Missouri would benefit through the sharing  
11 percentage approved by the Commission.

12 Q. Does Ameren Missouri propose to factor in changes in a customer's usage due  
13 to weather in its revenue calculation as part of the rate switching tracker?

14 A. No. Ameren Missouri is simply proposing to compare a customer's ToU bill to  
15 what their bill would have been on the basic or default residential rate regardless of whether or  
16 not a customer is using more or less kWh due to an abnormal weather event. Since the change  
17 in usage is not isolated in Ameren Missouri's proposed calculation Ameren Missouri is  
18 capturing the total change in a customer's bill and implying that the total change is due to  
19 revenue erosion from migrating between rate schedules.

20 Q. Does Ameren Missouri remove changes in usage due to its MEEIA programs in  
21 its proposed rate switching tracker?

22 A. No.

1 Q. Does Ameren Missouri's MEEIA Cycle 3 throughput disincentive mechanism,  
2 already compensate Ameren Missouri for kWh savings relating to the Company's energy  
3 efficiency programs?

4 A. Yes. Since Ameren Missouri is not proposing to remove changes in usage due  
5 to energy efficiency in its revenue calculation for the rate switching tracker, Ameren Missouri  
6 would double recover revenues related to the changes in usage due to a customer's installation  
7 of energy efficiency measures. For example, Ameren Missouri's demand response MEEIA  
8 program may not change a customer's total monthly kWh but would change the hours in which  
9 the energy occurred. If a customer's bill under the basic residential rate tariff is compared to  
10 the customer's bill under a ToU opt-in rate, the difference may be from the energy shifted during  
11 a demand response event. In this instance, the Company would have received MEEIA  
12 compensation for the decrease in peak usage and the Company would receive compensation  
13 through the proposed tracker.

14 Q. Does Ameren Missouri recommend continuing its ToU opt-in rate options  
15 approved in Case No. ER-2019-0335?

16 A. Yes. However, currently the customer charge is the same for all residential rate  
17 schedules. Ameren Missouri is requesting to differentiate the customer charge for the different  
18 residential rate schedules in this case. For example, the customer charge on the basic or default  
19 service rates are proposed to be \$11 while the customer charge on the Ultimate Savers rates is  
20 proposed to remain at \$9. Therefore, when comparing a customer bill from one residential rate  
21 schedule to the next, the revenue will inherently be different just given the customer charge.  
22 Staff recommends that either customer charge revenue be removed from Ameren Missouri's  
23 revenue calculation or the customer charge remain the same across all residential rate schedules.

1 Q. In regard to the LPS and SPS rate switching tracking proposed by  
2 Ameren Missouri, has Ameren Missouri fully explained its proposed LPS tariff changes  
3 concerning cumulation of demands?

4 A. No. Ameren Missouri requests a tracker for the rate impact of customer billing  
5 determinants and rate schedule changes, yet does not identify which customers it anticipates  
6 will change schedules or will be newly-allowed to cumulate billing determinants.  
7 Staff recommends this change be rejected in total, because the Company has not identified  
8 potential revenue impacts. If the change is not rejected, the provision should be modified to  
9 address only a customer at a single premise, and to allow cumulation of usage only for  
10 geographically contiguous service drops.

11 Q. Does Ameren Missouri explain the impact this tariff request would have on the  
12 calculation of the LPS rate cap?

13 A. No.

14 Q. Does Staff have concerns that as currently proposed Ameren Missouri's rate  
15 switching tracker essentially acts as a Revenue Stabilization Mechanism (RSM)?

16 A. Yes. The calculation of the revenue impact as proposed by Ameren Missouri as  
17 part of the rate switching tracker acts similarly to how an RSM would be developed, absent  
18 adjusting rates outside of the rate case.

19 Q. Can Ameren Missouri implement an RSM?

20 A. No. Per Section 393.1400, RSMo since Ameren Missouri has elected  
21 Plant In Service Accounting ("PISA") the Company cannot also implement an RSM.

22 **SEASONAL PRORATION**

23 Q. Does Ameren Missouri's currently effective rate schedules have seasonal rates?

1           A.     Yes. Effective April 1, 2020 Ameren Missouri's summer rates will be charged  
2 for usage occurring on and after June 1 through September 30 and Ameren Missouri's winter  
3 rates are charged October 1 through May 31, starting June 1, 2021. Prior to June 1, 2021,  
4 Ameren Missouri charged summer and winter rates based on the customer's billing cycle.

5           Q.     Did the change in how seasonal rates are billed cause a seasonal proration to  
6 occur on a customer's bill starting June 1, 2021?

7           A.     Yes. After June 1, 2021 seasonal rates now take effect on a particular day rather  
8 than based on the billing month. Since a customer's bill covers an approximate 30 day period  
9 the usage occurring before and after June 1 or October 1 has to be billed at the appropriate rates.  
10 This is generally done through a proration, estimating the amount of usage that occurs prior to  
11 June 1 would be billed on winter rates and the amount of usage that occurred on and after June  
12 1 would be billed on summer rates. Prior to April 2020, a proration was not needed because  
13 whether or not the bill was charged using summer or winter rates depended on the month the  
14 bill represented. For example, a customer's sixth bill of the year was determined to be the  
15 customer's June bill. The entire bill would be charged the summer rates.

16          Q.     Given, that Ameren Missouri's rates Ordered in this case are expected to take  
17 effect in early 2022, did Ameren Missouri make an adjustment to account for the seasonal  
18 proration that started occurring on June 1, 2021?

19          A.     No. Ameren Missouri's direct testimony does not address the change in how  
20 seasonal rates are applied or steps Ameren Missouri has taken to account for the implementation  
21 of seasonal rates. In further discussions with Ameren Missouri, Staff learned that it was  
22 Ameren Missouri's intent that its 365 day adjustment may adjust for some seasonal rate  
23 differences. However, Ameren Missouri's 365 days adjustment only adjusts kWh billing

1 determinants and not a customer's kW billing determinants which is are also subject to seasonal  
2 rates. Further Ameren Missouri's 365 day adjustment results in a negative adjustment to  
3 summer usage, whereas as the implementation of an accurate seasonal rate proration should  
4 result in more usage being billed on summer rates rather than winter rates.

5 Q. Why does Staff estimate that more usage should be billed on summer rates  
6 versus winter rates since the implementation of summer and winter rates starting on a particular  
7 day rather than billing month?

8 A. In general, customer usage is more likely to be higher in the calendar month of  
9 September than in May. Based on the Company's response to Staff DR 848 and Staff's weather  
10 normalized revenue month usage, Staff found there is more bill cycle usage currently billed on  
11 winter rates that will be billed on summer rates going forward. Staff expects the same to be true  
12 for non-residential customer demand revenue.

13 Q. What else has Staff learned about Ameren Missouri's seasonal proration?

14 A. In discussions with Ameren Missouri, Staff learned that on June 1, 2021 a  
15 customer's bill that included June 1, 2021 was prorated based on a simple proration of the  
16 number of days of the bill that occurred before the June 1, 2021 and the number of days that  
17 occurred on and after June 1, 2021. For example, if the customer's bill covered a total of 30  
18 days and 15 of those days occurred before June 1, 2021 than 50% of the customer's usage was  
19 billed on winter rates and 50% of the usage billed on summer rates.

20 However, Staff also learned that due to Ameren Missouri's roll out of AMI meters and  
21 the availability of daily usage data, the proration will change starting June 1, 2022 where the  
22 usage that actually occurred prior to June 1 will be charged using winter rates rather than based  
23 on a simple percentage of the number of days in the billing cycle that occurred prior to



Rebuttal Testimony of  
Robin Kliethermes

1 June 1. Staff agrees that using AMI daily usage data is a more accurate way to apportion a bill  
2 between summer and winter rates.

3 Q. Did Staff calculate a proration adjustment?

4 A. Yes. Staff calculated an adjustment based on the best information that was  
5 available. As stated in direct testimony, Staff's data request inquiring about detailed billing  
6 cycle data was objected to by the utility and Staff has not received any further information to  
7 propose a more accurate adjustment.

8 Q. How did Staff calculate its proration adjustment?

9 A. Staff calculated its adjustment using billing cycle sales per revenue month and  
10 estimates of the percentage of usage within the billing cycle that occurred on each day of the  
11 billing cycle to determine the difference between what would have been billed on summer rates  
12 prior to June 1, 2021 and what would have been billed after June 1, 2021. Staff's adjustment is  
13 mostly consistent with how Ameren Missouri's summer and winter volumetric rates would be  
14 applied if the Company was currently using AMI daily usage information. Staff performed this  
15 adjustment in this manner since the Company plans to start using AMI daily usage information  
16 on June 1, 2022, which is the first seasonal rate change after the effective date of rates in this  
17 case. However, Staff's adjustment only addresses the seasonal change for the volumetric rate  
18 component. Staff did not have and continues to not have individual demand determinants for  
19 the Large General Service and Small Primary Service rate classes which also includes seasonal  
20 demand rates.

21 Q. What is Staff's recommendation in this case?

1           A.     Staff recommends that the Commission Order Ameren Missouri to include a  
2 seasonal rate change adjustment in its revenues approved in this case. The seasonal rate change  
3 adjustment should include both the volumetric rate and demand rate components.

4           **MEEIA MARGIN RATES**

5           Q.     Have you reviewed Ameren Missouri's direct filed calculation of its MEEIA  
6 margin rates that would result from this case if the Commission ordered Ameren Missouri's  
7 recommended revenue requirement and rate design?

8           A.     Yes.

9           Q.     Does Staff have concerns with Ameren Missouri's calculation?

10          A.     Yes. Staff found that Ameren Missouri's calculated MEEIA margin rates for its  
11 direct filed Large Power class used the hourly end use load shapes in a manner that were  
12 inconsistent with the calculation of the MEEIA margin rates for all other classes.  
13 This inconsistency led to a customer's demand being reduced by a much higher ratio in the  
14 winter months than the summer months for the installation of an energy efficient air-  
15 conditioner, which is an unreasonable assumption given the predominate summer use of such  
16 an efficiency measure.

17          Further, Staff found that opt-out customers were not removed from the Company's  
18 calculation of MEEIA margin rates for the non-residential rate classes. Since opt-out customers  
19 are not participants of Ameren Missouri's energy efficiency programs, they should also not be  
20 included in calculating the margin rate that is used in Ameren Missouri's throughput  
21 disincentive to value deemed savings from energy efficiency programs. Staff recommends that  
22 customers who have opted-out of the Company's energy efficiency programs are excluded from  
23 the calculation of MEEIA margin rates.

1           **MEEIA ENERGY EFFICIENCY ADJUSTMENT**

2           Q.     Did Staff adjust the level of kWh of deemed savings reported by the Company  
3 before applying the reduction of kWh to billed kWh in the test period?

4           A.     Yes. Per the Stipulation and Agreement filed in Ameren Missouri's  
5 MEEIA filing (EO-2018-0211) an adjustment is made in the Company's general rate  
6 proceeding regarding installed energy efficiency measures during the test period. Once the rate  
7 case adjustment is made the Company's throughput disincentive is rebased so that the savings  
8 included in the rate case billing determinants are removed from further calculations of the TD.

9           However, Staff discovered through data requests that the level of energy efficiency  
10 savings reported by the Company included savings from energy efficiency products purchased  
11 from the Company's online store by residential customers that exceeded the number of products  
12 allowed to be purchased by a single residential customer. For example, one single customer  
13 was able to purchase 32 thermostats. Further, the Company provided in response to data request  
14 637.3 that a few customers also were able to purchase more than the allowed limit of the number  
15 of packs of LED light bulbs. Staff recommends that the Company's reported deemed energy  
16 efficiency savings be adjusted to remove kWh from the inappropriate purchase of energy  
17 efficiency products from the Company's online store.

18          Q.     Did the Company make an adjustment to the level of kWh of deemed savings  
19 reported by the Company before applying the reduction of kWh to billed kWh in the test period?

20          A.     No it did not. This means that the Company's energy efficiency adjustment in  
21 this case will reduce kWh billing determinants for deemed savings that are known to have been  
22 inappropriately purchased from the Company's online store. Further, the Company has

1 admitted the savings will be ultimately removed from its TD in the future; however, the  
2 Company has failed to also remove the savings from its energy efficiency adjustment.

3 Q. How did Staff calculate its adjustment to the Company's deemed kWh energy  
4 efficiency savings?

5 A. Staff removed the savings corresponding to the number of thermostats sold in  
6 excess of 2 per residential customer.

7 Q. Is this the correct adjustment to the Company's reported energy efficiency  
8 savings prior to applying the reduction to billed kWh in the test period?

9 A. Partially. Staff discovered that the Company's EM&V and TD true-up process  
10 will ultimately remove from the TD savings related to thermostats in excess of 1 per residential  
11 customer. However, due to rate case timing and the timing of the TD true-up, the deemed energy  
12 efficiency savings reported by the Company in this case still include the savings attributable to  
13 all thermostats sold including the apparent 32 thermostats that went to one residential account  
14 and any other inappropriate online purchases.

15 Staff recommends that due to the Company's response to Staff data request 637.3 that  
16 the Company's reported deemed savings should be adjusted to only account for 1 thermostat  
17 per household instead of 2 thermostats as calculated in direct by Staff. Staff also recommends  
18 that the Company frequently review the number of energy efficiency products purchased by a  
19 single residential customer and update its throughput disincentive accordingly.

20 **OTHER TARIFF CHANGES**

21 Q. Does Staff oppose Ameren Missouri's request concerning promulgation of a  
22 charge for additional power quality monitoring?

Rebuttal Testimony of  
Robin Kliethermes

1           A.     Staff does not oppose this request if Ameren Missouri commits to tracking of  
2 this equipment to facilitate assignment of its costs to the classes from which customers  
3 subscribe. Absent identification and assignment of this equipment to the subject classes, future  
4 class cost of service studies will break the link between revenue recovery from the subject  
5 classes and the revenue requirement associated with the equipment.

6           Q.     Does this conclude your rebuttal testimony?

7           A.     Yes.

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 ) Case No. ER-2021-0240  
Revenues for Electric Service )

**AFFIDAVIT OF ROBIN KLIETHERMES**

STATE OF MISSOURI )  
 )  
COUNTY OF COLE ) ss.

COMES NOW ROBIN KLIETHERMES and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Rebuttal Testimony of Robin Kliethermes*; and that the same is true and correct according to her best knowledge and belief.

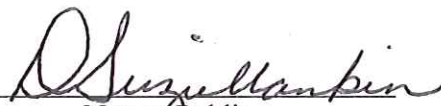
Further the Affiant sayeth not.

  
\_\_\_\_\_

ROBIN KLIETHERMES

**JURAT**

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 13<sup>th</sup> day of October 2021.

  
\_\_\_\_\_  
Notary Public

