

Exhibit No.:
Issue(s): EEI Dues
Witness: Laura M. Moore
Type of Exhibit: Surrebuttal Testimony
Sponsoring Party: Union Electric Company
File No.: ER-2022-0337
Date Testimony Prepared: March 13, 2023

MISSOURI PUBLIC SERVICE COMMISSION

FILE NO. ER-2022-0337

SURREBUTTAL TESTIMONY

OF

LAURA M. MOORE

ON

BEHALF OF

UNION ELECTRIC COMPANY

d/b/a Ameren Missouri

**St. Louis, Missouri
March, 2023**

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SURREBUTTAL TESTIMONY

OF

LAURA M. MOORE

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

2 A. Laura M. Moore, Union Electric Company d/b/a Ameren Missouri ("Ameren
3 Missouri" or "Company"), One Ameren Plaza, 1901 Chouteau Avenue, St. Louis, Missouri, 63103.

4 **Q. Are you the same Laura M. Moore that filed direct and rebuttal testimony in**
5 **this proceeding?**

6 A. Yes, I am.

7 **I. PURPOSE OF TESTIMONY**

8 **Q. What is the purpose of your surrebuttal testimony in this proceeding?**

9 A. My surrebuttal testimony responds to the rebuttal testimony of Staff witness
10 Antonija Nieto regarding Edison Electric Institute ("EEI") dues.

11 **Q. Please explain Staff's position on EEI dues as discussed in Staff witness**
12 **Antonija Nieto's Rebuttal Testimony.**

13 A. Staff has proposed that all EEI dues, \$600,000, should be excluded from Ameren
14 Missouri's revenue requirement. Under the standards previously adopted by the Commission, I
15 would submit that these costs should not be excluded. My direct testimony provides a comparison
16 that more than justifies these costs and, as I explain below, Staff did not take issue with the cost
17 comparison itself. Staff discusses a few reasons this amount should be excluded, including their
18 belief that EEI's primary role is to benefit utilities' bottom line and shareholder interests, their
19 belief that Ameren Missouri does not need to be a member of EEI due to their membership in a

1 Regional Mutual Assistance Group ("RMAG") and lastly because Ameren Missouri did not
2 quantify the benefits to shareholders. This reasoning is flawed, and I will discuss each of these
3 issues separately below.

4 **Q. The first issue that Staff raises regarding EEI dues is the belief that the**
5 **primary role of EEI is to benefit utility shareholders' interests. Please discuss.**

6 A. Staff witness Nieto points to certain activities in the June 2021 and June 2022 EEI
7 "Membership Matters" document to say that EEI is overwhelmingly focused on lobbying
8 activities. While I do acknowledge EEI does support lobbying activities (the cost of which is
9 excluded from Ameren Missouri's request), it is an overstatement to describe that support as
10 "overwhelming." I can point to the same document, which is attached to Ms. Nieto's testimony,
11 and identify many activities that are not lobbying related, including two especially important
12 initiatives:

- 13 • EEI established a working group of Chief Procurement Officers and supply chain
14 leaders to address the industry's supply chain challenges. Supply chain challenges
15 are very real at this time, and efforts to address this impediment provide clear
16 benefits to our customers by preventing project delays to system repairs and
17 upgrades.
- 18 • EEI completed the first phase of its "Better Understanding and Serving Low to
19 Moderate Income Customers" initiative to identify characteristics of specific
20 cohorts in the customer segment. This information will be useful to Ameren
21 Missouri as it reviews, expands, redesigns or designs programs to assist segments
22 of its customer base. Every rate review Ameren Missouri has filed in the last 10
23 years has included suggestions from various parties for addressing issues related to

1 energy burden certain customers face. Most settlement agreements in those cases
2 have included earmarking dollars for programs to assist those customers. Having
3 more information about those customers can only improve the Company's ability
4 to reach and assist impacted customers.

5 These items are just a few from the same June 2022 EEI "Membership Matters" document that
6 Ms. Nieto pointed to for her lobbying activities.

7 I also included many benefits in my direct testimony in this case that Ameren Missouri
8 receives and that benefit our customers. A few of these include:

- 9 • Mutual assistance support when needed,
- 10 • Participation in the EEI Technology Advisory Committee,
- 11 • Knowledge sharing among utilities,
- 12 • Participation in education forums,
- 13 • Participation in the EEI Institute for Electric Innovation, and
- 14 • Participation in the Spare Transformer Equipment Program.

15 These are just a few of the benefits that Ameren Missouri customers receive from our membership
16 with EEI. If we did not participate in these activities, in many cases, Ameren Missouri employees
17 would be doing this work, likely requiring additional employees to be hired, or the Company and
18 its customers would go without the knowledge, assistance, and other benefits in these areas. It
19 should be noted that Ms. Nieto takes no issue with the majority of these listed benefits.

1 **Q. Ms. Nieto states in her rebuttal testimony that "it is Staff's position that**
2 **Ameren Missouri does not have to be a member of EEI to obtain the help and potential**
3 **savings provided by the membership in one or more of the RMAGs."¹ Do you agree?**

4 A. Absolutely not. Ameren Missouri must be an EEI member to participate in the
5 regional mutual assistance groups. Ameren Missouri is a member of the Midwest Mutual
6 Assistance Group ("MMAG"). In the MMAG Charter, it states "The MMAG is comprised of
7 Company representatives from Edison Electric Institute (EEI) member companies." I have
8 attached a copy of the MMAG Charter to my surrebuttal testimony as Schedule LMM-S1. If
9 Ameren Missouri were not a member of EEI, it could not be a member of the MMAG. And if it
10 were not a member of the MMAG it would not obtain the mutual assistance benefits from the
11 MMAG. After a severe storm, this assistance is pivotal to Ameren Missouri's restoration efforts.
12 Without this assistance, restoration times would be delayed, potentially causing customers to
13 endure significantly more time without power after certain storms.

14 **Q. Does Staff dispute the quantification of benefits from the storm that was**
15 **included in your direct testimony?**

16 A. Ms. Nieto states that Staff does not disagree with the calculation but mistakenly
17 claims that it is not necessary to be an EEI member, allowing Staff to discount the benefits as not
18 attributable to EEI. As I have explained above, this is incorrect. This admission by Staff is
19 important, as the undisputed quantification I presented in direct testimony more than justifies the
20 \$600,000 cost of the Company's membership in EEI.

¹ ER-2022-0337, Antonija Nieto Rebuttal Testimony, p. 9, ll. 3 – 5.

1 **Q. Staff also states that Ameren Missouri is requesting recovery of the charitable**
2 **contributions that are made by EEI. Is this assertion correct?**

3 A. No. In the EEI 2022 Lobbying, Advocacy, and Other Expenditures report, attached
4 to my testimony as Schedule LMM-S2, it states "EEI makes contributions to various political and
5 charitable groups, including IRC section 501(c)(4) and section 527 organizations. These amounts
6 are included in the amounts EEI reports to members as lobbying expenses."

7 The lobbying expense portion of the EEI membership dues is recorded below-the-line by
8 Ameren Missouri and excluded from the revenue requirement so these charitable contributions are
9 not included in the amount we are requesting to be included in our revenue requirement.

10 **Q. Lastly, Staff points to KCPL Case No. ER-83-49 regarding quantifying**
11 **benefits to shareholders. Please discuss.**

12 A. All of the benefits I have listed benefit shareholders and customers. If we look at
13 this in a more general manner, shareholders benefit when customers benefit. Staff points to
14 litigation support as an activity that benefits shareholders only. I disagree. Ameren Missouri would
15 have to support any litigation it is involved in whether we get support from EEI or not and it is
16 likely that it would cost the Company even more when that support from EEI is not available.

17 Our membership in EEI allows the Company to do more at a lower cost. When new
18 regulations are passed or new accounting rules are implemented, without our membership in EEI,
19 the Company would have to do all of the research and implementation work internally or with
20 other external support. All of that work comes at a cost. And these are just a few examples.

1 **Q. In summary, what decision does the Commission have to make about EEI**
2 **dues?**

3 A. The decision is relatively simple. Do Ameren Missouri and its customers receive
4 more than \$600,000 of benefit from the Company's membership in EEI? We know the answer to
5 that question is yes, because Staff admits the calculation provided in my direct testimony is correct.
6 All of the other reasons raised by Staff are irrelevant (and most of them are incorrect) in answering
7 this one, simple question.

8 **Q. Does this conclude your surrebuttal testimony?**

9 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 LAURA M. MOORE

STATE OF MISSOURI)
)**ss**
CITY OF ST. LOUIS)

Laura M. Moore, being first duly sworn states:

My name is Laura M. Moore, and on my oath declare that I am of sound mind and lawful age; that I have prepared the foregoing *Surrebuttal Testimony*; and further, under the penalty of perjury, that the same is true and correct to the best of my knowledge and belief.

/s/ Laura M. Moore
Laura M. Moore

Sworn to me this 13th day of March, 2023.