

Exhibit No.:
Issues: Unreasonable current street lighting tariffs and actions of Ameren and unreasonable proposed increases
Witness: Robert Kuntz
Sponsoring Party: City of Ballwin, Missouri
Type of Exhibit: Direct Testimony – Cost of Service and Rate Design
File No.: ER-2014-0258
Date Testimony Prepared: December 18, 2014

MISSOURI PUBLIC SERVICE COMMISSION

DIRECT TESTIMONY

OF

ROBERT KUNTZ

ON

BEHALF OF

CITY OF BALLWIN, MISSOURI

*St. Louis, Missouri
December, 2014*

BEFORE THE MISSOURI PUBLIC SERVICE COMMISSION

IN THE MATTER OF THE UNION ELECTRIC)
COMPANY, d/b/a AMEREN MISSOURI'S)
TARIFFS TO INCREASE ITS REVENUES)
OR ELECTRIC SERVICE)
)

File No: ER-2014-0258

AFFIDAVIT OF ROBERT KUNTZ

STATE OF MISSOURI)
) ss
COUNTY OF ST. LOUIS)

Robert Kuntz, of lawful age on his oath states: that he has participated in the preparation of the following Direct Testimony in question and answer form, consisting of 3 pages of Direct Testimony to be presented in the above case, that the answers in the following Direct Testimony were given by him; that he has knowledge of the matters set forth in such answers; and that such matters are true to the best of his knowledge and belief.

Robert Kuntz
Robert Kuntz

Subscribed and sworn to before me this 18th day of December, 2014.



CHRISTINE A. NORTHCUTT
My Commission Expires
July 8, 2015
St. Louis County
Commission #11425420

Christine A. Northcutt
Notary Public

1 DIRECT TESTIMONY

2 OF

3 ROBERT KUNTZ

4 FILE NO. ER-2014-0258

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

10 A. My name is Robert Kuntz and my office address is 14811 Manchester Road,
11 Ballwin, Missouri 63011.

12 **Q. By whom are you employed and what is your job title?**

13 A. I am the City Administrator for the City of Ballwin, Missouri, and have worked in
14 that capacity since 1988.

15 **Q. Please describe your educational background, work experience and the**
16 **duties of your position?**

17 A. I received my Bachelor of Arts in Political Science and English from Miami
18 University in Oxford, Ohio. In 1974 I received my Masters in Public Administration from the
19 University of Dayton in Dayton, Ohio. From 1979 to 1988 I worked as the City Manager for the
20 City of Trotwood, Ohio. Between 1976 and 1979 I worked for the Borough of Point Pleasant
21 Beach, New Jersey.

22 In my position as City Administrator for the City of Ballwin, I supervise all departments
23 of the City, which includes the management of over 140 fulltime and approximately 250
24 seasonal employees.

25 **Q. Is the City of Ballwin a customer of Ameren?**

26 A. Yes. The City of Ballwin receives electric service from Ameren, pursuant to
27 Ameren's 5(M) tariff, for street lighting, and pays Ameren in excess of half a million dollars per
28 year for street lighting services.

29 **Q. What is the purpose of your testimony?**

30 A. I have read Steve Bender's Direct Testimony on behalf of the City of O'Fallon,
31 Missouri. The City of Ballwin has the same concerns and objections, for the same reasons, as
32 O'Fallon. I offer further testimony to discuss the issues and impacts on the City of Ballwin, that
33 are different from those faced by the City of O'Fallon, namely the different service level
34 provided to Ballwin than O'Fallon, by Ameren.

1 **Q. How many street lights does Ameren provide for the City of Ballwin?**

2 A. Ballwin is served by approximately 2,164 street light fixtures of various types
3 from Ameren. Ameren currently owns all of the light fixtures, which is why Ballwin is subject
4 to the 5(M) Company-Owned Street and Outdoor Area Lighting Tariffs, which are Ameren
5 Tariff Sheets numbered 58, 58.2, 58.3, 58.4 and 58.5. A copy of Ameren’s most recent street
6 lighting bill (November 2014) is attached to my testimony as Exhibit A.

7 **Q. Does Ballwin wish to change to the 6(M) tariff?**

8 A. Yes. Like the City of O’Fallon, Ballwin would like to change to the 6(M),
9 customer-owned tariff.

10 **Q. Why has Ballwin not changed to the 6(M) tariff?**

11 A. The City of Ballwin has not changed to the 6(M) tariff for the same reasons that
12 Mr. Bender expressed in his Direct Testimony.

13 **Q. Have you examined how the proposed increase in the 5(M) tariff will effect**
14 **Ballwin?**

15 A. Yes. I have reviewed the increased costs that will be imposed upon Ballwin if the
16 proposed tariff is approved. Ameren provides service to 1,924 of the “9500 HPS Post Top”
17 street light fixtures. Under the current 5(M) tariff, Ballwin pays a monthly fee per fixture of
18 \$21.85, which equates to \$42,039.40 per month for that particular type of fixture. The proposed
19 amended tariff rate for that same class of fixture is \$23.96 per fixture per month. This equates to
20 \$46,099.04 per month, which is an increase of \$4,059.64 per month just for this type of street
21 light fixture. Ballwin receives a 10% discount under the current tariff (Tariff Sheet 58.2).
22 Ameren’s proposed tariff also has a 10% discount. Applying the discount to the these rates
23 means that under the existing tariff Ballwin is paying \$37,835.46, and under the proposed tariff
24 Ballwin would pay \$41,489.14, which results in a monthly increase of \$3,653.68. Over the
25 course of a year, therefore, Ballwin would be paying an additional \$43,844.11 for “9500 HPS
26 Post Top” street light fixtures, further exacerbating the inequity in Ameren’s 5(M) tariff.

27 The City also receives service to 116 “25500 HPS Enclosed” fixtures, which after
28 applying the discount would see a monthly increase in cost under the proposed tariff from
29 \$1,778.98 to \$1,950.19 per month. Annualized, this is an increase in cost from \$21,347.76 to
30 \$23,402.30.

1 The City receives service to 108 “9500 HPS Enclosed” fixtures, which after applying the
2 discount would see a monthly increase in cost under the proposed tariff from \$1,145.99 to
3 \$1,256.80. Annualized, that is an increase from \$13,751.88 to \$15,081.60.

4 The City receives service to 10 “9500 Open Bottom” fixtures, which after applying the
5 discount would see a monthly increase in cost under the proposed tariff from \$93.87 to \$102.96.
6 Annualized, that is an increase from \$1,126.44 to \$1,235.52.

7 The City receives service to 5 “25500 HPS Direct” fixtures, which after applying the
8 discount would see a monthly increase in cost under the proposed tariff from \$97.34 to \$106.74.
9 Annualized, that is an increase from \$1,168.02 to \$1,280.88.

10 The City receives service to 1 “50000 HPS Enclosed” fixture, which after applying the
11 discount would see a monthly increase in cost under the proposed tariff from \$27.34 to \$29.98.
12 Annualized, that is an increase from \$328.10 to \$359.75.

13 Based upon these increases, the proposed tariff would result in an increase in the monthly
14 cost for street lighting services for the City from \$40,978.98 to \$44,935.81. This would equate
15 to an annualized increase in the cost of service from \$491,747.72 to \$539,229.73. This is a
16 percentage increase of over 8%. It should be noted that I have not included or accounted for the
17 Ballwin Municipal Charge that is assessed on the Ameren bills. Further, in performing my
18 calculation, when necessary I rounded up to 2 decimal places.

19 **Q. Does this conclude your direct testimony?**

20 A. Yes.