

The Staff of the Missouri Public Service Commission,)	
)	
)	
Complainant,)	
)	
vs.)	File No. EC-2015-0315
)	
Union Electric Company d/b/a)	
Ameren Missouri,)	
)	
Respondent.)	

COMES NOW Union Electric Company d/b/a Ameren Missouri (“Ameren Missouri” or “Company”) and hereby addresses the Missouri Public Service Commission’s (“Commission”) November 4, 2015, Agenda discussion regarding this case, as follows:

1. The parties and the Commission are bound by the Commission’s existing MEEIA¹ rules and the Commission-approved stipulation that governs the terms and operation of Ameren Missouri’s MEEIA Cycle 1 Energy Efficiency Plan (“Plan”), regardless of any party’s views about the merits of using more up-to-date avoided cost estimates when calculating net benefits for the performance incentive. Although there may be arguments on both sides about the substantive merits of this issue if it had not been previously agreed upon, that is not the situation currently before the Commission and it should follow the rules that were established at the outset for Ameren Missouri’s MEEIA Cycle 1 programs.










2. The stipulation that implemented MEEIA Cycle 1 is clear, and all parties concede that it is so. The Company's Plan, as it was filed, sets the terms, conditions and rules for operation of the programs and determination of net benefits, except as it may have been modified by the

¹ Missouri Energy Efficiency Investment Act.

stipulation. Any fair reading of the undisputed facts in this case would not support the conclusion that the outright prohibition of updating avoided cost estimates for the performance incentive, as reflected in the Plan, as filed, was modified by the stipulation.

3. The Plan was clear – no update of avoided costs, as shown by the red X in the following table:

Table 2.12 Description of Update Process²

Category	Update?	Description
Avoided Costs		The avoided energy, capacity, and T&D values are deemed
Measure Attributes		The TRM provides the deemed values or protocols for all measures
DSMore Software		XLS Version 5.0.14, GCG Version 5.0.23
Number of Measures		The number of measures will be measured as part of the evaluation process
Program Admin. Costs		The direct program costs will be tracked
Measure Rebate Costs		Measure rebates are included in the direct program costs
Net-to-Gross Factors		The TRM provides the deemed values
Customer Opt-Out		The final performance goals shall be adjusted based on final opt-out estimates
Discount Rate		The discount rate shall remain 6.95%

Moreover, not only did Appendix B to the stipulation not modify the existence of the red X, it in fact confirmed and reinforced it: “Actual net benefits are based on [1] actual program costs for the three-year MEEIA plan and [2] the actual net MWh savings as determined by EM&V.” There is no item “[3] updated avoided cost estimates” and it is undisputed that Ameren Missouri’s avoided

² *Id.*

costs are not determined by EM&V.

4. Ameren Missouri relied upon the Commission's MEEIA rules and on the Commission's approval of the stipulation. An order such as that contemplated, based on the November 4 Agenda discussion, would unlawfully change the rules after the game has been played. If utilities cannot rely upon the Commission's rules and its orders to approve fair resolutions of MEEIA filings via a stipulation, then the Commission will have created a powerful disincentive to implementing MEEIA programs.

5. Finally, Ameren Missouri would like to make it clear that had avoided cost estimates changed in the opposite direction, Ameren Missouri would not be taking any different position. Ameren Missouri is the entity that from the very beginning, as evidenced by the red X, stated that updating avoided cost estimates should not be done except when a new cycle of programs are implemented. On-the-record, the undersigned counsel reiterated the Company's position and made it crystal clear that updated avoided cost estimates should not be used, whether the estimates increase substantially (if higher, updated estimates would substantially increase Ameren Missouri's share of net benefits), or the estimates decrease substantially (if lower, updated estimates would substantially decrease Ameren Missouri's share of net benefits).³ To the contrary, Ameren Missouri's position was and is: use avoided cost estimates when a MEEIA Plan is proposed and approved, and continue to use them for that MEEIA Plan cycle.

WHEREFORE, Ameren Missouri respectfully submits this response, and urges the Commission to adhere to the rules it set when Ameren Missouri's MEEIA Cycle 1 Plan was approved.

³ Tr. p. 72, l. 19 to p. 74, l. 12.

Respectfully submitted,

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**ATTORNEYS FOR UNION ELECTRIC
COMPANY d/b/a AMEREN MISSOURI**

Dated: November 10, 2015

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have on this 10th day of November, 2015, served the foregoing document either by electronic mail, or by U. S. Mail, postage prepaid addressed to all parties of record.

/s/ James B. Lowery
James B. Lowery