

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

In the Matter of Union Electric Company d/b/a            )  
Ameren Missouri’s LED Street Lighting Update        )        File No. ET-2016-0152  
and Tariff Filing.    )

**RESPONSE TO STAFF RECOMMENDATION AND OPC MOTION**

COMES NOW Union Electric Company d/b/a Ameren Missouri (Ameren Missouri or Company) and for its *Response to Staff Recommendation and OPC Motion*, states as follows:

1.        On December 17, 2015, Ameren Missouri filed a revised tariff to add a new rate for LED streetlights to its tariffs.
2.        On December 31, 2015, the Staff of the Missouri Public Service Commission (Staff) filed a *Staff Recommendation for Approval of Tariff Sheet* (Staff Recommendation).
3.        On the same date, the Office of the Public Counsel (OPC) filed Public Counsel’s Motion to Reject Tariff Sheets.
4.        The Staff Recommendation supported the tariff change but recommended the Company continue to provide Staff with annual updates to the economic analysis of LED street lights but on a more limited scope than required in the past. Staff’s specific recommendations can be found in paragraphs seven and eight of their pleading. Ameren Missouri does not object to providing the requested analysis, but clarifies that the reported kilowatt-hour consumption of the 5(M) Company Owned Street Lighting rate class will not be metered usage, as this class is not metered.
5.        OPC opposes Ameren Missouri’s proposed tariff, claiming that it is a change in rates, which is prohibited as single issue ratemaking. The flaw in OPC’s analysis is the fact that Ameren Missouri’s filing is for a new rate rather than a change in an existing rate. The

Company does not currently have a LED street lighting tariff rate and the proposed tariff does not change the rate for its high pressure sodium and mercury vapor lights. If Ameren Missouri were to request an increase in the high pressure sodium and mercury vapor lights, that request would run afoul of the single issue ratemaking prohibition. But that is not what Ameren Missouri seeks. Here, the Company is proposing a new rate, an initial rate, which does not fall into the category of a prohibited tariff change.

7. This is not the first time a new rate has been filed for (or ordered to be filed for) outside of a rate case. In fact, Ameren Missouri was previously ordered to file a LED rate outside of a rate case. In File No. ER-2012-0166, Ameren Missouri and Staff reached a *Nonunanimous Stipulation and Agreement Regarding Certain Revenue Requirement Issues (Stipulation)*, on various issues including LED street lighting. OPC did not object to the *Stipulation*. In the *Stipulation*, Ameren Missouri was required to file either a LED street lighting tariff or a status report no later than March 31, 2013.<sup>1</sup> This condition contained no requirement for a rate case to be filed in order to implement the new tariff. Nor is that example the only time the Commission has ordered a new rate to be filed outside of a rate case. In File No. ER-2014-0258, the Commission ordered a new tariff for standby service be filed by December 31, 2015 with no requirement that a rate case be filed in order to implement this new rate. There are multiple other examples. In 1992, for example, Ameren Missouri added metal halide directional lights to its 5M tariff, outside of a rate case.<sup>2</sup> Just as is true in this case, it was a new service being provided and it was implemented outside of a rate case. In File No. EO-2013-0367, Ameren Missouri added a new rate for 6M LED lights. In File No. EA-2005-0180, Ameren Missouri added an entire rate class (12M - large transmission service) outside of a rate case. The

---

<sup>1</sup> Ameren Missouri did not file such a tariff, as it determined conversion to LED street lights was not cost effective at that time.

<sup>2</sup> Schedule 5, Sheet 39, 22<sup>nd</sup> Revision, effective May 8, 1992.

Company will not attempt to provide the Commission with a complete list, but this list alone demonstrates that its request is common practice for new rates and that OPC's argument cannot be correct. In fact, Ameren Missouri is puzzled by OPC's position in this case, particularly given its willingness to support Noranda receiving a decrease to a Commission approved rate and doing so outside of a rate case.<sup>3</sup>

9. If the Commission were to agree that it cannot institute a new rate outside of a rate case, then Ameren Missouri would modify its request. In the alternative, Ameren Missouri proposes to add LED to the type of streetlights it offers and offer that service at the same rate as currently exists for high pressure sodium and mercury vapor lights. This way, there is no change in rates at all. To be clear, this is not the preference of Ameren Missouri. The Company believes it is more appropriate to set a new rate which reflects the expense savings that will be created by LED streetlights; however, if the Commission feels that is not authorized to approve even a new rate, the Company asks that it reject the current tariff and order Ameren Missouri to file a compliance tariff that only adds LED to the types of street lighting used by the Company. Ameren Missouri will then propose the new rate in its next rate case.

10. OPC also requests that the Commission require Ameren Missouri to provide notification of the change in the tariff to customers. Ameren Missouri intends to provide notice and does not object to the Commission ordering such notice. The Company prefers to use its existing bill to provide this notice, so asks that the notice be allowed to take place over a billing cycle rather than by a special mailing which would increase costs. Second, the Company would prefer to provide this notice very close to the time period in which it will be installing LEDs so as to reduce confusion to its customers. Ameren Missouri has not yet determined the exact

---

<sup>3</sup> See EC-2014-0224.

verbiage of the notice, but is willing to provide that information to Staff and OPC for their comment prior to providing notice to impacted customers.

**WHEREFORE**, Ameren Missouri respectfully asks the Commission recognize that it has authority to approve the proposed tariff as a new rate for LED street lighting and that it approve the tariff so that it takes effect by January 16, 2016.

Respectfully submitted,

UNION ELECTRIC COMPANY  
d/b/a Ameren Missouri

*/s/ Wendy K. Tatro*  
**Wendy K. Tatro**, # 60261  
Director & Assistant General Counsel  
Ameren Missouri  
1901 Chouteau Avenue  
St. Louis, MO 63103  
(314) 554-3484 (phone)  
(314) 554-4014 (fax)  
[AmerenMOService@ameren.com](mailto:AmerenMOService@ameren.com)

**CERTIFICATE OF SERVICE**

The undersigned certifies that true and correct copies of the foregoing have been e-mailed or mailed, via first-class United States Mail, postage pre-paid, to the service list of record this 4<sup>th</sup> day of January, 2016.

*/s/ Wendy K. Tatro*  
Wendy K. Tatro