BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Union Electric)
Company's (d/b/a Ameren Missouri) Gas)
Service Tariffs Removing Certain) Case No. GT-2011-
Provisions for Rebates from Their) Tariff File Number JG-2011-0620
Missouri Energy Efficient Natural Gas)
Equipment and Building Shell Measure)
Rebate Program.)

MOTION TO REJECT OR SUSPEND TARIFF FILING

COMES NOW the Staff of the Missouri Public Service Commission and asks the Commission to reject, or in the alternative suspend, the Union Electric Company's (d/b/a Ameren Missouri) Gas Service (AmerenMO or Company) tariff sheets filed June 8, 2011, in Tariff File No. JG-2011-0620. In support thereof Staff states:

- 1. AmerenMO represents the tariff sheets filed June 8 as "being filed in accordance with the provisions set forth in the Agreement reached with the other parties and approved by the Commission in Case No. GR-2010-0363."
- 2. Staff states that the tariff filings conflict with the terms of the Agreement and, more specifically with *Section 6. Energy Efficiency Programs* of the Stipulation and Agreement (S&A) as Ordered in Case No. GR-2010-0363.
 - 3. In further support of its Motion, Staff states:

Summary

4. On June 8, 2011, AmerenMO filed tariff sheets designed to modify its Gas Energy Efficiency Program, as listed below:

<u>FILED</u> <u>CANCELLING</u>

8th Revised Sheet No. 79 7th Revised Sheet No. 79

7th Revised Sheet No. 80	6th Revised Sheet No. 80
8th Revised Sheet No. 81	7th Revised Sheet No. 81
5th Revised Sheet No. 82	4th Revised Sheet No. 82
5th Revised Sheet No. 83	4th Revised Sheet No. 83
2nd Revised Sheet No. 84	1st Revised Sheet No. 84
1st Revised Sheet No. 85	Original Revised Sheet No. 85

- 5. While the S&A permits the Company to petition the Commission for changes to its tariff sheets if it "believes circumstances warrant changes," Staff does not agree that the circumstances noted by AmerenMO as warranting a change form a reasonable basis for changing its tariffs since these circumstances existed at the time AmerenMO entered into the S&A.
- 6. In addition to Staff's concern that there are no circumstances actually warranting changes to the tariffs, Staff notes the S&A in Case No. GR-2010-0363(section 6.G) requires that the "tariffs shall provide for uninterrupted availability of these energy efficiency programs through December 31, 2012."
- 7. AmerenMO now seeks to interrupt these programs by removing certain measures based on a prospective total resource cost test (TRC) of those measures. This prospective TRC is a generic <u>pre</u>-implementation estimate of cost effectiveness which may or may not prove accurate.
- 8. AmerenMO offers no alternative measures for the measures it proposes to remove.
- 9. Further, Paragraph 6.B of the S&A states that "Ameren Missouri agrees to a target level of annual funding to be achieved within the next three years ramping up by year three to an amount equal to 0.5% of gross operating revenues for gas service, including gas cost, or approximately \$850,000, for expenditures prudently incurred on cost-effective programs."
- 10. It is difficult to understand how AmerenMO is in compliance with this provision of the S&A when the Company proposes to remove energy efficiency measures from programs

and provides no replacement measures, consequently diminishing the energy efficiency program rather than ramping up the program.

11. Of further concern is the Company's commitment in the S&A to perform a post-implementation evaluation of certain programs. Specifically paragraph 6.C of the S&A states:

The Company shall perform a post-implementation evaluation of the effectiveness of its non low income weatherization energy efficiency programs. Non low income weatherization energy efficiency program funds may be used for the reasonable costs associated with program evaluation and for external administrative costs in addition to the programs' direct costs. Post-implementation evaluations of all programs or measures shall include usage data for program participants through the end of the month of April, 2012, and be completed by December 31, 2012. Post-implementation evaluations will generally be performed by an outside firm and include both a process evaluation and an impact evaluation."

- 12. If AmerenMO is permitted to remove some of the energy efficiency measures from the programs prior to performing the evaluation, this conflicts with the parties intent that the measures included in the Company's compliance tariffs would be included in the evaluation to which AmerenMO agreed.
- 13. Paragraph 6.C of the S&A also provides the method to determine implemented program effectiveness. Contrary to this paragraph, AmerenMO developed a revised generic prospective cost benefit analysis and Total Resource Cost test (TRC), not using data from the actual program measures and claimed that this TRC determined the cost effectiveness of the measures. Because AmerenMO's revised TRCs are inappropriately developed by using data on the cost of installation and energy savings that are not based on actual data for Missouri, the resulting revised TRC estimates do not reflect the true benefits and costs of the current energy efficiency programs, thus Staff recommends rejection or suspension of the AmerenMO tariff filing that is based on these revised TRCs.

14. In filing this tariff AmerenMO also failed to circulate a final version of the tariff to the Energy Efficiency Advisory Group (EEAG) prior to filing with the Commission. In the S&A AmerenMO agree to circulate any proposed tariff revisions to the EEAG prior to filing. AmerenMO provided draft tariffs but did not circulate the tariffs which were actually filed, in breach of its agreements in the S&A.

WHEREFORE, for all the reasons noted above, Staff respectfully requests that the Commission reject or in the alternative suspend the proposed tariffs as contrary to the public interest.

Respectfully submitted,

/s/ Lera L. Shemwell

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to all counsel of record this 27th day of June, 2011.

/s/ Lera L. Shemwell