

Exhibit No.:
Issue: Policy
Witness: Jamie S. Myers
Sponsoring Party: MoPSC Staff
Type of Exhibit: Direct Testimony
Case No.: EO-2017-0176
Date Testimony Prepared: June 14, 2019

MISSOURI PUBLIC SERVICE COMMISSION
COMMISSION STAFF DIVISION

DIRECT TESTIMONY

OF

JAMIE S. MYERS

**UNION ELECTRIC COMPANY,
d/b/a Ameren Missouri**

CASE NO. EO-2017-0176

*Jefferson City, Missouri
June 2019*

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1 Q. What is the purpose of your testimony?

2 A. The purpose of my testimony is to describe Staff's involvement in this Cost
3 Allocation Manual ("CAM") proceeding and provide an overview of the request and the terms
4 agreed upon by Staff and Ameren Missouri in the *Stipulation and Agreement* filed on
5 November 30, 2018.¹ Staff witness Mark L. Oligschlaeger provides more detail on the terms
6 of the *Stipulation and Agreement* in his direct testimony.

7 **STAFF'S PARTICIPATION**

8 Q. Please describe the history of this case.

9 A. On March 3, 2015, Ameren Missouri, Staff, and the Office of the Public Counsel
10 ("OPC"), were signatories to an *Amended Nonunanimous Stipulation and Agreement*
11 *Regarding Certain Revenue Requirement Issues*, filed in Ameren Missouri's then-pending
12 general rate case proceeding, Case No. ER-2014-0258, that contained an agreement by Ameren
13 Missouri to seek Commission approval for its CAM as part of its next general rate case.
14 The Commission approved the *Amended Nonunanimous Stipulation and Agreement* on
15 March 19, 2015.

16 Ameren Missouri filed its Notice of Likely Contested Case on January 11, 2016,
17 establishing Case No. ER-2016-0179, and filed the Direct Testimony and Filing Letter and
18 Minimum Filing Requirements constituting its next general rate case request on July 1, 2016.
19 The case included a CAM and request for Commission approval in the Direct Testimony
20 of Ameren Missouri witness Jeff L. Dodd. I was lead attorney for Staff in the case.
21 On December 6, 2016, Ameren Missouri, Staff, and OPC entered into a *Non-Unanimous*

¹ The *Stipulation and Agreement*, filed on November 30, 2018, contained a CAM document labeled as "Attachment A". Ameren Missouri substituted this CAM with an update on May 15, 2019, in Case No. EO-2017-0176. Staff supports the Commission approving the updated CAM.

1 *Stipulation and Agreement Regarding Cost Allocation Manual and Affiliate Transactions,*
2 stating:

3 The signatories have agreed that they would benefit, as would
4 the Commission, from a series of technical conferences among the
5 signatories (or other interested parties) that may produce agreement or
6 partial agreement on the terms of a CAM and on other matters that may
7 pertain to ongoing AT [Affiliate Transactions] Rule compliance. The
8 signatories have further agreed that because there is limited time
9 available to have such conferences in the context of this rate case, the
10 public interest would be served by removing the CAM and any AT Rule
11 issues from this rate case so that they can be addressed in a separate
12 docket...

13 The *Non-unanimous Stipulation and Agreement* further contained a process and schedule the
14 signatories agreed to for the separate CAM and AT Rule docket. This schedule included several
15 technical meetings and rounds of comments, and the Commission approved the *Non-unanimous*
16 *Stipulation and Agreement* on December 21, 2016.

17 The Commission opened this file, Case No. EO-2017-0176, and issued an order
18 adopting the schedule the signatories had agreed upon. From then on Staff began attending the
19 scheduled technical conferences.

20 Q. Please explain your involvement in this case.

21 A. I began attending technical conferences and was involved in every round of
22 comments and revisions beginning in April 2018. While all of the technical conferences up to
23 that point, and beyond, are under the umbrella of settlement discussions, by the time I became
24 involved, discussions among the parties were progressing towards a resolution of the case. Prior
25 to April 2018, a technical Staff person and at least one attorney from the Staff Counsel's Office
26 attended every conference. Although I had not been attending technical conferences in-person
27 prior to April 2018, Natelle Dietrich ("Staff Director") and I received progress updates from

1 attending Staff. Such a process is typical of many cases where Staff management may not be
2 involved in all early technical conferences, but either Ms. Dietrich or I attend when discussions
3 move toward internal vetting of Staff's position(s) or settlement discussion.

4 Q. When was an agreement reached in this case?

5 A. At the time Staff filed its *Fourth Status Report* in this case on July 31, 2018,
6 Staff and Ameren Missouri had narrowed the issues² and as noted in *Staff's Fifth Status Report*,
7 filed on October 1, 2018, Ameren Missouri and Staff had tentatively reached an agreement, but
8 wished to provide OPC with a fair amount of time to review the tentative agreement.³
9 To facilitate giving OPC time to review, the Parties requested the Commission direct the Parties
10 to report back by October 31, 2018, with a CAM agreement or a proposed course of action.⁴
11 The Parties reported on October 31, 2018, that OPC indicated it needed additional time to
12 review the documents on which Ameren Missouri and Staff had reached an agreement in
13 principle, and again, to facilitate allowing OPC more time to review the documents, the Parties
14 requested the Commission direct that by November 30, 2018, a CAM agreement or proposed
15 course of action be filed.⁵ On November 30, 2018, Ameren Missouri and Staff filed
16 a *Stipulation and Agreement*, containing a request that the Commission approve the
17 CAM documents, specific variances, and additional terms in the *Stipulation and Agreement*.
18 OPC filed its objection to the *Stipulation and Agreement* on December 6, 2018.

19 **OVERVIEW OF THE SIGNATORIES' REQUEST**

20 Q. What is Staff's recommendation?

² See *Staff's Fourth Status Report*, Case No. EO-2017-0176, filed July 31, 2018.

³ See *Staff's Fifth Status Report*, Case No. EO-2017-0176, filed October 1, 2018.

⁴ *Id.*

⁵ See *Staff's Sixth Status Report*, Case No. EO-2017-0176, filed October 31, 2018.

1 A. Staff is a signatory to the *Stipulation and Agreement* filed on November 30,
2 2018, and effectively updated on May 15, 2019 when Ameren Missouri filed its CAM for 2018
3 which, based on Staff's review appears to be materially the same (except for updated data) as
4 the CAM for 2017 filed with the *Stipulation and Agreement*. OPC filed an objection to the
5 *Stipulation and Agreement*, but Staff recommends the Commission approve the CAM and
6 requested variances, as filed on May 15, 2019, and order the terms Ameren Missouri agreed to
7 in the *Stipulation and Agreement* filed on November 30, 2018, and as updated in the CAM
8 filing on May 15, 2019 (with appropriate adjustments to agreed-upon dates in the *Stipulation*
9 *and Agreement* given the passage of time to litigate this docket as a result of OPC's objection).

10 Q. Please provide a summary of the terms in the *Stipulation and Agreement*
11 and CAM.

12 A. Some of the key provisions include:

- 13 • Requirement that any affiliate marketing materials and advertisements that
14 an Ameren Missouri affiliate might utilize to sell goods or services to
15 Missouri residents be made available to Staff prior to their use;
- 16 • Recordkeeping and access to records requirements, including documentation
17 of affiliate transactions, and continued provision of detailed affiliate
18 transactions reporting for all products and services provided by Ameren
19 Missouri's affiliate, Ameren Services Company;
- 20 • Requirement that all affiliate transactions be conducted under a written
21 contract between Ameren Missouri and the affiliate;
- 22 • Requirement for Affiliate Transactions Rules compliance training, and
23 sharing of training materials with Staff prior to use (which Ameren Missouri
24 has already shared with Staff);

- 1 • Requirement of the formation and implementation of an Ameren Missouri
2 CAM Team to assist Ameren Missouri's compliance with the Affiliate
3 Transactions Rules (which Ameren Missouri has alerted Staff it has formed);
- 4 • Requirement for annual audits by the CAM Team in conjunction with the
5 Internal Audit Department respecting compliance with the CAM and the
6 Affiliate Transactions Rules, the results of which are to be provided to Staff
7 within 30 days of finalization;
- 8 • Agreement to complete a Fully Distributed Cost ("FDC") Study to evaluate
9 whether the current costing methods applicable to affiliate transactions
10 between Ameren Missouri and Ameren Services are the most appropriate
11 methods and to evaluate the current and future allocation of Ameren Services
12 costs that cannot be direct charged to a single affiliate. (Ameren Missouri has
13 indicated to Staff that the FDC Study is being commenced this month by the
14 consultant it has engaged to conduct the study);
- 15 • Agreement that Ameren Missouri will utilize one CAM document and shall
16 continue to supply Staff CAM reports in a format agreed upon by Staff and
17 Ameren Missouri with data further split between electric and gas utility costs;
18 and
- 19 • Requirement that if Ameren Missouri decides to utilize a gas marketing,
20 pipeline, or storage affiliate entity, Ameren Missouri will implement
21 Commission approved Gas Supply and Transportation Standards of Conduct
22 prior to conducting affiliate transactions that impact Ameren Missouri's
23 PGA/ACA costs.

24 If the Commission orders the terms that Staff and Ameren Missouri agreed to, Staff agrees that
25 good cause exists for the Commission to grant the requested rules variances, as requested in the
26 *Stipulation and Agreement* and as set forth in Tab G of the CAM document filed on May 15,
27 2019 and in Exhibit B to the *Stipulation and Agreement* filed on November 30, 2018, where

1 Ameren Missouri outlines its support for a determination by the Commission that good cause
2 exists to grant the requested variances.

3 Q. Does this conclude your direct testimony?

4 A. Yes.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI


In the Matter of a Union Electric Company d/b/a) File No. EO-2017-0176
Ameren Missouri's Cost Allocation Manual)
(CAM)

AFFIDAVIT OF JAMIE S. MYERS

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

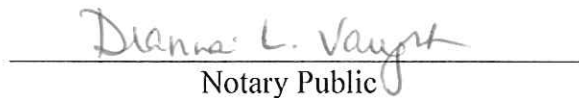
COMES NOW, Jamie S. Myers, and on her oath declares that she is of sound mind and lawful age; that she contributed to the attached *Direct Testimony*; and that the same is true and correct according to her best knowledge and belief.

Further the Affiant sayeth not.

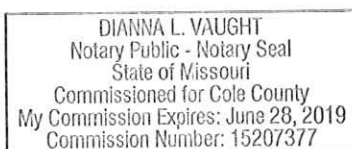


Jamie S. Myers

Subscribed and sworn to be this 6th day of June, 2019.



Notary Public



CREDENTIALS AND CASE PARTICIPATION

JAMIE S. MYERS

POSITION:

Commission Staff Deputy Director

EDUCATION:

B.A. Environmental Studies, University of Missouri

J.D. University of Missouri

EXPERIENCE:

I began employment at the Commission in May 2014 in the Staff Counsel Department. I transitioned to my current position as Commission Staff Deputy Director in April 2017. Prior to my employment at the Commission, I spent four years working in education and research.

My job duties include assisting the Commission Staff Director in overseeing all aspects of the Commission Staff. Previously, I was the designated lead on the general review of the Commission's rules, pursuant to Executive Order 17-03. In my prior position at the Commission, I was the assigned attorney on several rate cases, complaints, and various applications.

TESTIMONY:

GR-2017-0215

GR-2017-0216

GR-2018-0013

EA-2018-0202

EA-2019-0010