

Exhibit No.:
Issues: Solar Load Adjustment
Low-Income MEEIA
Residential Time-of-Day Pilot
Witness: Michael L. Stahlman
Sponsoring Party: MO PSC Staff
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MISSOURI PUBLIC SERVICE COMMISSION

REGULATORY REVIEW DIVISION

REBUTTAL TESTIMONY

OF

MICHAEL L. STAHLMAN

UNION ELECTRIC COMPANY d/b/a AMEREN MISSOURI

CASE NO. ER-2014-0258

*Jefferson City, Missouri
January 2015*

STAFF Exhibit No. 236
Date 2-23-15 Reporter KF
File No. ER-2014-0258

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

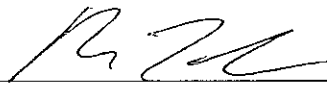
In the Matter of Union Electric Company)
d/b/a Ameren Missouri's Tariff to Increase)
Its Revenues for Electric Service)

Case No. ER-2014-0258

AFFIDAVIT OF MICHAEL L. STAHLMAN

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

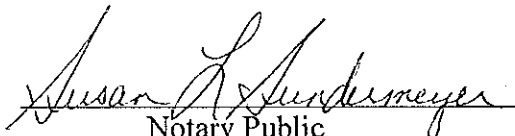
Michael L. Stahlman, of lawful age, on his oath states: that he has participated in the preparation of the following Rebuttal Testimony in question and answer form, consisting of 4 pages of Rebuttal Testimony to be presented in the above case, that the answers in the following Rebuttal Testimony were 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.



Michael L. Stahlman

Subscribed and sworn to before me this 15th day of January, 2015.

SUSAN L. SUNDERMEYER Notary Public - Notary Seal State of Missouri Commissioned for Callaway County My Commission Expires: October 28, 2018 Commission Number: 14942086
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Notary Public

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REBUTTAL TESTIMONY

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MICHAEL L. STAHLMAN

UNION ELECTRIC COMPANY d/b/a AMEREN MISSOURI

CASE NO. ER-2014-0258

Q. Please state your name and business address.

A. My name is Michael L. Stahlman, and my business address is Missouri Public Service Commission, P.O. Box 360, Jefferson City, Missouri, 65102.

Q. By whom are you employed and in what capacity?

A. I am employed by the Missouri Public Service Commission ("Commission") as a Regulatory Economist III in the Energy Rate Design & Tariffs Unit, Economic Analysis Section, of the Tariff, Safety, Economic and Engineering Analysis Department in the Regulatory Review Division.

Q. Are you the same Michael L. Stahlman that supported sections in Staff's Revenue Requirement Cost of Service Report and Staff's Rate Design and Class Cost-of-Service Report?

A. Yes.

Q. What is the purpose of your testimony?

A. I will discuss the differences between Staff's and the Company's method, as described in the Direct Testimony of James R. Pozzo, of adjusting load for solar installations, provide recommendations should the Commission approve the Company's proposal in the Direct Testimony of William R. Davis for exempting low-income customers for MEEIA charges, and provide recommendations for the transition of customers affected by the

1 Company's proposed Residential Nights and Weekends tariff changes, as described by
2 William R. Davis in his direct testimony.

3 **Solar Load Adjustment**

4 Q. What are the differences between the Company's and Staff's recommended
5 adjustments to load due to solar installations?

6 A. Ameren Missouri and Staff have similar approaches and generally agree in
7 method for the purpose of this case and the differences are due to three things: sales in excess
8 of a customer's demand, adjusting for large classes, and the time period used.

9 Q. Why did Staff adjust for sales in excess of a customer's demand?

10 A. The purpose for these adjustments is to account for an unusual amount of solar
11 panel installations that affect projections of Ameren Missouri's load. On occasion, a
12 customer with solar panels may generate more energy than what is consumed over the month.
13 Since the customer's load would not go below zero, Staff reduced the solar load adjustment,
14 based on Account 555 information, in order to not overestimate the reduction in load. Staff
15 Data Request 0448 confirms that the values in Account 555 do not contain non-solar
16 generation sources.

17 Q. Why did Staff not include an adjustment for Small Primary Service ("SPS") or
18 Large Primary Service ("LPS") classes?

19 A. As stated in Staff's Revenue Requirement Cost of Service Report, there are a
20 limited number of solar installations in those classes during the test year and update period;
21 with SPS and LPS accounting for only 1.1% and 0.1% of installations in the time period
22 respectively. The purpose of Staff's load adjustment is to account for the classes with an
23 unusually high amount of solar installations that could significantly impact projected load.

1 Q. How did Staff's use of the update period affect its solar load adjustment?

2 A. There was a large uptick in the amount of solar panel installations during the
3 update period. Customers needed to install their solar panels prior to July 1 in order to
4 receive a larger incentive. This ramping-up of installations late in the update period results in
5 larger adjustments to load in prior months. Therefore, Staff's solar load adjustment is larger
6 than Ameren's initial request, even with the two other adjustments discussed above.

7 **Residential MEEIA Low-Income Exemption**

8 Q. What are Staff's recommendations for Ameren Missouri's proposal to exempt
9 low-income residential customers from MEEIA charges?

10 A. As mentioned in Staff's Rate Design and Class Cost-of-Service Report, Staff
11 neither proposes nor opposes Ameren Missouri's proposed exemption for Missouri Energy
12 Efficiency Investment Act ("MEEIA") energy efficiency charges for low-income residential
13 customers. However, should the Commission approve exempting low-income residential
14 customers from MEEIA charges, Staff recommends that the cost of those charges be spread
15 across all customer classes, excluding opt-out customers, rather than the residential class
16 alone. Similar to other low-income programs in Missouri, the other residential customers are
17 not the causers of this cost any more than are the members of other customer classes. If the
18 Commission finds it appropriate to impose this exemption, it makes the most sense to spread
19 the cost among all of Ameren Missouri's customer classes.

20 **Residential Time-Of-Day Pilot**

21 Q. What are Staff's concerns with the current residential time-of-day pilot
22 program?

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1 A. As mentioned in Staff's Rate Design and Class Cost-of-Service Report, Staff is
2 concerned that over 50% of customers on current bill structure would be better off on standard
3 rates. Staff is also concerned that the program has limited participation, with only 34
4 customers.

5 Q. Does Staff have recommendations to the program?

6 A. Yes. Staff does not oppose the Company's proposed changes, but recommends
7 better communication between the Company and the customers on this alternative rate design.
8 Given the limited amount of customers under the current structure (34), Staff recommends
9 that Ameren Missouri contact each customer about the tariff changes and to evaluate which
10 rate design results in the lowest bills for the customer. The customer should not be liable for
11 any fees to transition to a new rate structure. Additionally, customers that elect to participate
12 in the program in future years should be given, at least on an annual basis, a comparison
13 between their bills on the pilot program with their bills under the standard rate proposal.

14 Staff further recommends that the Company preserves the customer's electrical usage
15 data, from one year prior to participation in the program to the end of participation, and any
16 other information that may be necessary for potentially evaluating the pilot program at a later
17 date. Finally, Staff recommends that the Company work with the Staff's Energy Resource
18 Analysis Department and/or the DSM stakeholder group to discuss the promotion and
19 participation of customers in the program as well as any potential evaluation or changes to the
20 program.

21 Q. Does this conclude your rebuttal testimony?

22 A. Yes it does.