Exhibit No.:	701
Issues:	Low Income Weatherization Assistance
Witness:	John Buchanan
Sponsoring Party:	Missouri Department of Economic Development - Division of Energy
Type of Exhibit:	Rebuttal Testimony
Case No.:	ER-2014-0258

MISSOURI PUBLIC SERVICE COMMISSION

UNION ELECTRIC COMPANY

d/b/a

AMEREN MISSOURI

CASE NO. ER-2014-0258

REBUTTAL TESTIMONY

OF

JOHN BUCHANAN

ON

BEHALF OF

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT

DIVISION OF ENERGY

Jefferson City, Missouri
January 15, 2015

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of Union Electric Company d/b/a Ameren Missouri's Tariffs to Increase Its Revenues for Electric Service	)))	ER-2014-0258

AFFIDAVIT OF JOHN A. BUCHANAN

STATE OF MISSOURI)
) **ss**
COUNTY OF COLE)

John A. Buchanan, of lawful age, being duly sworn on his oath, deposes and states:

1. My name is John A. Buchanan. I work in the City of Jefferson, Missouri, and I am employed by the Missouri Department of Economic Development as Senior Planner, Division of Energy.
2. Attached hereto and made a part hereof for all purposes is my Rebuttal Testimony on behalf of the Missouri Department of Economic Development – Division of Energy.
3. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded are true and correct to the best of my knowledge.

John A. Buchanan

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

Notary Public

My commission expires:

KAY A. JOHANNPETER
Notary Public - Notary Seal
STATE OF MISSOURI
Cole County
My Commission Expires: Aug. 4, 2015
Commission # 11551987

KAY A. JOHANNPETER NOTARY PUBLIC SEAL STATE OF MISSOURI

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I. INTRODUCTION

Q. Please state your name and business address.

A. John Buchanan, Missouri Department of Economic Development, Division of Energy, 301 West High Street, Suite 720, Jefferson City, Missouri.

Q. Have you previously filed testimony in this case?

A. Yes. On December 19, 2014, I filed direct testimony on behalf of the Missouri Department of Economic Development's Division of Energy ("DE").

Q. On whose behalf are you presenting rebuttal testimony in this case?

A. Like my direct testimony, I am testifying on behalf of the DE.

II. PURPOSE OF TESTIMONY

Q. What is the purpose of your rebuttal testimony in these proceedings?

A. The purpose of my rebuttal testimony is to respond to the direct testimony of the Missouri Public Service Commission Staff ("Staff") regarding Ameren Missouri's low income weatherization program.

Q. Please identify the witness who provided testimony regarding the Ameren Missouri's low income weatherization program.

A. Ameren Missouri's low income weatherization program was addressed by Staff witness Henry E. Warren, PhD.[1]

[1]Missouri Public Service Commission Case No. ER-2014-0258, *In the Matter of Union Electric Company d/b/a Ameren Missouri's Tariffs to Increase Its Revenues for Electric Service,* Staff Report Revenue Requirement Cost of Service, December 5, 2014, page 138 – 141.

III. AMEREN MISSOURI'S LOW INCOME WEATHERIZATION PROGRAM

Q. What is Staff's position regarding Ameren Missouri's low income weatherization program?

A. According to the direct testimony of Dr. Warren[2]:

> Staff recommends the Commission order:
>
> 1) That the Ameren Missouri un-utilized low income weatherization funds from previous allocations remain in the Missouri State Environmental Improvement and Energy Resources Authority ("EIERA") account for future use by the Ameren Missouri Weatherization Agencies;
> 2) That Ameren Missouri continue to collect $1.2 million in rates annually, of which $1.14 million will be for low-income weatherization as currently allocated between the Weatherization Agencies, and $60,000 allocated annually to the biennial evaluation of the low-income weatherization program if determined by the Ameren Missouri stakeholders to be appropriate;
> 3) That the second evaluation of Ameren Missouri's weatherization program include a component that evaluates the impact on the gas service of the weatherization of the Company's low-income customers that are provided both gas and electricity from Ameren Missouri; and
> 4) That the timing of any evaluation subsequent to the second biennial evaluation should be at the discretion of the Company in consultation with the stakeholder group, but not less often than every five years.

Q. Does Staff support the continuous biennial evaluation of the Ameren Missouri Weatherization Program?

A. According to Dr. Warren, Staff does not support continuous evaluations[3]:

Q. Do you agree with Staff regarding Ameren Missouri's low income weatherization program?

[2] *Ibid.*, page 138 – 139.
[3] *Ibid.*, page 141.

A. DE is in substantial agreement with Staff. The only outstanding issues are the completion of future evaluations of the Ameren Missouri low income program and the method of funding for these evaluations. For reasons discussed in my direct testimony, DE recommends the Commission order the discontinuation of future evaluations of the Ameren weatherization program following the scheduled completion of the July 31, 2015 "second evaluation" identified in the Nonunanimous Stipulation and Agreement Regarding Ameren Missouri's Low Income Weatherization Program from Case No. ER-2012-0166.

DE also recommends the Commission require Ameren to discontinue withholding $60,000 from the $1.2 million that it receives annually from ratepayers to hire an Evaluation, Measurement and Verification (EM&V) contractor for future evaluations.

Q. Does this conclude your rebuttal testimony?

A. Yes. Thank you.