

Exhibit No.:
Issue(s): Normalization of
COVID-19 Costs,
Allocations, AMI Software
Witness: Kimberly K. Bolin
Sponsoring Party: MoPSC Staff
Type of Exhibit: Surrebuttal Testimony
Case No.: GR-2021-0241
Date Testimony Prepared: November 5, 2021

MISSOURI PUBLIC SERVICE COMMISSION

FINANCIAL & BUSINESS ANALYSIS DIVISION

AUDITING DEPARTMENT

SURREBUTTAL TESTIMONY

OF

KIMBERLY K. BOLIN

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

CASE NO. GR-2021-0241

*Jefferson City, Missouri
November 2021*

1
2
3
4
5
6
7
8
9

SURREBUTTAL TESTIMONY OF

KIMBERLY K. BOLIN

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

CASE NO. GR-2021-0241

EXECUTIVE SUMMARY1

NORMALIZATION OF COVID-19 COSTS1

ALLOCATIONS2

ADVANCED METERING INFRASTRUCTURE (AMI) SOFTWARE2

1 **SURREBUTTAL TESTIMONY OF**

2 **KIMBERLY K. BOLIN**

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

5 **CASE NO. GR-2021-0241**

6 Q. Please state your name and business address.

7 A. My name is Kimberly K. Bolin. My business address is P. O. Box 360,
8 Suite 440, Jefferson City, MO 65102.

9 Q. Are you the same Kimberly Bolin that contributed to the Missouri Public Service
10 Commission Staff's (Staff) Cost of Service Report (Staff Report) that was filed on
11 September 3, 2021 in this case?

12 A. Yes, I am.

13 **EXECUTIVE SUMMARY**

14 Q. What is the purpose of your testimony?

15 A. In this testimony, I address Staff's corrections to Staff's normalized costs
16 impacted by COVID-19 and Staff's allocation of service company costs based upon
17 information provided by Ameren Missouri witness Mitchell Lansford. I also address
18 Ameren Missouri witness Laura Moore's rebuttal testimony concerning Advanced Metering
19 Infrastructure (AMI) software.

20 **NORMALIZATION OF COVID-19 COSTS**

21 Q. In Ameren Missouri witness Mitchell Lansford's rebuttal testimony on
22 pages 3-5, he proposes to true-up costs impacted by COVID-19, such as exposure risk
23 mitigation and personal protective equipment. Does Staff agree with this proposal?

1 A. Partially. Staff agrees the costs impacted by COVID-19 should be true-up
2 through September 30, 2021.

3 Q. Does Staff agree with Ameren Missouri's adjustment amount?

4 A. No. During a meeting with Staff and Ameren Missouri, an error in Ameren
5 Missouri's adjustment amount was identified. It is Staff's understanding that Ameren Missouri
6 will also correct the error in its true-up. After correction of the error, Staff's total adjustment
7 to test year expense should decrease the test year expense by \$** [REDACTED] **.

8 **ALLOCATIONS**

9 Q. On pages 9-10 of Ameren Missouri witness Lansford's rebuttal testimony he
10 states that Staff should not have applied the incremental allocation to gas operations to all
11 administrative and general accounts. Does Staff agree?

12 A. Yes. Staff agrees with the Company's statement. Staff has reflected the correct
13 adjustments in its true-up accounting schedules.

14 **ADVANCED METERING INFRASTRUCTURE (AMI) SOFTWARE**

15 Q. Ameren Missouri witness Laura Moore states on page 4 of her rebuttal testimony
16 that if the deferral of the AMI software costs is not approved in this gas case then the electric
17 rate base would need to increase by the amount that Ameren Missouri allocated to its gas
18 operations in Case No. ER-2021-0240. Does Staff agree?

19 A. No. The AMI software was installed with the purpose of serving both electric
20 and eventually gas customers. Ameren Missouri recognized this and properly allocated part of
21 the AMI software to its gas operations. To allocate all of the costs to the electric operations is
22 not accurate since part of the AMI software will eventually be used by the gas operations.

Surrebuttal Testimony of
Kimberly K. Bolin

1 Q. Do you agree with witness Moore's statement that Ameren Missouri could have
2 included the gas allocated costs in the gas revenue requirement?

3 A. No. The AMI software is not used and useful in providing service to the gas
4 customers at this point in time, and therefore it should not be included in the revenue
5 requirement in the gas rate case, Case No. GR-2021-0241.

6 Q. In witness Moore's rebuttal testimony she states there is a second aspect to the
7 matching principle that "matches costs with benefits so that ratepayers that enjoy the benefits
8 of utility property also bear the costs." After the AMI software costs are completely amortized,
9 is it possible that Ameren Missouri will still be using the software and ratepayers will be
10 enjoying the benefits of said software?

11 A. Yes. It is possible that the software will be fully amortized but continue to be
12 used and useful.

13 Q. Does this conclude your surrebuttal testimony?

14 A. Yes.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

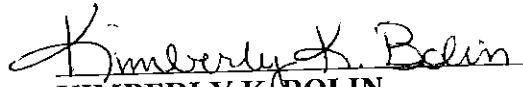
In the Matter of Union Electric Company)
d/b/a Ameren Missouri's Tariffs to Adjust Its)
Revenues for Natural Gas Service) Case No. GR-2021-0241

AFFIDAVIT OF KIMBERLY K. BOLIN

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

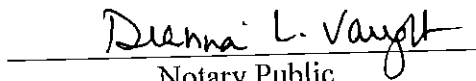
COMES NOW KIMBERLY K. BOLIN, and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Surrebuttal Testimony of Kimberly K. Bolin*; and that the same is true and correct according to her best knowledge and belief.

Further the Affiant sayeth not.


KIMBERLY K. BOLIN

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 3rd day of October 2021.


Notary Public

