

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

In the Matter of the Application of Union)
Electric Company d/b/a Ameren Missouri) File No. ET-2018-0132
for Approval of Efficient Electrification Program.)

STIPULATION AND AGREEMENT

Union Electric Company d/b/a Ameren Missouri (“Ameren Missouri” or the “Company”), the Missouri Public Service Commission Staff (“Staff”), the Office of the Public Counsel (“OPC”), and the Missouri Division of Energy (“DE”) (collectively the “Signatories”) present this Stipulation and Agreement (“Stipulation”) to the Missouri Public Service Commission (“Commission”) for its approval.

I. BACKGROUND

1. On February 22, 2018, Ameren Missouri requested the Commission approve its Charge Ahead program, consisting of an Efficient Electrification program, an Electric Vehicle Charging Program and a change to its line extension policy.

2. Since that date, the parties have held multiple meetings so that Ameren Missouri could walk through each program, explain how each works and answer questions.

3. The Signatories to this Stipulation have resolved all issues related to the third portion of the Charge Ahead program, the line extension policy.

II. SPECIFIC TERMS AND CONDITIONS

4. As a result of settlement discussions, the Signatories have agreed that the Commission should approve Ameren Missouri's line extension provisions, subject to the terms and conditions set forth below.

5. The Signatories agree that line extension costs are associated with new revenue and so do not meet the definition of "qualifying plant" found in Section 393.1400 RSMo (from Senate

Bill 564) and so cannot receive the accounting treatment set forth in that section.

6. The Signatories agree that the cost of service factor and marginal revenue calculations defined in the tariff for purposes of calculating the extension allowance for new or expanding customers shall be based on an average of the first five years of the new or expanding customer's operation.

7. When Ameren Missouri determines that the permanency of a customer's service cannot reasonably be assured or the revenues cannot be projected with sufficient certainty, the Company agrees to document the basis for that determination and shall make that information available to the customer upon request. Ameren Missouri shall notify any such customer that has been required to pay an upfront refundable deposit that it has been categorized that way and explain how that determination causes higher upfront costs.

8. Ameren Missouri agrees to record customer contribution values by voltage and service classification. Prior to beginning to record these values, the Company shall circulate the form for Staff and OPC comment and agreement. This information shall be retained by Ameren Missouri and made available to Staff and OPC in future cases involving class cost of service study and/or rate design issues.

9. Five years after implementation of this program, Ameren Missouri shall compile a report (due in year six) to examine how well the tariff is working to align cost causation. The report shall include the following information, at a minimum:

- a. Analysis of a random sample of projects to determine whether extension costs were over- or under-estimated,
- b. Number of customers whose revenue projections were uncertain and therefore required upfront refundable deposits that are still active customers in year

five, and

c. For the customers that are not still active in year five, an explanation of any under-recovery of costs which is more than 20% of the actual costs, shall be provided by Ameren Missouri to the Signatories.

10. Ameren Missouri shall seek input and comment from Staff, OPC and DE regarding the scope and analysis of the report referenced in paragraph 9 above.

11. Ameren Missouri agrees to withdraw the Non-Residential Existing Infrastructure Incentive option from its request.

12. The Signatories are working towards final tariff language, but those discussions have been delayed due to some unavoidable Staff unavailability. The parties shall continue to discuss the revisions and anticipate filing exemplar tariff sheets sometime during the first part of next week.

III. GENERAL PROVISIONS

13. This Stipulation is being entered into for the purpose of disposing of the issues that are specifically addressed herein. In presenting this Stipulation, none of the Signatories shall be deemed to have approved, accepted, agreed, consented or acquiesced to any ratemaking principle or procedural principle, including, without limitation, any method of cost or revenue determination or cost allocation or revenue related methodology, and none of the Signatories shall be prejudiced or bound in any manner by the terms of this Stipulation (whether it is approved or not) in this or any other proceeding, other than a proceeding limited to enforce the terms of this Stipulation, except as otherwise expressly specified herein.

14. This Stipulation has resulted from extensive negotiations, and the terms hereof are interdependent. If the Commission does not unconditionally approve this Stipulation, or

approves it with modifications or conditions to which a party objects, then this Stipulation is considered to be void and no Signatory shall be bound by any of its provisions.

15. If the Commission does not unconditionally approve this Stipulation without modification, or approves it with modifications or conditions to which a party objects, and notwithstanding its provision that it shall become void, neither this Stipulation, nor any matters associated with its consideration by the Commission, shall be considered or argued to be a waiver of the rights any Signatory has for a decision in accordance with Section 536.080, RSMo 2000, or Article V, Section 18, of the Missouri Constitution, and the Signatories retain all procedural and due process rights as fully as though this Stipulation had not been presented for approval, and any suggestions or memoranda, testimony or exhibits that have been offered or received in support of this Stipulation shall become privileged as reflecting the substantive content of settlement discussions and shall be stricken from and not be considered as part of the administrative or evidentiary record before the Commission for any further purpose whatsoever.

16. This Stipulation contains the entire agreement of the Signatories concerning the issues addressed herein.

17. This Stipulation does not constitute a contract with the Commission. Acceptance of this Stipulation by the Commission shall not be deemed as constituting an agreement on the part of the Commission to forego the use of any discovery, investigative or other power which the Commission presently has. Thus, nothing in this Stipulation is intended to impinge or restrict in any manner the exercise by the Commission of any statutory right, including the right to access information, or any statutory obligation.

WHEREFORE, the Signatories request the Missouri Public Service Commission issue an order approving the terms and conditions of this Stipulation and Agreement.

Respectfully submitted,

/s/ Wendy K. Tatro

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing was served on the parties of record via electronic mail (e-mail) on this 4th day of October, 2018.

Wendy K. Tatro
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