BEFORE THE PUBLIC SERVICE COMMISSION STATE OF MISSOURI

In the Matter of tariff sheets extending and modifying) the Union Electric Company d/b/a AmerenUE) Change-A-Light Program.)

Case No. ET-2007-0079

STAFF'S RECOMMENDATION TO APPROVE TARIFF SHEETS

COMES NOW the Staff of the Missouri Public Service Commission (Staff) and, for its Recommendation the Commission approve the tariff sheets Union Electric Company d/b/a AmerenUE (AmerenUE) filed on August 17, 2006, to become effective on September 16, 2006, states:

1. In the attached Memorandum, which is labeled Appendix A, the Staff recommends the Missouri Public Service Commission approve, or allow to go into effect by operation of law, the two tariff sheets AmerenUE filed on August 17, 2006, to extend and modify AmerenUE's Change a Light Program (Program).

2. Principally, the tariff sheets will (1) renew the Program for an additional year, through December 31, 2006, or until \$86,820 of reimbursements are made; (2) reduce the total amount of rebates issued under the Program from \$100,500 to \$86,820; (3) increase the number of bulbs for which a rebate will issue from 62,500 to 81,241; and (4) create two different rebate amounts depending on whether the rebate is issued within or without the St. Louis market—within the St. Louis market the maximum rebate amount per bulb is reduced from \$1.61 to \$.83, and the total rebates issued in the St. Louis market is limited to \$46,530, and outside the St. Louis market the maximum rebate amount is reduced from \$1.61 to \$1.45, and the total rebates issued outside the St. Louis market is limited to \$40,290.

3. The Program encourages the replacement of incandescent lighting with more energy efficient fluorescent lighting and the funding level and other parameters of the Program are set by a "Residential and Commercial Energy Efficiency Collaborative" that was established as part of a stipulation and agreement AmerenUE entered into in Case No. EC-2002-1. AmerenUE, Staff, the Office of the Public Counsel and the Department of Natural Resources Energy Center are the members of that collaborative group.

4. The Staff has verified that AmerenUE is not delinquent on any assessment or the filing of its annual report, and the Staff is not aware of any other matter pending before the Commission that affects or is affected by this tariff filing.

5. Because the tariff sheets comply with the stipulation and agreement the Commission approved in Case No. EC-2002-1 and continue an energy efficiency program begun therein, the Staff recommends the Commission approve the tariff sheets.

WHEREFORE, the Staff of the Missouri Public Service Commission recommends the Commission either approve, or allow to go into effect by operation of law, the tariff sheets Union Electric Company d/b/a AmerenUE filed on August 17, 2006, to become effective on September 16, 2006, to wit:

<u>P.S.C. MO. SCHEDULE NO. 5</u> 6th Revised SHEET NO. 207 CANCELLING 5th Revised SHEET NO. 207 6th Revised SHEET NO. 208 CANCELLING 5th Revised SHEET NO. 208

Respectfully submitted,

/s/ Nathan Williams

Nathan Williams Deputy General Counsel Missouri Bar No. 35512

Attorney for the Staff of the Missouri Public Service Commission P. O. Box 360 Jefferson City, MO 65102 (573) 751-8702 (Telephone) (573) 751-9285 (Fax) <u>Nathan.williams@psc.mo.gov</u> (e-mail)

Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 11th day of September 2006.

<u>/s/ Nathan Williams</u> Nathan Williams

MEMORANDUM

- TO: Missouri Public Service Commission Official Case File Case No. ET-2007-0079, File No. JE-2007-0091 Union Electric Company d/b/a AmerenUE
 FROM: Tom Imhoff, Rate & Tariff Examination Supervisor, Project Coordinator Henry Warren, Regulatory Economist II Mack McDuffey, Rate & Tariff Examiner II
 <u>/s/ Tom Imhoff 09/11/06</u> /<u>s/ Nathan Williams 09/11/06</u> Energy Department / Date
 SUBJECT: Staff Recommendation For Approval of Tariff Sheets Filed To Revise Missouri Change A Light Program
- DATE: September 7, 2006

On August 17, 2006, Union Electric Company d/b/a AmerenUE (UE or Company) of St. Louis, Missouri, filed with the Missouri Public Service Commission (Commission) two (2) tariff sheets bearing a proposed effective date of September 16, 2006 to revise the *Missouri Change A Light Program* (Program). These tariff sheets contain minor revisions and the following major revisions: 1) rebate amounts, 2) proposed rebate procedure for participants located outside the St. Louis market and a discount for participants located inside the St. Louis market, and 3) program termination date.

The objective of the Program is to encourage energy efficiency in lighting by providing a rebate or discount for a portion of the costs of Energy Star[®] compact fluorescent light (CFL) bulbs. CFL bulbs are initially more expensive than incandescent bulbs, but have a longer life and use less electricity to produce equivalent light. The Program is designed to educate consumers on the energy and money saving benefits of CFL bulbs, torchiere lamps and other Energy Star[®] products through marketing and media outreach efforts as well as offer an instant rebate or discount towards the purchase of an Energy Star[®] lighting product. Energy Star[®] is a label awarded for energy efficiency.

The Company's participation in such financial incentives is limited to the funds set forth by the Residential and Commercial Energy Efficiency Collaborative (RCEEC) pursuant to the Stipulation and Agreement approved by the Commission in Case No. EC-2002-1.

The RCEEC Committee has recommended, and UE has proposed with this tariff filing, the extension of the Program for another year. The overall budget has changed from \$170,000, to \$120,000 for the 2006 Program year. The following Program changes are primarily due to the Company's decreased contribution to the rebate:

In the tariff under "Application"
 change "Company's" to "Union Electric Company's (Company)

- In the tariff under "Definitions" subtopic "Funds"
 - change alphabetical amount and "\$100,500" to alphabetical amount and "\$86,820" in rebates
 - change alphabetical numbers and "62,500" to alphabetical and "81,241" CFL bulbs
- In the tariff under "Rebate Amount"
 - change <u>from</u> "an instant credit with rebate form at check out at all locations" to "an instant credit with rebate form outside of St. Louis market" and "retailers in the St. Louis market will provide the applicable CFL bulbs at a discount and not require a completed rebate form from the Participant."
- In the tariff under "Rebate Amount" subtopic "terms of the rebates"
 - 1. add "Outside the St. Louis market"
 - change alphabetical amount and "\$1.61" to alphabetical amount and "\$1.45" in rebates from retailers to participants
 - change alphabetical amount and "\$1.61" to alphabetical amount and "\$1.45" in rebates from plan administrator to retailers

Second Paragraph

add "outside the St. Louis market"

change alphabetical amount and "\$100,500" to alphabetical amount and "\$40,290" in rebates outside the St. Louis market

- 2. add two paragraphs explaining "Inside the St. Louis market" with retailers providing a discount and the plan administrator will reimburse the retailer \$0.83 per bulb purchase by Participant
 - add rebates reimbursed to retailers in the St. Louis market will not exceed the alphabetical amount and \$46,530
- In the tariff under "Term of Program"
 - change "program will conclude on December 31, 2005" to "December 31, 2006"
 - change "or when" alphabetical amount and "\$100,500 to alphabetical amount and "\$86,820 of reimbursements have been completed, whichever occurs first."

Staff Recommendation

The Commission's Energy Department Staff (Staff) has reviewed the filed tariff sheets, and is of the opinion that they were filed in a timely manner and remain in compliance with the Commission's Report And Order Approving Stipulation and Agreement in Case No. EC-2002-1. The Company has provided the supporting information required by 4 CSR 240-3.150(3) for Promotional Practice tariff filings. The Staff therefore recommends that the Commission issue an order approving the following proposed tariff sheets, as filed on August 17, 2006, to become effective on September 16, 2006, as requested by UE, or permit the tariff sheets to go into effect by operation-of-law:

P.S.C. MO. SCHEDULE NO. 5 6th Revised SHEET NO. 207 CANCELLING 5th Revised SHEET NO. 207 6th Revised SHEET NO. 208 CANCELLING 5th Revised SHEET NO. 208

The Staff has verified that this Company is not delinquent on any assessment or the filing of its annual report. The Staff is not aware of any other matter pending before the Commission that affects or is affected by this tariff filing.

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of the Proposed Tariff) Revisions to Reinstitute AmerenUE's) Missouri Change a Light Program)

Case No. ET-2007-0079 JE-2007-0091

AFFIDAVIT OF WILLIAM L. MCDUFFEY

STATE OF MISSOURI)) ss COUNTY OF COLE)

William L. McDuffey, of lawful age, on oath states: that he participated in the preparation of the foregoing Staff Recommendation in memorandum form, to be presented in the above case; that the information in the Staff Recommendation was given by him; that he has knowledge of the matters set forth in such Staff Recommendation; and that such matters are true to the best of his knowledge and belief.

William L. McDu ubscribed and sworn to before me this _// day of September, 2006. Notary Public ion expires