Exhibit No.:

Issue(s): Rate Design

Class Cost of Service

Witness: Charles T. Poston, PE

Sponsoring Party: MoPSC Staff
Type of Exhibit: Direct Testimony

Case No.: GR-2021-0241

Date Testimony Prepared: September 14, 2021

MISSOURI PUBLIC SERVICE COMMISSION INDUSTRY ANALYSIS DIVISION ENGINEERING ANALYSIS DEPARTMENT

DIRECT TESTIMONY

OF

CHARLES T. POSTON, PE

UNION ELECTRIC COMPANY d/b/a Ameren Missouri

CASE NO. GR-2021-0241

Jefferson City, Missouri September 14, 2021

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1		DIRECT TESTIMONY				
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3		CHARLES T. POSTON				
4 5		UNION ELECTRIC COMPANY d/b/a AMEREN MISSOURI				
6		CASE NO. GR-2021-0241				
7	Q.	Please state your name and business address.				
8	A.	My name is Charles T. Poston and my business address is 200 Madison Street,				
9	Jefferson City	y, MO 65102.				
10	Q.	By whom are you employed and in what capacity?				
11	A.	I am employed by the Missouri Public Service Commission ("Commission") as				
12	a Senior Professional Engineer.					
13	Q.	Please describe your education background, work experience, and any cases in				
14	which you have previously filed testimony before this Commission.					
15	A.	My credentials and a listing of cases in which I have previously filed testimony				
16	are attached to	Staff's Class Cost of Service Report ("CCOS Report") in Appendix 1.				
17	EXECUTIVI	E SUMMARY_				
18	Q.	What is the purpose of your direct testimony?				
19	A.	The purpose of this testimony is to sponsor Staff's recommended rate design as				
20	developed by	Staff and described in the CCOS Report filed at the same time as this direct				
21	testimony.					
22	CCOS REPO	<u>DRT</u>				
23	Q.	What is Staff's rate design recommendation for gas service in this case?				

1	A. Staff's rate design recommendations are as follows:					
2	1. For the Residential class, allocate the increase to each non-gas rate element					
3	by an equal percent.					
4	2. For the Large Volume, Standard Transportation, General Service, and					
5	Interruptible classes, Staff recommends the rate increase for each class be					
6	allocated to each non-gas rate element by an equal percent. The volumetric					
7	rate for these classes includes a two-block design, with usage for the first					
8	7,000 Ccf consumed per month billed at a higher rate than the remaining					
9	Ccf.					
10	Staff also recommends that if the overall increase in the revenue requirement is differen					
11	from Staff's direct filed revenue requirement, the relationship of first block and second					
12	block rates among the non-residential rate classes is maintained.					
13	Q. What is Staff's recommended rate structure for each class?					
14	A. Staff's recommended rate structure is as follows:					

Continued on next page

Rate Classes	Current Rates		Proposed Rates	
RESIDENTIAL				
Customer Charge	\$	15.00	\$	15.76
			т .	
1st Block	\$	0.31360	\$	0.32950
2nd Block	\$	0.31360	\$	0.32950
Total Revenue	\$	45,079,797	\$	47,364,653
GENERAL SERVICE				
Customer charge	\$	28.44	\$	29.89
First Block	\$	0.30480	\$	0.32030
Second Block	\$	0.19960	\$	0.20970
Total Revenue	\$	15,585,762	\$	16,378,809
STANDARD				
TRANSPORT SERVICE				
Customer charge	\$	28.34	\$	29.78
Admin Charge (monthly)	\$	42.87	\$	45.05
Meter Equip Chg. (monthly)	\$	21.00	\$	22.07
School Agg and Bal	\$	0.0044	\$	0.0046
First 7000 Ccf	\$	0.3048	\$	0.3203
2nd Block	\$	0.1702	\$	0.1788
Total Revenue	\$	9,341,226	\$	9,814,844
LARGE TRANSPORT SERVICE				
Customer charge	\$	1,432.11	\$	1,504.88
Admin Charge (monthly)	\$	42.87	\$	45.05
First 7000 Ccf	\$	0.3048	\$	0.3203
2nd Block	\$	0.1464	\$	0.1538
Total Revenue	\$	5,064,541	\$	5,320,814
INTERRUPTIBLE				
SERVICE				
Customer charge	\$	264.30	\$	277.73
First 7000 Ccf	\$	0.3048	\$	0.3203
2nd Block	\$	0.1639	\$	0.1722
Total Revenue	\$	395,297	\$	415,339

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Does Staff have any other recommendations in its CCOS report? Q. A. Yes. Staff recommends changes to the tariff language concerning Ameren Missouri's Special Contract Rates contained in Tariff Sheet No. 18.1. Staff also recommends changes to the tariff language for Ameren Missouri's Delivery Charge Adjustment ("DCA") in Tariff Sheet No. 31.1. Q. What witnesses were responsible for the content of Staff's CCOS report? A. Robin Kliethermes is the Staff witness for the majority of the content of the CCOS Report. Staff witnesses Charles Poston and Michael Stahlman contributed to the sections concerning the allocation of distribution costs and special tariffs, respectively. Q. Does this conclude your direct testimony? A. Yes it does.