BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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In the Matter of Union Electric Company d/b/a Ameren Missouri's Tariffs to Increase Its Annual Revenues for Electric Service.

<u>File No. ER-2014-0258</u>

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT DIVISION OF ENERGY'S POST-HEARING BRIEF

Comes now the Missouri Department of Economic Development – Division of

Energy ("DE"), and respectfully submits its Post-Hearing Brief in the above referenced

case.

ISSUES

- A. Should the Commission expand the application of Ameren Missouri's existing Economic Development Riders?
- B. Should the Commission modify Ameren Missouri's existing Economic Development Riders to require recipients to participate in the Company's applicable energy efficiency programs?
- C. Should the Commission open a docket to explore the role economic development riders have across regulated industries (i.e. water, electric, natural gas) and/or to further explore issues raised by parties in this case and issues the Commission inquired about at the beginning of the case?

DISCUSSION

DE has formally stated its support for the Nonunanimous Stipulation and

Agreement Regarding Economic Development, Class Cost of Service, Revenue

Allocation, And Rate Design ("Stipulation") filed March 10, 2015. While the

Stipulation addresses DE's above stated issues, if the Commission does not

approve the Stipulation DE requests that the Commission modify Ameren Missouri's Economic Development and Retention Rider (EDRR) and Economic Re-Development Rider (ERR) to include participation in MEEIA.

MIEC's assertion that DE's proposal conflicts with the opt-out provision of MEEIA is incorrect. First, participation in Ameren Missouri's EDRR and ERR are, and would remain, wholly voluntary. Second, Ameren Missouri's MEEIA programs are diverse and flexible enough to allow for integration of self-directed initiatives potentially already in place by EDRR and ERR qualified customers. Third, for potential customers without existing energy efficiency measures in place, the proposed revision of the tariff specifies that implementation of all economically viable programs would have a project pay-back period of five years or less. Thus, the measures would be both applicable and cost–effective, by definition. Further, linking Ameren's MEEIA programs with their economic development riders, which target commercial and industrial customers, is also consistent with the stated purpose of Ameren Missouri's Business Energy Efficiency Program, which is to proactively impact commercial and industrial customer energy use in such a way as to reduce consumption of electricity. Finally, requiring participating in MEEIA for future and existing EDR's is consistent and complementary to the Commission's charge to align utility financial incentives with energy efficiency initiatives (e.g. § 393.1040 RSMo.) See Ex. 704 Lohraff Surrebuttal Testimony at p. 5 ll. 14-23; Id. p.6 ll. 1-4.

CONCLUSION

The Division of Energy recognizes the need and benefits of Economic Development Riders; however, when linked with the additional benefits of MEEIA an Economic development rider becomes more effective and aligns energy efficiency with load growth.

> Respectfully submitted, <u>Is/ Ollie Green</u> Ollie Green, Bar #64482 Senior Legal Counsel Missouri Department of Economic Development P.O. Box 1157 Jefferson City, MO 65102 Ph: 573-526-4806 E: ollie.green@ded.mo.gov Attorney for Missouri DED Division of Energy

CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing have been

emailed to the certified service list this 31st day of March, 2015.

/s/Ollie Green