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MISSOURI PUBLIC SERVICE COMMISSION

FILE NO. ER-2019-0335

REBUTTAL TESTIMONY

OF

TRINA MUNIZ

ON

BEHALF OF

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

**St. Louis, Missouri
January 2020**

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REBUTTAL TESTIMONY

OF

TRINA MUNIZ

FILE NO. ER-2019-0335

1

I. INTRODUCTION

2

Q. Please state your name and business address.

3

A. My name is Trina J. Muniz. My business address is One Ameren Plaza,

4

1901 Chouteau Avenue, St. Louis, Missouri 63103.

5

Q. By whom and in what capacity are you employed?

6

A. I am employed by Ameren Services as a Creative Services Project

7

Manager.

8

Q. Please describe your employment history with Ameren Missouri.

9

A. I joined Ameren Corporation in 2001 as the Senior Supervisor of

10

Advertising. At that time, I was responsible for all paid media messages in Missouri and

11

Illinois. In 2010, I transferred to Ameren Missouri and became their Managing

12

Supervisor, Marketing, and Advertising. In 2014, I became Manager,

13

Marketing and Advertising. In 2017, the Ameren Missouri Communications

14

Department and the Ameren Corporate Communications Department were

15

combined. At that time, I became the Creative Services Project Manager.

16

Q. Please describe your duties and responsibilities as Creative Services

17

Project Manager.

1 A. I manage the resource allocation, project management tracking, and
2 budget for Ameren Corporate Communications, which includes Ameren Missouri
3 Communications. I work with the communication co-workers to determine the demands
4 and priorities of our team. I am responsible for the communications budget and the
5 allocation of resources for projects.

6 **Q. Please describe your qualifications.**

7 A. I have 34 years of communications experience in advertising, marketing,
8 and public relations. Prior to joining Ameren, I spent 15 years at Bank of America in its
9 Marketing, Advertising and Public Relations Department. When I left in 2001, I was the
10 Vice President, Marketing Relationship Manager for Midwest South Consumer
11 Marketing. For the last 18+ years, I have worked in communications for Ameren/Ameren
12 Missouri. I am well versed in regulatory accounting and customer communications. I
13 have a Bachelor of Science degree in Business Administration with an emphasis in
14 Marketing from Southern Illinois University in Edwardsville and a Masters of Business
15 Administration degree from Webster University.

16 **II. PURPOSE AND SUMMARY OF TESTIMONY**

17 **Q. What is the purpose of your rebuttal testimony?**

18 A. The purpose of my rebuttal testimony is to discuss the need to educate our
19 customers on our business and help them manage their accounts and energy usage
20 effectively. I will also discuss the cost associated with communicating these efforts and
21 respond to the filed Missouri Public Service Commission Staff ("Staff") testimony of
22 Jane Dhority.

1 **III. APPROACH TO REVIEWING COMMUNICATION EXPENDITURES**

2 **Q. Do you have any general comments regarding how communications**
3 **expenditures should be reviewed for prudence?**

4 A. Yes. The most important thing to recognize is that active communications
5 with our customers are important to them. We are not promoting ourselves; we are
6 regularly communicating with our customers to educate them on their electric service and
7 usage. When reviewing communications expenses, it is important to understand best
8 practices in effective and efficient communications, and how dramatically the
9 communications and energy landscape has changed since the 1985 ruling referenced in
10 the Staff testimony of Jane Dhority. Professional communicators are trained and educated
11 to understand how to craft and where to place messages to reach the right audience most
12 effectively. The efficacy and impact of a message cannot, and should not, be measured by
13 the cost alone. This type of evaluation is not as simple as deeming communications as
14 “advertising” and assigning all costs separate and distinct categories to determine what is
15 and isn’t allowed. In other words, a simple “cost and categorization” method of
16 evaluating communications costs is inadequate to address all of the nuances involved in
17 successful communications strategies.

18 **Q. Please explain.**

19 A. Advertising is generally defined as the activity or profession of producing
20 information for promoting the sale of commercial products or services. In 2018, Ameren
21 Missouri, as a natural monopoly in its assigned service territories, did not need to
22 advertise its commercial products or services. Rather, we used an integrated paid, owned,
23 and earned channel strategy to communicate efficiently and effectively to our 1.2 million

1 customers. Ameren Missouri uses this communications approach to reach its customers,
2 be transparent in how we conduct business, and communicate how our activities affect
3 them as consumers. Staff, unfortunately, neither takes communications best practices into
4 consideration nor explains the rationale for the proposed disallowances of these
5 communications expenditures.

6 The principles that Staff applies to allowing “advertising” costs date back to the
7 1985 Commission decision in a Kansas City Power and Light Company (“KCPL”) rate
8 case.¹ The categories enumerated in that case are vague and allow for highly subjective
9 determinations based on general categorization alone, with no allowances made for how
10 media usage and customer preferences have evolved over the past 35 years. This 35-year-
11 old criteria, which predate the internet and social media age we currently live in, do not
12 explore or consider channels our customers prefer to use and how they use them. From a
13 practical perspective, they *cannot* give appropriate consideration to all modern factors;
14 these rules were established when communications were accomplished primarily through
15 phone calls, print ads, billboards, television, and mailers. We now have customers
16 tweeting outage questions to us, following Facebook pages, searching our website, using
17 search engines to look for utility information, etc. To meet customer information needs
18 today, we must make sure we maintain an adequate social media presence so that the
19 platform’s algorithm will place our information where customers can easily find it. We
20 have to utilize Search Engine Optimization (SEO) strategies to help our customers more
21 easily find the information they need. The KCPL criteria were not designed to, and
22 realistically *cannot*, take all necessary modern communications needs and strategies into

¹ *In Re: Kansas City Power and Light Company*, 28 MO PSC (NS) 228 (1986).

1 consideration. So, of course, looking at the cost in broad, general categories does not
2 allow a fair recovery of Ameren Missouri's costs to communicate with our customers
3 who expect us to communicate the right message, through the right channel, at the right
4 time based on today's changing energy and media environment.

5 **Q. Please describe the criteria Staff used to evaluate Ameren Missouri's**
6 **communications expenditures.**

7 A. The cost categories established in the 1985 order are:

- 8 1. General: informational advertising that is used in the provision of adequate
9 service;
- 10 2. Safety: advertising which conveys the ways to safely use electricity and to
11 avoid accidents;
- 12 3. Promotional: advertising used to encourage or promote the use of
13 electricity;
- 14 4. Institutional: advertising used to improve the company's image; and
- 15 5. Political: advertising associated with political issues.

16 **Q. Please explain in more detail why you believe these categories are no**
17 **longer adequate.**

18 A. In 1985, these categories were established to allow for the recovery of all
19 reasonable and necessary costs of general and safety advertisements, and allow the
20 disallowance of institutional or political advertisements. Under the 1985 KCPL order,
21 promotional advertisements are reviewed to determine the extent the utility can provide
22 cost-justification for the advertisements; the justified portion of costs in that category can
23 be recovered. However, the established categories are generally vague and do not have

1 any clear guidelines on how the categories and descriptions should be applied. This
2 allows a party to take an extremely narrow view on how they determine each category
3 should be applied. Further, because of how the rules have been historically applied before
4 the proliferation of digital media, the interpretation of the communication's need has not
5 evolved with how communications are now more efficiently and effectively
6 accomplished. Aside from the rote categorization, Ameren Missouri does not have a clear
7 insight into why Staff has disallowed communications costs as "advertising" not eligible
8 for recovery. Without a clear justification or explanation of how Staff determined the ad-
9 by-ad review, we do not have an opportunity to respond to staff's concerns on a
10 communication-by-communication basis. Generally, our presumption is that Staff
11 reviews the costs through a predominantly financial lens, and does not give due
12 consideration to customer education needs, preferences or best practices.

13 Furthermore, these categories do not appropriately consider the evolution over
14 time of how utilities operate their businesses or the expectations of today's utility
15 customers. For example, these 1985 categories do not take into consideration the
16 diversity of our customer base and the need to reach them in impactful, recurring, and
17 reoccurring ways to drive awareness and recall of the communications. By instead using
18 the Commission's most recent order to review by campaign, which I discuss more below,
19 communications are evaluated on a more effective integrated campaign approach, which
20 better acknowledges our efforts to more efficiently and effectively communicate with our
21 customers.

22 I know I have said this many times already, but it bears repeating: the categories
23 themselves were developed long before digital communications were in effect. In 1985,

1 customers did not expect, nor did utilities have web sites, social media channels, or email
2 capabilities. Those channels, and our customers' usage of those channels, have changed
3 the way we need to communicate to our customers due to their expectation for immediate
4 access to information and interaction from the companies with whom they do business.

5 **IV. CUSTOMER COMMUNICATION EFFORTS**

6 **Q. Please describe how Ameren Missouri's communications are planned**
7 **and accomplished in the internet age.**

8 A. To reach all of our customers, we use many different communication
9 channels and an integrated communication approach. Studies have shown that a customer
10 must hear a message at least seven times before they take action or retain the information.
11 Based on data, today's consumers are exposed to over 5,000 messages in a day or more.
12 To effectively break through the communication clutter to reach the diverse customer
13 base we serve requires a multi-channel approach at the right level of frequency.

14 **Q. Does this mean that no Commission criteria exist that can**
15 **appropriately take more factors than the 1985 KCPL categories into consideration?**

16 A. Not necessarily, although certainly a refresh of the 35-year-old 1985
17 KCPL criteria and/or how that criteria is applied is, more likely than not, necessary.
18 However, there is another evaluation methodology that can be helpful in the meantime,
19 both as an evaluation mechanism and an example of how rote application of a 35-year-
20 old category need not be the sole determining factor in recovery.

21 In a prior Ameren Missouri rate case, File No. ER-2008-0318, the Commission
22 issued a Report and Order that indicated the following:

23 If on balance a campaign is acceptable then the cost of the individual
24 advertisements within that campaign should be recoverable in rates. If the

1 campaign as a whole is unacceptable under the Commission's standards,
2 then the cost of all advertisements within that larger campaign should be
3 disallowed.

4 We believe that this order is, at a minimum, more relevant than the 1985 KCPL
5 decision in reviewing and determining inclusion of the cost of communicating to our
6 customers. For example, Ameren Missouri has sought recovery of its Energy at Work
7 messaging (discussed more below), based on its design as an integrated campaign.
8 Ameren Missouri did not design this campaign in pieces; rather, we developed this
9 campaign as a larger, integrated messaging strategy. Yet Staff seeks to break this
10 campaign into pieces so that discrete communications can be disallowed. The
11 “campaign” construct can be incredibly helpful in acknowledging that, particularly in the
12 era of social media algorithms and search engine optimization, several pieces feed into
13 the development of a successful communications campaign. Breaking these campaigns
14 into bite-size pieces to allow categorization and disallowances undermines both an
15 effective communications campaign and the Commission’s “whole campaign” decision.

16 **Q. Do you have any other concerns with how Staff categorized**
17 **communications costs for recovery and disallowance?**

18 A. Yes. As I alluded to previously, Staff reclassified and set its own
19 campaigns for the expenses submitted without an adequate explanation or rationale of
20 how the expenses have been grouped. Without more than the assignment to general
21 classifications, it is difficult for Ameren Missouri to respond to Staff’s disallowances in
22 more than a general manner. We would prefer to provide a more effective rebuttal to the
23 classifications on a disallowance-by-disallowance basis rather than addressing these
24 disallowances in generalities. Ideally, however, if disallowances are made on the basis of
25 a categorization without explanation, then Ameren Missouri, as the respondent to those

1 disallowances, should not be penalized. While I acknowledge this is more of a legal
2 argument, as a communications professional, I would think that insufficiently supported
3 disallowances would not be granted.

4 **V. SPECIFIC ADVERTISING CAMPAIGNS AND EXPENSES**

5 **Q. Are there specific campaigns that Ms. Dhority recommended for**
6 **disallowing that you believe should be included in the Company's cost of service?**

7 A. Yes, there are several. I will outline them and explain the reasons why we
8 have used this type of campaign to reach our customers. Specifically, I will address the
9 following campaigns: Energy at Work; Power Play Goals for Kids; Louie the Lightning
10 Bug; Social Media; Safety; Energy Assistance; Heat Up St. Louis; KMOV STL Proud;
11 Minority Advertising; Smart Energy Plan; Twelve Nights of Lights; Power Plex
12 Educational Designs; and Miscellaneous.

13 **Energy at Work**

14 **Q. Please describe why the Energy at Work campaign should be**
15 **recovered in whole.**

16 A. The Energy at Work campaign began in 2015. After surveying our
17 customers, we found that they wanted to know more about how the money they pay us
18 when they pay their bills impacts reliability, clean energy, and their communities. At that
19 time, we implemented campaign analysis studies that we still use today (Schedules TJM-
20 R1, TJM-R2, TJM-R3, and TJM-R4) to show us if the communication channels we are
21 using are effective. We use these studies to help us move our media dollars to the right
22 areas to make the largest impacts.

1 In 2018, the Company increased its media spend to ensure adequate Total Rating
2 Points ("TRP") to raise the awareness of the information customers tell us they want
3 through the communications in the Energy at Work campaign. Through many areas of
4 listening, we have heard that our customers want to know how the money they spend
5 with us is being used and how they benefit. The Energy at Work campaign answers many
6 of those questions, letting our customers know about the investments we have made to
7 prevent power outages, restore power more quickly, and spur growth in our communities
8 while keeping rates stable. The communications use a call to action to visit our website to
9 find out more about the information presented. In fact, Ameren Missouri includes website
10 links (generally amerenmissouri.com/reliability) in much of its Energy at Work
11 campaign, including in its online videos. It is worth saying again, we take measured
12 actions in our communications campaigns like in Energy at Work – such as including
13 website links to reliability information – because we want to reinforce for our customers
14 that they can access the information they need, when they need it.

15 Customers want to know that we are managing our costs and investing wisely in
16 the system. When surveyed, 61% (Schedules TJM-R5, TJM-R6, TJM-R7, and TJM-R8)
17 of our customers said that it is extremely important for the Company to be investing in a
18 smart grid to prevent power outages, restore power more quickly after an outage occurs,
19 and protect the energy grid against physical cyberattacks.

20 It is important that we make these investments, but we cannot assume that our
21 customers understand our business or know how these investments impact them. In an
22 increasingly fragmented and competitive media environment, we must provide messages

1 to them in various ways to help them understand our business and the investments that
2 we are making to benefit them.

3 When deciding how to deliver our messages, we take into consideration the
4 efficacy of the channel and cost in reaching either the largest number of customers or,
5 depending on the information, the right target audience. Then we use analytics to
6 determine message efficacy and cost, and optimize. One might think we could just send
7 all of our customers a letter telling them this information, and while we would know that
8 100% of our customers *received* the message, we would not know who read the message,
9 retained the message, or acted upon the message. Furthermore, today, different customer
10 segments prefer different channels so it is ineffective to rely on only one; effective
11 communication in today's environment requires an integrated approach.

12 There is a great effort made to communicate to our diverse customer base through
13 many channels so that we are reaching the right customers, at the right time, with the
14 right messages. We measure the impact of these messages through the J.D. Power
15 customer satisfaction study, campaign analytics, and call-to-action results data.

16 In 2018, the Company spent \$2,866,699 on the Energy at Work campaign,
17 equating to approximately \$2.38 per customer. For the same cost, we could send four
18 letters to our customers, but that would only allow us to have messages in front of our
19 customers four days a year. We would not be able to reach them in strategic times and
20 places that would better anticipate their need for this information. Based on my
21 professional experience, communicating once per quarter via mail would be ineffective
22 and lacking the information they need to make timely decisions.

1 This \$2,866,699 includes the cost to produce the campaign elements, as well as
2 the materials needed to produce messaging put out through various channels. Staff
3 recommended the disallowance of all of these costs. Yet, Staff allows the cost of the
4 campaign analysis studies. This specifically defeats the purpose of the Commission's
5 “whole campaign” order. The Energy at Work campaign messages undeniably focus
6 predominantly on reliability, which is messaging eligible for cost recovery. Reliability
7 accounts for \$2,200,328, or 77% of those costs, while Community accounts for \$664,371,
8 or 23% of those costs. If Staff has allowed recovery of the campaign analysis studies, it
9 stands to reason that Staff must believe at least a portion of the Energy at Work campaign
10 provides value. In this case, 77% of the campaign related to reliability, a topic that the
11 majority of our customers believe is very important. If the majority of this campaign
12 relates to a communications activity such as providing information about reliability, a
13 topic our customers have expressed a significant interest in, then the entirety of the
14 campaign should be recovered pursuant to the Commission’s “whole campaign decision.”

15 **Power Play Goals for Kids**

16 **Q. Please describe why the Power Play Goals for Kids campaign should**
17 **be recovered in whole.**

18 A. The Company sponsors the St. Louis Blues Power Play Goals for Kids
19 program in an effort to reach a younger demographic and a more highly engaged social
20 media user to attract social media followers to the Company's social media pages. The
21 fan profile of the Blues (Schedule TJM-R9) is 42% of the population of St. Louis, 60%
22 men, and 32% of their fans are between the ages of 18 -34 years of age. The St. Louis
23 Blues demographic data shows that most fans own their own homes, making them a

1 desirable audience to receive our messages. The Blues have over 740,000 social media
2 followers, compared to the Company's just over 56,000 social media followers. By
3 raising awareness of this sponsorship, the Company is raising the awareness of our social
4 media channels and acquiring followers at a lower acquisition cost than other times of the
5 year.

6 The Company tracks the impact of this campaign each year. In 2018-19, we
7 acquired 975 followers (Schedule TJM-R10) during the campaign at an acquisition cost
8 that was 58% lower than our normal cost, and we received over 1.3 million impressions
9 on Facebook and Twitter.

10 Social media is the preferred channel for many of our customers to get
11 information and to make contact with the Company. For social media to work, you need
12 to actively post information so that when there are messages that impact our customers,
13 the algorithms that are used by the provider allow the maximum number of customers to
14 see our messages. Social media allows us to frequently post messages that are important
15 to this audience.

16 The total cost of this campaign in 2018 is \$258,431. This includes the \$20,000
17 cost of a giveaway, a donation of \$10,290, and the \$50,000 cost of concourse signs. This
18 would meet the Commission's guideline of the majority of the expense of the campaign
19 (\$178,141 or 69% social media campaign cost and \$80,290 or 31%
20 donation/giveaway/branding) being an allowable cost. Therefore, we believe the
21 Company should be allowed to recover the \$258,431 in full.

22 **Louie the Lightning Bug**

1 **Q. Please describe why the Louie the Lightning Bug campaign should be**
2 **recovered in whole.**

3 A. Louie the Lightning Bug is a safety ambassador used by many utility
4 companies to promote safe actions around electricity. The Company uses the costumed
5 character and parade balloon to help raise awareness and spread the safety messages to
6 children throughout our service territory. When the Louie balloon is in a parade, it is
7 always accompanied by the Louie Bus, which follows the balloon and displays safety
8 messages such as, "When lines are down, don't hang around."

9 When the costumed character is at events, there is always a Company volunteer
10 who accompanies him and hands out coloring books and stickers that contain safety
11 messages. The volunteers also interact with the audiences, answer questions, and speaks
12 for Louie.

13 The Company classifies this expense as Safety. Staff has reclassified some of the
14 charges as Institutional, but does not provide any rationale as to why they made that
15 change. The cost of the Louie the Lightning Bug safety campaign is \$21,355. Safety
16 communications should be 100% allowable.

17 **Social Media**

18 **Q. Please describe why the Social Media campaign should be recovered**
19 **in whole.**

20 A. Social Media is a means by which the Company connects with our
21 customers and stakeholders. Social media use is prevalent throughout all generations,
22 increasing the attention and demand our customers place on it for everything from
23 customer service to company information.

1 Our social media strategy is built on the following goals:

- 2 • Be easy to do business with, providing a seamless experience;
- 3 • Provide personalized recognition of and communication with our customers;
- 4 • Proactively anticipate what customers want before they even ask or know; and
- 5 • Provide world-class customer experience.

6 Social media enables the company to deliver the information and experience our
7 customers want, allows our communications to be more focused and proactive in
8 connecting with the right audience at the right time and with the right message, and
9 allows us to communicate with our customers on an individual basis. Our customers
10 interact with large companies on a daily basis on social media, and our presence is
11 expected.

12 Our Social Media campaign is unique among campaigns in that it actively allows
13 for constant and immediate two-way communication with our customers. We are able to
14 answer questions and post information in real time to make sure our customers are getting
15 the information they need at any time of the day or night. The social media platforms use
16 different algorithms to determine who can see your messages on their platforms. The
17 Company *must* maintain an ongoing presence on the sites to receive the best reach for our
18 messages. To do this, we regularly post various messages that are important to our
19 customer base. Part of the communication spend in this area is to assure that the right
20 customers are receiving the right messages. For example, if we are posting about an
21 upgrade being made in the North St. Louis County area, we target that post to reach our
22 customers who live in that area. Similarly, if we are aware of a scam that is affecting a
23 certain area, we can target that area to raise the awareness of our collection processes so

1 that our customers do not lose money to the scammers. These targeted posts have costs
2 associated with them.

3 Staff recommended partial adjustments for some of the cost associated with social
4 media but does not give substantive rationale as to why this adjustment is being made. In
5 their workpapers, Staff shows that in an ad-by-ad review, 84% of the costs are
6 recoverable. Again, if the majority of the costs associated with a campaign is recoverable,
7 the Commission's "whole campaign" decision allowed recovery of the full \$167,601.

8 **Safety**

9 **Q. Please describe why the Safety campaign should be recovered in**
10 **whole.**

11 A. Eagle Days is an event at the Lake of the Ozarks that is held every year in
12 January. It is one of the best attended events by the people who live or vacation at the
13 Lake of the Ozarks. We use this event to address the attendees with messages about being
14 safe at the lake. Before each event presentation, Ameren Missouri gives safety
15 communications to the attendees that include messages such as: when lines are down
16 don't hang around; if you feel a shock, swim away from the dock; and when you are on or
17 near the lake wear your life jackets. With its Federal Energy Regulatory Commission
18 ("FERC") licensing, the Company is required to allow safe, recreational use of the Lake.
19 By sharing these safety messages, we raise awareness of how to be safe at the Lake.

20 Staff recommends the disallowance of these costs, but does not give any
21 justification other than changing the category from "safety" to "institutional." The costs
22 that Staff removed total \$6,086, or 19% of the campaign. Based on the Commission's
23 "whole campaign" decision, the Company should be allowed to recover the full \$31,684.

1 **Q. Are there other communications expenses that Staff is disallowing**
2 **that Ameren Missouri believes should be allowed?**

3 A. Yes, there are several smaller campaigns and miscellaneous
4 communication expenses that Staff lumped together and called a "Miscellaneous
5 Campaign." I reviewed the workpapers for this adjustment, and after several hours of
6 review, I am not able to make Staff's numbers balance for this category. Accordingly, I
7 will be addressing just the expenses that have been disallowed, but using the guidance of
8 the Commission's "whole campaign" decision to look at these expenses in the manner
9 they were submitted by Ameren Missouri – by campaign.

10 **Energy Assistance**

11 **Q. Please describe why the Energy Assistance campaign should be**
12 **recovered in whole.**

13 A. Communicating the dollars that are given to agencies such as the Urban
14 League raises the awareness of funding that is available to help underprivileged or those
15 who are struggling pay their utility bills. The cost of this campaign is \$798, and it should
16 be recoverable.

17 **Heat Up St. Louis**

18 **Q. Please describe why the Heat Up St. Louis campaign should be**
19 **recovered in whole.**

20 A. Working with groups such as Heat Up St. Louis allow Ameren Missouri to
21 get funding to customers in need. The Company donates dollars and air conditioners to
22 help underprivileged customers get the services they need. The presentation of the

1 funding raises the awareness of where our customers can go to get assistance. This
2 campaign cost is \$205.

3 **KMOV STL Proud**

4 **Q. Please describe why the KMOV STL Proud campaign should be**
5 **recovered in whole.**

6 A. This is an example of Staff looking only at the organization paid rather
7 than the message the Company is conveying. Through the sponsorship of KMOV STL
8 Proud, the Company is able to air the Energy at Work television spots to the St. Louis
9 customer base in addition to sharing a community message. The television spots carry
10 reliability and community messages, and matched the on air media buy of Energy at
11 Work, which was split 77% reliability and 23% community. Meeting the guidance of the
12 Commission, we believe that the full \$82,553 campaign cost should be allowed.

13 **Minority Advertising**

14 **Q. Please describe why the Minority Advertising campaign should be**
15 **recovered in whole.**

16 A. Diversity and Inclusion is part of being a good corporate citizen. By
17 advertising in minority publications, Ameren Missouri is able to recruit and maintain
18 talented co-workers to serve our diverse customer base. Not only does a diversity of
19 thought and background provide distinct business advantages, our customers also find
20 higher customer satisfaction with the Company when they see our messages in these
21 publications. Companies that effectively utilize diversity and inclusion not only perform
22 better, but the customer satisfaction through representation results in lowered expenses
23 since satisfied customers are less expensive customer to serve.

1 The cost of the minority advertising is \$28,440.

2 **Smart Energy Plan**

3 **Q. Please describe why the Energy at Work campaign should be**
4 **recovered in whole.**

5 A. The Smart Energy Plan was submitted and categorized as general
6 advertising. Staff reviewed this campaign ad-by-ad, and changed the categorization to
7 include political and institutional. Again, however, Staff does not provide substantive
8 rationale as to why they would view parts of this campaign differently. In Staff's review,
9 they find that 99% of the campaign should be allowed. We are seeking to have the
10 additional \$744 of the \$126,615 allowed, particularly since the Commission's "whole
11 campaign" decision would apply.

12 **Twelve Nights of Lights**

13 **Q. Please describe why the Twelve Nights of Lights campaign should be**
14 **recovered in whole.**

15 A. The Twelve Nights of Lights campaign gives the company the opportunity
16 to spread electric safety messages to our customers during the holidays in a fun and
17 positive way. The messages that run with this campaign inform our customers about not
18 overloading their outlets and using the correct electrical cords outside. The cost of this
19 campaign is \$12,100.

20 **Power Plex Educational Designs**

21 **Q. Please describe why the Power Plex Educational Designs campaign**
22 **should be recovered in whole.**

1 A. The Company hired an experience and design firm, Switch, to design an
2 educational exhibit for space that could be part of an economic development project. We
3 want to be able to share energy messages in a positive environment in educational ways.
4 The cost of this study is \$12,115.

5 **Miscellaneous**

6 **Q. Were there any expenses that Staff disallowed that were not**
7 **categorized correctly?**

8 A. Yes, there are expenses that the Company incurred that it incorrectly
9 charged to the wrong accounts. If we had charged these costs to the correct accounts,
10 those costs would not have been disallowed by Staff. We believe these expenses should
11 be moved to the proper accounts and allowed.

12 The expenses included the following, totaling \$2,674:

- 13 • Eighteenth Street Sign at the General Office Building Maintenance \$523;
14 and,
15 • Storeroom purchases such as hard hats, safety vest, etc. \$2,151.

16 **Q. Does this conclude your rebuttal testimony?**

17 A. Yes, it does.

