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Witness: Laureen M. Welikson  
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Sponsoring Party: Union Electric Company  
File No.: GR-2019-0077  
Date Testimony Prepared: June 7, 2019

**MISSOURI PUBLIC SERVICE COMMISSION**

**FILE NO. GR-2019-0077**

**REBUTTAL TESTIMONY**

**OF**

**LAUREEN M. WELIKSON**

**ON BEHALF OF**

**UNION ELECTRIC COMPANY**

**d/b/a AMEREN MISSOURI**

**\*\*DENOTES CONFIDENTIAL INFORMATION\*\***

St. Louis, Missouri  
June, 2019

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**REBUTTAL TESTIMONY**

**OF**

**LAUREEN M. WELIKSON**

**FILE NO. GR-2019-0077**

1

**I. INTRODUCTION**

2

**Q. Please state your name and business address.**

3

A. My name is Lauren M. Welikson and my business address is One Ameren

4

Plaza, 1901 Chouteau Avenue, St. Louis, Missouri 63103.

5

**Q. Are you the same Lauren M. Welikson that filed direct testimony in**

6

**this proceeding?**

7

A. Yes, I am.

8

**II. PURPOSE OF TESTIMONY**

9

**Q. What is the purpose of your rebuttal testimony in this proceeding?**

10

A. My rebuttal testimony in this proceeding addresses testimony from

11

Missouri Department of Economic Development - Division of Energy ("DE") and the

12

Missouri Public Service Commission Staff ("Staff") on the Income Eligible Weatherization

13

Assistance Program, testimony from National Housing Trust and Staff on Union Electric

14

Company d/b/a Ameren Missouri's ("Ameren Missouri" or "Company") Natural Gas

15

Energy Efficiency Programs, and Staff's proposed Weather Normalization Adjustment

16

Rider.

1     **III. INCOME ELIGIBLE WEATHERIZATION ASSISTANCE PROGRAM**

2           **Q. Do you have any concerns with Division of Energy witness Sharlet**  
3 **Kroll's recommendations regarding the Income Eligible Weatherization Assistance**  
4 **Program?**

5           A. Yes, Ms. Kroll recommends keeping the Company's funding of the Income  
6 Eligible Weatherization Assistance Program ("IEWAP") at its current level of \$263,000.  
7 The Company agrees with this with the exception of \$25,000 that it would like to remove  
8 from this total to fund its proposed new red tag repair program. If the administration of the  
9 program is transferred back to the Company as DE suggests, then the money should be  
10 distributed by Ameren Missouri.

11           **Q. Did Ms. Kroll have any other recommendations regarding the funding**  
12 **of the IEWAP?**

13           A. Yes, Ms. Kroll recommended transitioning the administration of the  
14 Company's IEWAP back to the Company and further recommended requiring the  
15 Company to hold at least one annual in-person meeting with weatherization agencies and  
16 interested stakeholders with DE continuing in an advisory role.

17           **Q. Is the Company in agreement with these recommendations?**

18           A. The Company is willing to discuss it with interested parties. This may have  
19 implications with the coordination of IEWAP funds from other parties, so Ameren  
20 Missouri believes any discussions should include other gas and electric utilities and the  
21 community action agencies that implement the weatherization programs.

1           **IV. NATURAL GAS ENERGY EFFICIENCY PROGRAMS**

2           **Q. National Housing Trust witness Annika Brink recommended a budget**  
3 **of \$125,000 to \$220,000 annually for low-income multifamily energy efficiency. Do**  
4 **you agree with this recommendation?**

5           A. The Company has estimated approximately \$227,000 would be spent on  
6 low-income energy efficiency, but has not specifically targeted a split between single  
7 family and multifamily residential properties. Although the Company still needs to work  
8 through details with its chosen implementation contractors, the Company is willing to set  
9 a goal to allocate at least \$125,000 to the low-income multifamily sector.

10          **Q. Does the Company agree with Ms. Brink's recommendation to have a**  
11 **whole building savings approach for low-income multifamily properties?**

12          A. Yes, the Company anticipates the program including direct install tenant  
13 unit measures and common area incentives, similar to what is currently offered by the  
14 Ameren Missouri electric energy efficiency program.

15          **Q. Do you agree with Ms. Brink that the language in the tariff sheets**  
16 **should clarify that both single family and multifamily buildings are eligible to**  
17 **participate in the low-income program?**

18          A. Yes, the Company agrees that the tariff language should clarify that both  
19 single family and multifamily properties are eligible to participate in the low-income  
20 program. A revised exemplar tariff sheet clarifying such eligibility has been included as  
21 Schedule LMW-R1.

1           **Q.     Do you agree with Ms. Brink that the tariff language should clarify that**  
2 **both tenant unit and common area measures are available to multifamily low-income**  
3 **properties?**

4           A.     Yes, the Company agrees that the tariff language should clarify that both  
5 tenant unit and common area measures are available to multifamily low-income properties  
6 through the low-income program. The revised exemplar tariff sheet included as Schedule  
7 LMW-R1 contains this clarification.

8           **Q.     Do you agree with Ms. Brink that the eligibility for natural gas low-**  
9 **income offerings should be aligned with the Company's electric low-income program?**

10          A.     Yes, the Company agrees that the eligibility requirements for Ameren  
11 Missouri's natural gas offerings should match the electric offerings including the  
12 requirement of being at or below 200% of the Federal Poverty Level. The revised exemplar  
13 tariff included as Schedule LMW-R1 contains this clarification.

14          **Q.     Do you agree with Ms. Brink that the residential low-income rebates**  
15 **should be per housing unit, not per property?**

16          A.     Yes, the Company agrees that the tariff language should be modified to  
17 clarify that the limits are per housing unit. The revised exemplar tariff included as Schedule  
18 LMW-R1 contains this clarification.

19          **Q.     Do you agree with Ms. Brink that incentives for low-income properties**  
20 **should be higher than the incentives for non-low-income properties?**

21          A.     Yes, the workpapers submitted with my direct testimony assumed that  
22 incentives for low-income customers would be higher, possibly as much as the full  
23 incremental cost plus the cost to install a measure. The Company intends to work with a

1 program implementer to develop incentive ranges and fully expects that incentives for low-  
2 income single family and multifamily properties will be significantly higher than their non-  
3 low-income counterparts.

4 **Q. Do you agree with Ms. Brink's recommendation that the Company**  
5 **guarantee the availability of rebates to multifamily properties for a 36-month**  
6 **window?**

7 A. The Company is willing to discuss this recommendation, but has  
8 reservations. First, there would need to be a supportive cost recovery framework that  
9 extends multiple years beyond the terms of program periods. Second, the Company is  
10 concerned that long-lead time projects can clog up the available funds with uncertainty  
11 about project completion.

12 **Q. Do you agree with Ms. Brink that the Company should explore co-**  
13 **delivery options with additional utilities?**

14 A. Yes, the Company is willing to explore the possibility of co-delivery options  
15 with additional utilities, including Columbia Water & Light.

16 **Q. Do you agree with Ms. Brink's belief that the Company's budget should**  
17 **be a higher percentage of the Company's Gross Operating Revenues?**

18 A. Ameren Missouri believes our proposed budget is appropriate at this time.  
19 There is currently a regulatory liability of approximately \$800,000 from funds that were  
20 approved for energy efficiency in previous years but that have not been spent.  
21 Consequently, it does not currently seem necessary or prudent to increase the proposed  
22 budget along the lines Ms. Brink proposes. In addition, if the Company finds that the  
23 current budget is not enough, it would propose to be allowed to spend additional funds and

1 continue to track the additional spending in the regulatory asset account for recovery in a  
2 future rate case.

3 **Q. Do you agree with Ms. Brink's recommendation to set savings goals for**  
4 **the natural gas energy efficiency programs?**

5 A. No, not at this time. First, since the proposed programs would be non-  
6 binding, using them as a basis for energy savings goals would be of limited practical value.  
7 Second, it would be better to first gain experience with the new low-income programs on  
8 cost-per-savings realized. It would also be beneficial to gain additional experience with the  
9 proposed wider market and offerings to the non-residential sector.

10 **Q. Do you agree with Staff witness Kory Boustead's recommendation that**  
11 **the Company's Efficiency Program and Co-Delivery Program continue as they are**  
12 **currently structured?**

13 A. No. Apparently Staff is recommending programs continue without the  
14 Company's recommended changes. Staff provided no explanation whatsoever for its  
15 recommendation.

16 **V. COMBINED HEAT AND POWER**

17 **Q. Please summarize DE witness Jane E. Epperson's recommendations**  
18 **regarding combined heat and power.**

19 A. Ms. Epperson recommends that the Company identify customers that may  
20 be good candidates for a combined heat and power ("CHP") system, provide those  
21 customers with information on CHP systems, and facilitate an analysis to be completed by  
22 the U.S. Department of Energy CHP Technical Assistance Partnership ("DOE CHP TAP").



1           **Q.     Do you have concerns regarding Ms. Epperson's recommendations**  
 2 **about combined heat and power?**

3           A.     Yes. Ameren Missouri demonstrated in the Surrebuttal Testimony of  
 4 William R. Davis in File No. EO-2018-0211 that CHP systems are not cost effective, and  
 5 when such programs were offered during the Missouri Energy Efficiency Investment Act  
 6 ("MEEIA") 2016-18 plan, no customers applied for a rebate for a CHP system. Regardless,  
 7 Ameren Missouri continues to investigate the potential of CHP in its potential study for the  
 8 next Integrated Resource Plan. But, there is no reason at this time to adopt the specific  
 9 recommendations made by Ms. Epperson in this case.

10           **Q.     Has the Company participated in calls or emails with DE and**  
 11 **customers about how standby rates apply to CHP projects or about obtaining data to**  
 12 **conduct an analysis of CHP using the DOE CHP TAP tool?**

13           A.     Yes, the Company has assisted customers in the evaluation of CHP on  
 14 numerous occasions with DE often on the call or email. Table 1 below are some examples  
 15 of such communications:

Table 1

Date	Customer	DE involved	Topic
8/2017	** _____**	No	Obtaining data, understanding how the rate bills, and getting the tool.
8/2017	** _____**	Yes	Requested a copy of their data be sent to them and another copy be sent directly to DOE TAP. Held a call in September 2017 to walk through the tool that included DOE TAP and Missouri DE to discuss rates.
12/2017	** _____** _____**	Yes	Ameren Missouri provided data and Missouri DE followed up with customer on the tool.
2/2018	** _____**	Yes	Customer requested to have data loaded into the tool and copied DE on the request.

1           **Q.     Has there been continued engagement from customers after those**  
2 **discussions?**

3           A.     No. No customer appears to have been sufficiently motivated by the  
4 potential benefits of CHP to have expressed further interest.

5                   **VI.    WEATHER NORMALIZATION ADJUSTMENT RIDER**

6           **Q.     Do you agree with Staff witness Michael Stahlman's recommendation**  
7 **to exclude conservation from an adjustment rider because it can be difficult to define**  
8 **or accurately quantify?**

9           A.     No, I do not agree. Conservation savings can be defined and quantified  
10 through the use of a Technical Resource Manual ("TRM"), which contains algorithms for  
11 calculating savings and default inputs to variables in those algorithms when actual values  
12 are not known. Ameren Missouri has been using a TRM to define and quantify electric  
13 energy savings through its MEEIA programs and the Commission has authorized the  
14 recovery of throughput disincentive based on quantified savings through an approved  
15 comprehensive process since 2013. Ameren Missouri has included a full TRM and specific  
16 proposals on how to use a TRM in this case similar to what it has used in its MEEIA  
17 programs.

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

19           A.     Yes, it does.

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

In the Matter of Union Electric Company            )  
d/b/a Ameren Missouri's Tariffs to Increase Its    )  
Revenues for Natural Gas Service.                    )     File No. GR-2019-0077

**AFFIDAVIT OF LAUREEN M. WELIKSON**


**STATE OF MISSOURI     )**  
  )**ss**  
**CITY OF ST. LOUIS     )**

Laureen M. Welikson, being first duly sworn on his oath, states:

1. My name is Laureen M. Welikson. I work in the City of St. Louis, Missouri, and I am employed by Union Electric Company d/b/a Ameren Missouri as Senior Consultant in Energy Efficiency Evaluation & Strategy.

2. Attached hereto and made a part hereof for all purposes is my Rebuttal Testimony on behalf of Union Electric Company d/b/a Ameren Missouri consisting of 8 pages and Schedule(s) LMW-R1, all of which have been prepared in written form for introduction into evidence in the above-referenced docket.

3. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded are true and correct.

  
Laureen M. Welikson

Subscribed and sworn to before me this 5<sup>th</sup> day of June, 2019.

  
Notary Public

My commission expires:



## UNION ELECTRIC COMPANY GAS SERVICE

Applying to MISSOURI SERVICE AREA

### MISSOURI ENERGY EFFICIENT NATURAL GAS RESIDENTIAL LOW INCOME PROGRAM

#### \*APPLICATION

The Missouri Energy Efficient Natural Gas Residential ~~Single Family~~ Low Income Program is designed to deliver energy savings to properties housing customers ~~receiving service under the Residential Service Rate~~ who meet income qualifications specified in the Availability section of this tariff.

Incentives are being offered on a limited basis for all or a portion of the cost of Measures provided to Participants. Company's participation in such financial incentives is in accordance with the Stipulation and Agreement approved by the Missouri Public Service Commission (Commission) in Case No. GR-2019-0077.

#### \*DEFINITIONS

Administrator - Company will administer the Program through an implementation contractor(s) experienced in energy efficiency programs.

Measure - The replacement of less efficient natural gas equipment with high efficiency natural gas equipment and other high efficiency equipment and building shell measures, including both tenant unit and common area measures.

Participant - A customer who ~~is being served under either the Company's Residential Service natural gas rate class~~ meets the Availability Requirements below, is located in Missouri, and elects to either purchase or agrees to receive energy efficient gas saving equipment as described in Measures And Incentives.

#### \*AVAILABILITY

The Program is available for the Program Period to:

- ~~1.~~ 1. Qualifying single family low-income customers receiving service under the Residential Service Rate ~~1(M)~~ residing in single family detached housing, duplexes, and mobile homes (wood-frame bolted to steel chassis, designed to be transported); or
2. Owners and operators of any multi-family properties of three or more dwelling units receiving service under the Residential Service Rate or Service Classifications General Service Rate or Natural Gas Transportation Service meeting one of the following eligibility requirements
- ~~23.~~ 23. Organizations who perform qualified installations or distributions to homes of qualified low-income residential end users may participate in this Program by making application for a low-income efficiency housing grant.

In order to qualify for participation, low-income Participants must meet one of the following income eligibility requirements:

- ~~1. Reside~~ Participation in federal, state, or local subsidized housing program, ~~and fall within that program's income guidelines.~~

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DATE OF ISSUE December 3, 2018 DATE EFFECTIVE January 3, 2019

ISSUED BY Michael Moehn President St. Louis, Missouri  
Name of Officer Title Address

## UNION ELECTRIC COMPANY GAS SERVICE

Applying to MISSOURI SERVICE AREA

- ~~Reside in non-subsidized housing with p~~Proof of income levels at or below 80% of area median income (AMI) or 200% of federal poverty level.
- Fall within a census tract included on Company's list of eligible low-income census tracts~~that indicates at least 85% of customers are at or below 80% of AMI.~~

Where a multi-family property does not meet one of the eligibility criteria listed above and has a combination of qualifying tenants and non-qualifying tenants, at least 50% of the tenants must be eligible for the entire property to qualify.

\*Indicates Addition

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DATE OF ISSUE December 3, 2018 DATE EFFECTIVE January 3, 2019  
ISSUED BY Michael Moehn President St. Louis, Missouri  
Name of Officer Title Address

## UNION ELECTRIC COMPANY GAS SERVICE

Applying to \_\_\_\_\_ MISSOURI SERVICE AREA

**MISSOURI ENERGY EFFICIENT NATURAL GAS  
RESIDENTIAL LOW INCOME PROGRAM (cont'd)**

**\*MEASURES AND INCENTIVES**

Measures to be installed in this Program are the same as the list of residential measures in the Missouri Energy Efficient Natural Gas Equipment and Building Shell Measure Rebate Program, however the incentives could be as high as 100% of the installed cost of the measure. Maximums provided in the Missouri Energy Efficient Natural Gas Equipment and Building Shell Measure Rebate Program will be applied per tenant unit rather than per property in the case of multi-family properties.

**\*PROGRAM FUNDS**

Funding for these measures is set forth in the Stipulation and Agreement in Case No. GR-2019-0077.

**\*PROGRAM TERM**

The Program will conclude on December 31, 2022 or at the time new rates go into effect as a result of a general rate proceeding, whichever occurs first. All installations of Measures or delivery of Measures for self-install must occur before the conclusion date of the Program.

DATE OF ISSUE December 3, 2018 DATE EFFECTIVE January 3, 2019  
ISSUED BY Michael Moehn President St. Louis, Missouri  
Name of Officer Title Address

P.S.C. Mo. No. 2 Original SHEET No. 84.1  
Cancelling P.S.C. Mo. No. \_\_\_\_\_ SHEET No. \_\_\_\_\_

## UNION ELECTRIC COMPANY GAS SERVICE

Applying to \_\_\_\_\_ MISSOURI SERVICE AREA

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