

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

In the Matter of Union Electric Company d/b/a)
Ameren Missouri’s Electric Service Tariff) **Case No. ER-2019-0291**
Adjustment Relating To MEEIA Rider EEIC) **Tracking No. YE-2019-0172**

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission and submits the accompanying Recommendation, in memorandum form, as directed by the Commission’s *Order Extending Deadline* (“Order”) issued on April 24, 2019. In support thereof, Staff states as follows:

1. On March 25, 2019, Union Electric Company d/b/a Ameren Missouri (“Ameren Missouri” or “Company”) filed two (2) tariff sheets¹ with the Commission bearing an issue date of March 25, 2019, and an effective date of May 25, 2019, proposing a Missouri Energy Efficiency Investment Act (“MEEIA”) Rider Energy Efficiency Investment Charge (“EEIC”) rate change. On April 18, 2019, Ameren Missouri filed with the Commission one (1) substitute tariff sheet. A second substitute sheet was filed on April 25, 2019. As substituted, Ameren Missouri’s overall Rider EEIC rate will collect approximately \$106.8 million, increasing rates by approximately \$61 million, or 133%.

2. The purpose of this filing is to incorporate Ameren Missouri’s MEEIA Cycle 3 forecasted program levels and savings through January 2020.

3. In the Order referenced above, the Commission ordered Staff to file a recommendation no later than April 26, 2019.

¹ Tariff Sheet No. 91.11 and Tariff Sheet No. 91.22

4. On December 5, 2018, the Commission approved an uncontested Stipulation and Agreement regarding the Company's MEEIA 2019-21 Plan (File No. EO-2018-0211). The total proposed Rider EEIC rates are the sum of the currently effective MEEIA 2013-15 (i.e., MEEIA Cycle 1) EEIR Components, approved by the Commission on January 6, 2016, in File No. ER-2016-0131, and the respective MEEIA 2016-18 EEIR Components (MEEIA Cycle 2), and the MEEIA 2019-21 EEIR Components (MEEIA Cycle 3). This filing is the first to include MEEIA Cycle 3 costs in Rider EEIC.

5. The current MEEIA mechanism rate per class of customer is collected through a line item on current bills and is based on each year's projected costs and incentives with reconciliations from actual prior periods and any ordered adjustments with interest. This filing retains the costs reflected in the currently effective EEIC rate and incorporates ten (10) months of program costs and throughput disincentive associated with MEEIA 3. Listed below are the current MEEIA rates² and the new MEEIA rates³ for the proposed Rider EEIC mechanism:

Rate Class	Current MEEIA Rate/kWh	Proposed MEEIA Rate/kWh
Residential Service	\$ 0.000539	\$ 0.004575
Small General Service	\$ 0.002934	\$ 0.005420
Large General Service	\$ 0.002496	\$ 0.004924
Small Primary Service	\$ 0.002182	\$ 0.004608
Large Primary Service	\$ 0.001518	\$ 0.003830

6. Based on the proposed new MEEIA rates, the average residential bill⁴ will increase by four dollars and four cents (\$4.04) per month. Rider EEIC business rates per

² MEEIA rates effective January 25, 2018.

³ Proposed MEEIA rates to be effective May 25, 2019.

⁴ Based on a residential customer averaging 1,000 kWh per month of usage.

class vary due to projected costs, incentives, and customer opt outs per class of customer. The Small General Service rate will increase approximately 84.7%, or \$2.49 per 1000 kWh; the Large General Service will increase approximately 97.3%, or \$2.43 per 1000 kWh; the Small Primary Service rate will increase approximately 111%, or \$2.43 per 1000 kWh; and the Large Primary Service rate will increase approximately 152.3%, or \$2.31 per 1000 kWh.

7. The Staff's Tariff / Rate Design Department has reviewed Ameren Missouri's proposed tariff sheets, supporting work papers, and worksheets showing its calculation of the proposed Rider EEIC rates and the projected costs and throughput disincentive of the MEEIA Cycle 3 (2019-2021) components.

8. Staff has verified that Ameren Missouri is not delinquent on any assessment and has filed its annual report for 2018. Staff is not aware of any other matter before the Commission that is affected by this filing.

WHEREFORE, for the reasons stated above and in Staff's Recommendation memorandum, Staff recommends the Commission issue an order approving the following tariff sheets filed on March 25, 2019 and substituted on April 18 and 25, 2019:

P.S.C. MO. No. 6

5th Revised Sheet No. 91.11, Cancelling 4th Revised Sheet No. 91.11

1st Revised Sheet No. 91.22, Cancelling Original Sheet No. 91.22

Respectfully submitted,

/s/ Jeffrey A. Keevil

Jeffrey A. Keevil

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Attorney for the Staff of the
Missouri Public Service Commission

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to counsel of record this 26th day of April, 2019.

/s/ Jeffrey A. Keevil

MEMORANDUM

TO: Missouri Public Service Commission Official Case File
File No. ER-2019-0291 and Tariff Tracking No. YE-2019-0172
Union Electric Company, d/b/a Ameren Missouri

FROM: Robin Kliethermes, Tariff and Rate Design Department Manager

/s/ Natelle Dietrich 4/26/19
Commission Staff Director / Date

/s/ Jeffrey A. Keevil 4/26/19
Staff Counsel Division / Date

SUBJECT: Staff Recommendation to Approve Union Electric Company, d/b/a Ameren Missouri's ("Ameren Missouri") Proposed Tariff Sheet for its Rider Energy Efficiency Investment Charge ("Rider EEIC") to Implement the Terms, Conditions, and Rates of the Proposed Rider EEIC effective May 25, 2019

DATE: April 26, 2019

Ameren Missouri Filing

On March 25, 2019, Ameren Missouri filed with the Commission two (2) tariff sheets¹ bearing an issue date of March 25, 2019, and an effective date of May 25, 2019, proposing a Missouri Energy Efficiency Investment Act ("MEEIA") Rider EEIC rate change. On April 18, 2019, Ameren Missouri filed with the Commission one (1) substitute tariff sheet. On April 25, 2019 Ameren Missouri filed with the Commission one (1) substitute tariff sheet. As substituted, Ameren Missouri's overall Rider EEIC rate will collect approximately \$106.8 million, increasing rates by approximately \$61 million, or 133%.²

The purpose of this filing is to incorporate Ameren Missouri's MEEIA 3 forecasted program levels and savings through January 2020.

Background

On December 5, 2018, the Missouri Public Service Commission ("Commission") approved an uncontested Stipulation and Agreement ("Stipulation") regarding the Company's MEEIA 2019-21 Plan (File No. EO-2018-0211). Under the terms of Rider EEIC, the Company is allowed, or may be ordered by the Commission, to make one other Rider EEIC filing in each calendar year, with such subsequent filing to be effective beginning with either the June or October billing month (to coincide with rate changes in the Company's Fuel Adjustment Clause rate).

¹ Tariff Sheet No. 91.11 and Tariff Sheet No. 91.22

² This filing proposes to increase the MEEIA revenue requirement from \$45,767,580 to \$106,804,026.

The total proposed Rider EEIC rates are the sum of the currently effective MEEIA 2013-15 (i.e. MEEIA Cycle 1³) EEIC Components, approved by the Commission on January 6, 2016 in File No. ER-2016-0131, and the respective MEEIA 2016-18 EEIC Components (MEEIA Cycle 2), and the MEEIA 2019-21 EEIC Components (MEEIA Cycle 3). Even though the MEEIA Cycle 1 programs ended on December 31, 2015, the recovery of the performance incentive will continue until it is properly reconciled and recovered. This filing is the first to include MEEIA Cycle 3 costs in Rider EEIC.

The Rider EEIC charge is reflected in one line item on the customer’s bill labeled “Energy Efficiency Invest. Chg.”. The proposed Rider EEIC rate changes are applicable to all kilowatt-hours (“kWh”) of energy supplied to customers served by Ameren Missouri under service classification rate schedules⁴ 1(M), 2(M), 3(M), 4(M), 11(M) and 12(M), excluding kWh of energy supplied to “opt-out” customers.

Incorporation of MEEIA Cycle 3

The current MEEIA mechanism rate per class of customer is collected through a line item on current bills and is based on each year’s projected costs and incentives⁵ with reconciliations from actual prior periods and any ordered adjustments with interest. This filing retains the costs reflected in the currently effective EEIC rate and incorporates ten (10) months of program costs and throughput disincentive associated with MEEIA 3. Listed below are the current MEEIA rates⁶ and the new MEEIA rates⁷ for the proposed Rider EEIC mechanism.

Rate Class	Current MEEIA Rate/kWh	Proposed MEEIA Rate/kWh
Residential Service	\$ 0.000539	\$ 0.004575
Small General Service	\$ 0.002934	\$ 0.005420
Large General Service	\$ 0.002496	\$ 0.004924
Small Primary Service	\$ 0.002182	\$ 0.004608
Large Primary Service	\$ 0.001518	\$ 0.003830

³ The MEEIA Cycle 1 program period was January 2, 2013 through December 31, 2015.
⁴ Rate Schedules for Residential 1(M), Small General Service 2(M), Large General Service 3(M), Small Primary Service 4(M), Large Primary Service 11(M), and Large Transmission Service 12(M).
⁵ Proposed Rider EEIC which contemplates projected costs and incentives with reconciliations from prior periods.
⁶ MEEIA rates first effective January 25, 2019.
⁷ Proposed MEEIA rates to be effective May 25, 2019.

The average residential bill⁸ will increase by four dollars and four cents (\$4.04) per month. Rider EEIC business⁹ rates per class vary due to projected costs, incentives, and customer opt outs per class of customer. The Small General Service rate will increase approximately 84.7%, or \$2.49 per 1000 kWh; the Large General Service will increase approximately 97.3%, or \$2.43 per 1000 kWh; the Small Primary Service rate will increase approximately 111%, or \$2.43 per 1000 kWh; and the Large Primary Service rate will increase approximately 152.3%, or \$2.31 per 1000 kWh.

Staff Recommendation

The Commission Staff's Tariff / Rate Design Department ("Staff") has reviewed the filed tariff sheets and the substitute tariff sheets.

Staff recommends the Commission issue an order approving the following tariff sheet, as filed on March 25, 2019 and substituted on April 25, 2019:

P.S.C. MO. No. 6
5th Revised Sheet No. 91.11, Cancelling 4th Revised Sheet No. 91.11

Staff further recommends the Commission issue an order approving the following tariff sheet, as filed on March 25, 2019 and substituted on April 18, 2019:

P.S.C. MO. No. 6
1st Revised Sheet No. 91.22, Cancelling Original Sheet No. 91.22

The Staff has verified that Ameren Missouri is not delinquent on any assessment and has filed its Annual Report for 2018. The Staff is not aware of any other matter before the Commission that affects or is affected by this filing.

⁸ Based on a residential customer averaging 1,000 kWh per month of usage.

⁹ Business Rider EEIC rates are small general service, large general service, small primary service, and large primary service.

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

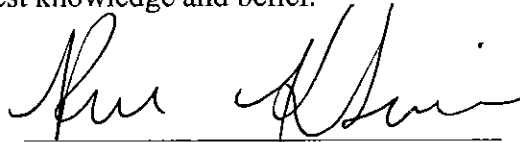
In the Matter of Union Electric Company)
d/b/a Ameren Missouri's Electric Service)
Tariff Adjustment Relating to MEEIA Rider)
EEIC) File No. ER-2019-0291

AFFIDAVIT OF ROBIN KLIETHERMES

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COMES NOW Robin Kliethermes and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Staff Recommendation*; and that the same is true and correct according to her best knowledge and belief.

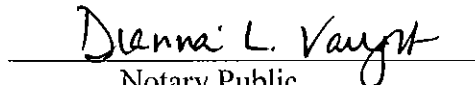
Further the Affiant sayeth not.



Robin Kliethermes

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 26th day of April, 2019.



Notary Public

DIANNA L. VAUGHT Notary Public - Notary Seal State of Missouri Commissioned for Cole County My Commission Expires: June 28, 2019 Commission Number: 15207377
