

**Exhibit No.:** \_\_\_\_\_  
**Issue(s):** Affiliate Transaction Practices/  
Revenue Requirements  
**Witness/Type of Exhibit:** Schallenberg/Direct  
**Sponsoring Party:** Public Counsel  
**Case No.:** ER-2019-0335

**DIRECT TESTIMONY**  
**OF**  
**ROBERT E. SCHALLENBERG**

Submitted on Behalf of the Office of the Public Counsel

**UNION ELECTRIC COMPANY**  
**D/B/A AMEREN MISSOURI**

FILE NO. ER-2019-0335

December 4, 2019

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

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

File No. ER-2019-0335

**AFFIDAVIT OF ROBERT E. SCHALLENGER**

STATE OF MISSOURI )  
                                  ) ss  
COUNTY OF COLE )

Robert E. Schallenberg, of lawful age and being first duly sworn, deposes and states:


1. My name is Robert E. Schallenberg. I am the Director of Policy for the Office of the Public Counsel.
2. Attached hereto and made a part hereof for all purposes is my direct testimony.
3. I hereby swear and affirm that my statements contained in the attached testimony are true and correct to the best of my knowledge and belief.

  
Robert E. Schallenberg  
Director of Policy

Subscribed and sworn to me this 4<sup>th</sup> day of December 2019.



JERENE A. BUCKMAN  
My Commission Expires  
August 23, 2021  
Cole County  
Commission #13754037

  
Jerene A. Buckman  
Notary Public

My Commission expires August 23, 2021.

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**DIRECT TESTIMONY**  
**OF**  
**ROBERT E. SCHALLENBERG**  
**UNION ELECTRIC COMPANY d/b/a AMEREN MISSOURI**  
**FILE NO. ER-2019-0335**

1 **Q. Please state your name and occupation.**

2 A. My name is Robert E. Schallenberg.

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

4 A. I am employed by the Missouri Office of the Public Council (OPC) as Director of Policy.

5 **Q. What is your education and relevant work experience?**

6 Please see the attached RES-D-1 with details on my education, professional certifications  
7 and work experience.

8 **Q. What is purpose of direct testimony in this case?**

9  
10 A. The purpose of this testimony is to address two topics. First, to identify impacts of the  
11 Company's affiliate transactions practices on the determination of Ameren Missouri's  
12 costs to be used to establish whether the existing customer rates are or are not just and  
13 reasonable. Second, to discuss OPC's other estimated revenue requirement issues. OPC  
14 does not produce an overall revenue requirement independent of other parties in a rate case.  
15 The Commission Staff and the Company usually are the only parties that construct total  
16 case revenue requirement. OPC has adjustments for specific aspects of a rate case. When  
17 OPC's adjustments are included in a reliable total cost of service study then the result is a  
18 revenue requirement for OPC.

19 **AFFILIATE TRANSACTIONS**

20 **Q. What is a summary of your testimony regarding affiliate transactions?**

1 A. My summary is that the Company is participating in prohibited affiliate transaction because  
2 the transactions don't comply with the rules requirements. The Company's level of non-  
3 compliance includes, but is not limited to: 1) engaging in affiliate transitions that are not  
4 compliant with the Rule's required pricing standards; 2) failing to use the same purchasing  
5 practices (i.e. competitive bidding) for affiliates as the utility affords to non-affiliates; and  
6 3) failure to create and maintain books and records separately from its affiliates with  
7 sufficient detail to permit verification of compliance with the Rule.

8 **Q. What is the Corporate Structure of Ameren Missouri and its affiliates?**

9 A. Ameren Corp (AMC) is the owner of Union Electric Inc. d/b/a Ameren Missouri. As  
10 Missouri's largest electric company, Ameren Missouri has an enormous impact on  
11 Missouri's economy. Ameren Missouri provides electric service to approximately 1.2  
12 million customers across central and eastern Missouri, including the greater St. Louis area.  
13 Ameren Missouri is also the state's second largest distributor of natural gas, supplying  
14 natural gas service to approximately 130,000 customers. Ameren Missouri is the largest  
15 entity in the AMC consolidated entity.

16 Ameren Services Company (AMS) is also a wholly owned subsidiary of AMC. AMS is a  
17 service company to Ameren Missouri as well as Ameren Illinois Company (Ameren  
18 Illinois) another state regulated utility that is wholly owned by AMC. AMS is a sister  
19 company providing goods and services to both Ameren Missouri and Ameren Illinois,  
20 along with all other Ameren entities. AMS asserts that it charges all of its costs to AMC's  
21 affiliates. Ameren Missouri's affiliate transactions with AMS play a significant role in  
22 establishing Missouri customers' rates for electrical service. In 2018, Ameren Missouri  
23 paid over \$226 million to AMS for goods and services.

1 **Q. Is Ameren Missouri able to operate independently from AMS?**

2 A. For many reasons the answer is no. Ameren Missouri does not have control of its own  
3 books and records. Nor does it have separate administrative departments such as human  
4 resources or legal departments, and relies primarily on AMS for those functions.

5 **Q. How do you define “affiliate transactions”?**

6 A. Affiliate transactions are defined in different ways depending on the facts of the entities  
7 involved, and generally occur when affiliate entities enter into a business transaction for  
8 the purchase or sale of a good or service. Common control of both parties removes the  
9 independence from the buyer and seller in their agreement of terms.

10 **Q. How are affiliate transactions different from arms-length business transactions?**

11 A. An arm’s length transaction indicates a transaction between two independent parties, in  
12 which both parties are acting in their own self-interest. Both the buyer and seller are  
13 independent, possess equal bargaining power, and are not under pressure or compulsion.  
14 Affiliate transactions are commonly done on terms that are not in the best interest of all the  
15 persons or entities entering into the agreement.

16 **Q. How does arm’s length bargaining affect fair market value?**

17 In a transaction in which a buyer and seller who are each acting in their own best interest,  
18 the result of the negotiations is likely very close to the fair market value. In such a scenario,  
19 each party wants a price that maximizes their own welfare. The buyer would offer a price  
20 or bid as low as possible while the seller would act in his/her best interest and make an  
21 offer as high as possible. Each party would then use information available to them to  
22 bargain and eventually reach an agreement or end negotiations. Therefore, the price on  
23 which the buyer and seller agree to transact would closely match the fair market value.

1 **Q. Why are affiliate transactions regulated differently than non-affiliate transactions?**

2 A. Affiliate transactions are unlike unaffiliated transactions. As previously discussed, normal  
3 business transactions are conducted on an arm's length basis with no conflict of interest.  
4 Normal business transactions occur when independent buyers and sellers (at arm's length)  
5 enter into a transaction with terms that produces net benefits for both parties' entities'  
6 interest. These normal business transactions are also made without a conflict of interest in  
7 which the buyer or seller have no capacity to exploit the other into a transaction that  
8 benefits one party at the expense of the other party. A normal business transaction results  
9 when both parties are acting in their own self-interest and are not subject to any pressure  
10 or duress from the other party. On the other hand, affiliate transactions can occur when one  
11 party is selling below its production costs or below the fair market price that the affiliate  
12 would have to pay elsewhere.

13 **Q. Has there been any litigation regarding the affiliate rules?**

14 A. Yes. The Missouri Supreme Court affirmed the Commission's Rule. The Court's decision  
15 acknowledged the difference between an affiliate transaction and a normal business  
16 transaction in its April 22, 2003 decision affirming the Commission's affiliated transaction  
17 rules. The Rule was challenged by Ameren Missouri and other Missouri utilities.<sup>1</sup> The  
18 Missouri Supreme Court recognized that the Commission's:

19 "...brief explained to the Court the rules as being a reaction to the emergence of a  
20 profit-producing scheme among public utilities termed "cross-subsidization" in  
21 which utilities abandon their traditional monopoly structure and expand into non-  
22 regulated areas. This expansion gives utilities the opportunity and incentive to shift  
23 their non-regulated costs to their regulated operations with the effect of  
24 unnecessarily increasing the rates charged to utility customers. ... "As long as a

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<sup>1</sup> In addition to Ameren, Atmos Energy Corporation (Atmos); Missouri Gas Energy (MGE);  
Laclede Gas Company (Laclede); Trigen-Kansas City Energy Corporation (Trigen); all appealed.

1 [public utility] is engaged in both regulated and competitive activities, it will have  
2 the incentive as well as the ability to ‘milk’ the rate-of-return regulated monopoly  
3 affiliate to subsidize its competitive ventures ...”). To this trend, the new rules –  
4 and in particular, the asymmetrical pricing standards – prohibit utilities from  
5 providing an advantage to their affiliates to the detriment of rate-paying customers.  
6 In addition, to police compliance, the rules require the utilities to ensure that they  
7 and their affiliates maintain records of certain transactions.”<sup>2</sup>  
8  
9

10 **Q. And what has been Ameren Missouri’s response to that Supreme Court opinion?**

11 A. There is no documentation that Ameren Missouri has ever been in compliance with the  
12 Commission’s affiliate transactions rules or has ever had an approved Cost Allocation  
13 Manual since the Commission Rule became effective to the Company in 2003.

14 **Q. What are some examples of the Company’s affiliate transactions that are not**  
15 **compliant today?**  
16

17 A. Below are some examples of the Company’s affiliate transactions differing from its normal  
18 business transactions with non-affiliates and are noncompliant with the Commission’s  
19 Rule:  
20

21 1) Providing a preference to affiliates by purchasing goods and services outside the  
22 requirement of the Company’s normal procurement policies, procedures, and practices. For  
23 example, competitive bidding has a prominent role in the Company’s procurement of goods  
24 and services from non-affiliates. The Company acknowledges that competitive bidding is  
25 not used in an affiliate transaction unless a third party non-affiliate vendor becomes  
26 involved in the work. Then the selection of the third party vender is likely the result of a  
27 competitive bidding process.

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<sup>2</sup> *State ex rel. Atmos Energy Corp. v. Public Serv. Comm’n*, 103 S.W.3d 753 (Mo.banc 2003).



1           2) Paying AMS more for goods and services than it would cost Ameren Missouri to  
2           produce the goods and services itself.

3           3) Paying AMS more than Ameren Missouri would pay to a non-affiliate for a product.

4           4) Not performing the necessary record keeping when the Rule requires Ameren Missouri  
5           to maintain the following information: “Books of accounts and supporting records in  
6           sufficient detail to permit verification of compliance with this rule.”

7           5) Agreeing to payment contract terms that accept AMS’ reported costs alone to determine  
8           payment owed.

9           6) Participating in prohibited non-compliant affiliated transactions with no Commission  
10          approved variances. The Company has no authorization to participate in non-compliant  
11          affiliate transactions as the Company’s response to OPC data request 1020 shows that,  
12          “Ameren Missouri has no existing Commission approved variances. Thus the company has  
13          been prohibited from engaging in non-compliant affiliate transactions let alone reflecting  
14          these costs on its books and records for recovery in rates in this case.”

15          7) Failing to train and advise personnel regarding the Rule as to its requirements and  
16          provisions which is inadequate to ensure rule compliance.

17          8) Leasing Ameren Missouri’s headquarters to affiliates without Commission authorization  
18          to do so. Ameren Missouri allows its non-Missouri regulated affiliates, AMS, and Ameren  
19          Transmission Company of Illinois (ATXI) to use and now lease its headquarters and other  
20          regulated assets. The Commission has not authorized these non-regulated entities to use or  
21          lease Ameren Missouri regulated assets included in the Company’s rate base in this case.

22      **Q.    What are the protections included in the Rule that are designed to protect ratepayers**  
23      **against the abuse of affiliate transactions without an arm’s length dealing?**

1 A. The Rule requires competitive bidding when Ameren Missouri acquires goods or services  
2 from an affiliate as the Company would if it were to acquire the good or service from a  
3 non-affiliate. If the affiliate transactions were competitively bid, the Company should be  
4 able to show that the affiliate transaction was the best option for the Company to fulfill its  
5 needs. The lack of competitive bidding indicates the Company, for some reason, is not  
6 performing the required due diligence to ensure a service or good is the best option for  
7 customers.

8 **Q. Is Ameren Missouri using competitive bidding for the services provided to it by AMS?**

9 A. No. Ameren Missouri has no ability to competitively bid the services it receives. In fact,  
10 Ameren Missouri is unable to choose which goods or services it receives from AMS. AMS  
11 employees' select service requests are not requests for service from an Ameren affiliate,  
12 but are rather pre-approved charges. AMS service requests are a prescribed cost charging  
13 arrangement that specifies how and who will be charged for the AMS work as well as the  
14 accounts the entity will record its charges.

15 **Q. Does the Commission's Rule address what a Missouri utility must do when confronted**  
16 **with a non-compliant transaction with an affiliate?**

17 A. Yes. Initially the utility must consider two options if it desires to participate in a non-  
18 compliant affiliate transaction. The utility must determine whether the nature of the  
19 transaction either shows good cause or it is in the best interest of its ratepayers not to  
20 comply with the Rule. If the transaction has the elements of good cause that produce a  
21 better result than compliance with the Rules, the utility may request a Rule variance. Under

1 this option, the utility cannot operate non-compliant with the Rule until the Commission  
2 has granted the utility a waiver from the Rules' requirements.

3 In the event the utility to its "best knowledge and belief" takes the position that not  
4 complying with the Rules would be in the best interests of its regulated customers and fully  
5 complies with the Rules' notice and reporting requirements, the utility may engage in non-  
6 compliance with Rules. However, the utility must still provide notice before engaging in  
7 the affiliate transaction and keep proper documentation.

8 If neither option is applicable to the affiliate transaction in question, then the utility is  
9 prohibited from participating in a non-compliant affiliate transaction

10 **Q. Does Ameren Missouri provide any good cause basis for a rule variance?**

11 A. Not in this case. This issue was to be addressed in EO-2017-0176.

12 **Q. What has Ameren Missouri shown for its "best knowledge and belief" that its affiliate  
13 transactions are in its customers best interest?**

14 A. Nothing. Ameren Missouri has never made that claim.

15 **Q. What is the dollar impact of affiliate transactions in this case?**

16 A. In the Company's test year, its affiliate transaction report showed that Ameren Missouri  
17 was charged \$226,095,426 for the goods and services procured from Ameren Missouri's  
18 affiliates. The largest affiliate charging Ameren Missouri for goods and services was AMS  
19 charging \$218,239,556 during the test year in this case. In that same period, Ameren  
20 Missouri reported that it charged \$38,936,286 to its affiliates for goods and services the  
21 Company provided to its affiliates. Ameren Missouri charged \$19,196,461 to Ameren  
22 Illinois and \$17,421,367 was charged to AMS. On the other hand, AMS back charged

1 Ameren Missouri \$7,098,850 in the test year and the Company was charged back  
2 \$7,364,130 for the first nine months of 2019.

3 **Q. Do you have a position as to what of that amount should be included in Ameren**  
4 **Missouri's electric retail rates?**

5 A. Yes, I recommend that the full amount of \$218,239,556 for AMS affiliate transaction  
6 charges not be on the Company's books, and excluded from ratemaking consideration,  
7 because the transactions are affiliate transactions not in compliance with the Rule. I also  
8 recommend that the Commission order the Company in future filings to separate all  
9 affiliate transactions not in compliance with the Rule and provide testimony as to why these  
10 transactions contain the best terms for the Company's customers.

11 **Q. What is the basis for your position?**

12 A. By the Rule's requirements, Ameren Missouri was not to engage in non-compliant affiliate  
13 transactions without obtaining a variance. Thus these transactions should not be on the  
14 Company's books and records, comingled with non-affiliate transaction over which the  
15 Commission applies a presumption of prudence regarding these costs. Instead its affiliate  
16 transactions should be separately accounted for in compliance with a 2013 Missouri  
17 Supreme Court ruling.<sup>3</sup>

18

19 **OTHER REVENUE REQUIREMENT ISSUES**

20 **Q. What information is necessary to determine if a Company's proposed changes result**  
21 **in just and reasonable rates?**

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<sup>3</sup> *Office of the Pub. Counsel v. Pub. Serv. Comm'n*, 409 S.W.3d 371 (Mo. 2013).

1 A. The Company's books and records, testimony, and workpapers filed in its direct case.  
2 These documents are the primary source of cost and revenue data used to establish whether  
3 the existing customer rates are or are not just and reasonable.

4 **Q. Do you know whether the Ameren Missouri's electric retail rates are excessive or**  
5 **deficient at this time?**

6 A. No.

7 **Q. Why can't you recommend adjustments to Ameren Missouri's filed case to determine**  
8 **whether the Company's current rates are just and reasonable?**

9 A. I am still working to determine whether the Company's cost-of-service study filed in this  
10 case justifies the requested revenue requirement. In its direct testimony, the Company's  
11 cost of service study supposedly justifies a small rate decrease (i.e. less than a million  
12 dollars). Subsequently, the Company updated its cost-of-service study showing that its  
13 current rates are now deficient. It is unclear whether Ameren Missouri will actually seek  
14 reduced rates for its electric customers when, in fact, there is likely to be a quarter of billion  
15 dollar increase to the rates of its Missouri electric retail customers. The Company's position  
16 will provide more clarity when it files true-up testimony on February 14, 2020. Due to the  
17 uncertainty regarding the actual impact of this rate case and OPC's limited resources, I will  
18 use the Commission Staff's position in its December 4, 2019 Direct Testimony as the basis  
19 to determine OPC's overall revenue requirement position.

20 **Q. What are the quarter of a billion dollars issues you have thus far identified and their**  
21 **impact on the analysis of this case?**

22 A. When doing the preliminary analysis for this testimony, I noticed two substantial items that  
23 lead to the conclusion that a substantial rate reduction is appropriate. There are two items:

1 1) elimination of Tax Cut Jobs Act (TCJA) credits from Ameren Missouri retail electric  
2 customer bills and 2) a reduction in the fuel adjustment clause (FAC) base that will be  
3 included in Ameren Missouri's base rates. These two items would reduce base rates by  
4 over a quarter of a billion dollars. Since the Company's initial case sought a less than \$1  
5 million dollar decrease, I suspect there are factors in the Company's cost of service study  
6 and revenues produced from current rates that offset these two items.

7 **Q. What is the impact of eliminating the TCJA customer bill credits?**

8 A On the effective date of new rates in this case, the Company proposes to remove the TCJA  
9 customer bill credits from customers' current bills. When considering the adequacy of  
10 Ameren Missouri's current rates, it is important to understand that the current TCJA bill  
11 credit is a monthly line-item reduction to customers' bills. Eliminating this credit will  
12 increase customers' bills, and consequently increase the Company's revenues. In the  
13 Company's response to OPC data requests, Ameren Missouri identifies that the annual  
14 impact of these bill credits to be \$177,747,832. This amount will be additional revenues to  
15 Ameren going forward.

16 **Q. What is the impact of changing the Fuel Adjustment Clause (FAC) surcharge?**

17 A. Changes in the FAC base amount should be mirrored in the change in revenue requirement.  
18 For example, if the FAC base amount is reduced by a million dollars then there should be  
19 a corresponding reduction in revenue requirement of a million dollars. Currently existing  
20 revenues include a FAC base amount of \$524,863,735.<sup>4</sup> Ameren Missouri seeks to reduce  
21 this FAC base to \$417,078,085 or by approximately \$108 million. A similar reduction in

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<sup>4</sup> Current FAC base rate of \$0.01547/kWh multiplied by Ameren Missouri's normalized kWh of 33,938,600,000.

1 Ameren Missouri’s revenue requirement should accompany this reduction in the FAC base.  
2 However, Ameren Missouri is proposing less than a million dollar rate reduction while  
3 reducing the customer credit for payments for fuel and purchase power by \$108 million.  
4 Ameren Missouri did not identify or explain the reason it did not reduce its revenue  
5 requirement by the \$108 million expense reduction to the amount it credits to customers  
6 under the FAC. These non-explanations further justify my position that the Commission  
7 cannot use the Company’s filing as a basis to determine its revenue requirement position.

8 **Q. Have you tried to determine which Ameren Missouri costs have increased to offset**  
9 **the quarter billion rate reduction that should result from eliminating the TCJA**  
10 **customer credit and the \$108,000,000 FAC base reduction?**

11 A. Yes, as this issue developed I submitted OPC data request 1000 requesting the following:  
12 Please provide copies of all the documentation related to UEC’s decision to file this case  
13 versus maintaining its current rates.

14  
15 The Company responded with the following objection on November 1, 2019:

16  
17 “The Company objects to DR No. 1000 because it seeks information that is neither  
18 relevant nor reasonably calculated to lead to the discovery of admissible evidence,  
19 is overbroad, unduly burdensome, and seeks materials protected by one or more of  
20 the attorney-client, work product, and accountant-client privileges.”

21  
22 OPC followed-up with data request 1044 requesting:

23 “Ameren Missouri witness Warren Wood testifies in his direct testimony  
24 that the Company filed this case “for the same reason that we filed in the  
25 past to increase our rates – it is what the cost of service study shows should  
26 be done to appropriately adjust our rates.” Excluding work papers, filed  
27 testimony, and privileged information, please provide copies of the  
28 documentation justifying Mr. Wood’s stated rate case driver. For those  
29 documents that Ameren Missouri asserts are privileged, please identify the  
30 nature and identify of the document.”

31  
32 Ameren Missouri responded:

1                    “No such documentation exists beyond work papers and testimony filed in this  
2                    case.” But I reviewed all the information Mr. Wood submitted and cannot find any  
3                    work papers from Mr. Wood supporting any of his filed testimony.”  
4

5                    With the deficiencies of the Company’s direct filed case and lack of support, I conclude it  
6                    must develop its overall revenue requirement position using the Staff’s cost of service filing  
7                    on December 4, 2019.

8   **Q.    What is the status of OPC’s adjustments at this time?**

9    A.    There is a cash working capital and rate base reduction currently estimated at \$8,324,870.  
10           The management expense issue is currently expected to be \$1.3 million. The rate of return  
11           impact is expected to be significant but its quantification requires a rate base number  
12           unknown at this as is the affiliate transaction issue.

13   **Q.    Does that conclude your direct testimony?**

14    A.    Yes.



## CASE PROCEEDING PARTICIPATION

## ROBERT E. SCHALLENBERG

<u>COMPANY</u>	<u>CASE NO.</u>
Summit Natural Gas of Missouri	GO-2012-0322
Spire Missouri, Inc.	GO-2019-0356 GO-2019-0357
Ameren Missouri	GR-2019-0077
Kansas City Power & Light Co.-Greater Missouri Operations	EC-2019-0200
Spire-Missouri Inc.	GO-2019-0115 GO-2019-0116
Kansas City Power & Light Co.	ER-2018-0145
Kansas City Power & Light Co.-Greater Missouri Operations	ER-2018-0146
Laclede Gas Company	GO-2016-0332 GO-2016-0333 GO 2017-0201 GO-2017-0202 GO-2018-0309 GO-2018-0310
Grain Belt Express Clean Line, LLC	EA-2016-0358
Spire, Inc. EnergySouth, Inc.	GM-2016-0342
Great Plains Energy, Inc. Westar Energy, Inc.	EM-2016-0324
Kansas City Power & Light Company	ER-2016-0285
The Empire District Electric Company, Liberty Utilities (Central) Co. and Liberty Sub Corp.	EM-2016-0213

**CASE PROCEEDING PARTICIPATION**

**ROBERT E. SCHALLENBERG**

Laclede Gas Company	GF-2015-0181
The Empire District Electric Company	AO-2012-0062
KCP&L Greater Missouri Operations Company	ER-2010-0356
Kansas City Power & Light Company	ER-2010-0355
Great Plains Energy Incorporated, Kansas City Power & Light Company	ER-2009-0090
Great Plains Energy Incorporated, Kansas City Power & Light Company	ER-2009-0089
Great Plains Energy Incorporated, Kansas City Power & Light Company, Aquila, Inc.	EM-2007-0374
Union Electric Company, d/b/a AmerenUE	ER-2007-0002
Missouri Pipeline Company	GC-2006-0491
Aquila, Inc.	ER-2005-0436
Union Electric Company, d/b/a AmerenUE	EA-2005-0180
Union Electric Company, d/b/a AmerenUE	EC-2002-1
Mississippi River Transmission	RP96-199-000
Williams Natural Gas Company	RP96-173-000
Williams Natural Gas Company	RP95-136-000
Williams Natural Gas Company	RP94-365-000
Laclede Gas Company	GR-94-220
Western Resources	GM-94-40
<b><u>COMPANY</u></b>	<b><u>CASE NO.</u></b>
Western Resources	GR-93-240
St. Joseph Light & Power Company	ER-93-41
Southwestern Bell Telephone Company	TC-93-224

**CASE PROCEEDING PARTICIPATION**

**ROBERT E. SCHALLENBERG**

St. Joseph Light & Power Company	EC-92-214
Kansas Power & Light Company	GR-91-291
Kansas Power & Light Company	EM-91-213
Arkansas Power & Light Company	EM-91-29
Missouri Public Service Company	ER-90-101
Southwestern Bell Telephone Company	TR-90-98
General Telephone	TR-89-182
Southwestern Bell Telephone Company	TO-89-56
Southwestern Bell Telephone Company	TC-89-14
Union Electric Company	EC-87-114
General Telephone	TC-87-57
General Telephone	TM-87-19
General Telephone	TR-86-148
Southwestern Bell Telephone Company	TR-86-84
Kansas City Power & Light Company	EO-85-185
Kansas City Power & Light Company	ER-85-128
Southwestern Bell Telephone Company	TR-83-253
Kansas City Power & Light Company	ER-83-49
Southwestern Bell Telephone Company	TR-82-199
Kansas City Power & Light Company	HR-82-67
Kansas City Power & Light Company	ER-82-66
Southwestern Bell Telephone Company	TO-82-3
Southwestern Bell Telephone Company	TR-81-208
Kansas City Power & Light Company	ER-81-42

**CASE PROCEEDING PARTICIPATION**

**ROBERT E. SCHALLENBERG**

<b><u>COMPANY</u></b>	<b><u>CASE NO.</u></b>
Southwestern Bell Telephone Company	TR-80-256
United Telephone Company of Missouri	TR-80-235
Kansas City Power & Light Company	ER-80-204
Kansas City Power & Light Company	ER-80-48
Kansas City Power & Light Company	ER-80-48
Southwestern Bell Telephone Company	TR-79-213
Gas Service Company	GR-79-114
Missouri Public Service Company	ER-79-60
Missouri Public Service Company	ER-79-61
Kansas City Power & Light Company	ER-78-252
Missouri Public Service Company	GR-78-30
Missouri Public Service Company	ER-78-29
Gas Service Company	GR-78-70
Kansas City Power & Light Company	ER-77-118

**CASE SUMMARY OF INVOLVEMENT  
OF  
ROBERT E. SCHALLENBERG**

Spire Missouri

Case No. GO-2019-0356 & GO-23019-0357  
Date: September, 27, 2019  
Area: Cost Recovery Mechanism

Summit Natural Gas of Missouri

Case No. GO-2012-0322  
Date: August 5, 2019 & August 26, 2019  
Area: Affiliate Transaction

Ameren Missouri Gas

Case No. GR-2019-0077  
Date: June 7, 2019  
Area: Affiliate Transaction/Capital Structure

Kansas City Power & Light Co.-Greater Missouri

Case No. EC-2019-0200  
Date: April 23, 2019  
Area: Accounting Order

Spire Missouri Inc.

Case No. GO-2019-0115 and GO-2019-0116  
Date: March 29, 2019  
Areas: Cost Recovery Mechanism

Kansas City Power & Light Co. and Kansas City Power & Light Co.-Greater Missouri  
Operations

Case No. ER-2018-0145 and ER-2018-0146  
Date: June 19, 2018 (Direct); July 27, 2018 (Rebuttal); and September 4, 2018 (Surrebuttal)  
Areas: Policy, Productivity, Affiliate Transactions, Capital Structure

Laclede Gas Company

Case Nos. GO-2016-0332; GO-2016-0333; GO-2017-0201; GO-2017-0202; GO-2018-0309;  
GO-2018-0310  
Date August 22, 2018  
Areas: Cost Recovery Mechanism, Infrastructure System Replacement Surcharge (ISRS)

Grain Belt Express Clean Line, LLC

Case No. EA-2016-0358  
Date: January 24, 2017 (Rebuttal Report)  
Areas: Public Comments

**CASE SUMMARY OF INVOLVEMENT  
OF  
ROBERT E. SCHALLENBERG**

Spire, Incorporated  
EnergySouth, Inc.  
Case No. GM-2016-0342  
Date: September 1, 2016 (Investigation Report)  
Areas: Affiliated Transactions

Great Plains Energy Incorporated  
Westar Energy, Inc.  
Case No. EM-2016-0324  
Date: July 25, 2016 (Investigation Report)  
Areas: Affiliated Transactions

Kansas City Power & Light Company  
Case No. ER-2016-0285  
Date: January 27, 2017 (Surrebuttal)  
Areas: Affiliate Transactions

The Empire District Electric Company,  
Liberty Utilities (Central) Co. and Liberty Sub Corp.  
Case No. EM-2016-0213  
Date: July 20, 2016 (Rebuttal)  
Areas: Affiliated Transactions

Laclede Gas Company  
Case No. GF-2015-0181  
Date: June 18, 2015 (Affidavit)  
Areas: Finance Authority

The Empire District Electric Company  
Case No. AO-2012-0062  
Date: September 9, 2016 (Direct)  
Areas: Affiliated Transactions; Cost Allocation Manual

KCP&L Greater Missouri Operations Company  
Case No. ER-2010-0356  
Date: November 4, 2010 (Report)  
Areas: Construction Audit and Prudence Review

Kansas City Power & Light Company  
Case No. ER-2010-0355  
Date: November 4, 2010 (Report)  
Areas: Construction Audit and Prudence Review

**CASE SUMMARY OF INVOLVEMENT  
OF  
ROBERT E. SCHALLENBERG**

Great Plains Energy Incorporated,  
Kansas City Power & Light Company  
Case No. ER-2009-0090  
Date: April 9, 2009 (Surrebuttal)  
Areas: Iatan Prudence Review

Great Plains Energy Incorporated,  
Kansas City Power & Light Company  
Case No. ER-2009-0089  
Date: April 7, 2009 (Surrebuttal)  
Areas: Iatan Prudence Review

Great Plains Energy Incorporated,  
Kansas City Power & Light Company, Aquila, Inc.  
Case No. EM-2007-0374  
Date: October 12, 2007 (Rebuttal and  
Staff Report of Evaluation and Recommendations)  
Areas: GPE Acquisition of Aquila

Union Electric Company, d/b/a AmerenUE  
Case No. ER-2007-0002  
Date: February 28, 2007 (Surrebuttal)  
Areas: EEInc.  
  
Date: January 31, 2007 (Rebuttal)  
Areas: EEInc. and 4 CSR 240-10.020

Missouri Pipeline Company  
Case No. GC-2006-0491  
Date: September 6, 2006 (Direct)  
November 17, 2006 (Surrebuttal)  
Areas: Affiliate Transactions, Tariff Violations and Associated Penalties;  
Transportation Tariffs

Aquila, Inc.  
Case No. ER-2005-0436  
Date: October, 14 2005 (Direct)  
December 13, 2005 (Surrebuttal)  
Areas: Unit Ownership Costs

**CASE SUMMARY OF INVOLVEMENT  
OF  
ROBERT E. SCHALLENBERG**

Union Electric Company, d/b/a AmerenUE  
Case No. EA-2005-0180  
Date: October 15, 2005 (Rebuttal)  
Areas: East Transfer

Union Electric Company d/b/a AmerenUE  
Case No. EC-2002-1  
Date: June 24, 2002 (Surrebuttal)  
Area: Overview, 4 CSR 240-10.020, Alternative Regulation Plan

Laclede Gas Company  
Case No. GR-94-220  
Date: July 1, 1994 (Direct)  
Areas: Property Taxes, Manufactured Gas Accruals, Deregulated Cost Assignments

Western Resources, Inc.,  
dba Gas Service, a Western Resources Company  
Case No. GM-94-40  
Date: November 29, 1993 (Rebuttal)  
Areas: Jurisdictional Consequences of the Sale of Missouri Gas Properties

Kansas Power & Light Company  
Case No. EM-91-213  
Date: April 15, 1991 (Rebuttal)  
Areas: Purchase of Kansas Gas & Electric Company

Arkansas Power & Light Company and Union Electric Company  
Case No. EM-91-29  
Date: 1990-1991  
Areas: No pre-filed rebuttal testimony by Staff before non-unanimous stipulation and agreement reached.

General Telephone Company of the Midwest  
Case No. TM-87-19  
Date: December 17, 1986  
Areas: Merger

Union Electric Company  
Case No. EC-87-114  
Date: September 9, 1987 (Surrebuttal)  
Date: April 24, 1987 (Direct)  
Areas: Elimination of Further Company Phase-In Increases, Write-Off of Callaway I to Company's Capital Structure



**CASE SUMMARY OF INVOLVEMENT  
OF  
ROBERT E. SCHALLENBERG**

General Telephone Company of the Midwest

Case No. TC-87-57

Date: December 22, 1986

Areas: Background and Overview, GTE Service Corporation, Merger Adjustment,  
Adjustments to Income Statement

Southwestern Bell Telephone Company

Case No. TR-86-84

Date: 1986

No prefiled direct testimony by Staff - case settled before Staff direct testimony filed.

Kansas City Power & Light Company

Case Nos. EO-85-185 and ER-85-128

Date: April 11, 1985

Areas: Phase I - Electric Jurisdictional Allocations

Date: June 21, 1985

Areas: Phase III - Deferred Taxes Offset to Rate Base

Date: July 3, 1985

Areas: Phase IV - 47% vs. 41.5% Ownership, Interest, Phase-In, Test Year/True-Up,  
Decision to Build Wolf Creek, Non-Wolf Creek Depreciation Rates, Depreciation  
Reserve

Southwestern Bell Telephone Company

Case No. TR-83-253

Date: September 23, 1983

Areas: Cost of Divestiture Relating to AT&T Communications, Test Year, True-Up,  
Management Efficiency and Economy

Kansas City Power & Light Company

Case No. ER-83-49

Date: February 11, 1983

Areas: Test Year, Fuel Inventories, Other O&M Expense Adjustment, Attrition Adjustment,  
Fuel Expense-Forecasted Fuel Prices, Deferred Taxes Offset to Rate Base

**CASE SUMMARY OF INVOLVEMENT  
OF  
ROBERT E. SCHALLENBERG**

Kansas City Power & Light Company

Case Nos. ER-82-66 and HR-82-67

Date: March 26, 1982

Areas: Indexing/Attrition, Normalization vs. Flow-Through, Deferred Taxes as an Offset to Rate Base, Annualization of Amortization of Deferred Income Taxes, Cost of Money/Rate of Return, Allocations, Fuel Inventories, Iatan AFDC Associated with AEC Sale, Forecasted Coal and Natural Gas Prices, Allowance for Known and Measurable Changes

Southwestern Bell Telephone Company

Case No. TR-82-199

Date: August 27, 1982

Areas: License Contract, Capitalized Property Taxes, Normalization vs. Flow-Through, Interest Expense, Separations, Consent Decree, Capital Structure Relationship

Generic Telecommunications

Straight Line Equal Life Group and Remaining Life Depreciation Methods

Case No. TO-82-3

Date: December 23, 1981

Areas: Depreciation

Southwestern Bell Telephone Company

Case No. TR-81-208

Date: August 6, 1981

Areas: License Contract, Flow-Through vs. Normalization

Kansas City Power & Light Company

Case No. ER-81-42

Date: March 13, 1981

Areas: Iatan (AEC Sale), Normalization vs. Flow-Through, Allocations, Allowance for Known and Measurable Changes

Southwestern Bell Telephone Company

Case No. TR-80-256

Date: October 23, 1980

Areas: Flow-Through vs. Normalization

United Telephone Company of Missouri

Case No. TR-80-235

Date: December 1980

Areas: Rate of Return

**CASE SUMMARY OF INVOLVEMENT  
OF  
ROBERT E. SCHALLENBERG**

Kansas City Power & Light Company

Case Nos. ER-80-48 and ER-80-204

Date: March 11, 1980

Areas: Iatan Station Excess Capacity, Interest Synchronization, Allocations

Southwestern Bell Telephone Company

Case No. TR-79-213

Date: October 19, 1979

Areas: Income Taxes, Deferred Taxes

Gas Service Company

Case No. GR-79-114

Date: June 15, 1979

Areas: Deferred Taxes as an Offset to Rate Base

Missouri Public Service Company

Case Nos. ER-79-60 and GR-79-61

Date: April 9, 1979

Areas: Depreciation Reserve, Cash Working Capital

Missouri Public Service Company

Case Nos. ER-78-29 and GR-78-30

Date: August 10, 1978

Areas: Fuel Expense, Electric Materials and Supplies, Electric and Gas Prepayments,  
Electric and Gas Cash Working Capital, Electric Revenues

While in the employ of the Kansas State Corporation Commission in 1978, Mr. Schallenberg worked on a Gas Service Company rate case and rate cases of various electric cooperatives.