

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

In the Matter of the Application of Union)
Electric Company d/b/a Ameren Missouri for)
Approval of Efficient Electrification)
Program.) File No. ET-2021-0020

UNANIMOUS STIPULATION AND AGREEMENT

COME NOW Union Electric Company d/b/a Ameren Missouri ("Ameren Missouri" or the "Company"), Staff of the Missouri Public Service Commission ("Staff"), and the Office of the Public Counsel ("OPC"), and Renew Missouri Advocates d/b/a Renew Missouri ("Renew Missouri") (collectively referred to as "Signatories"), and submit this *Stipulation and Agreement* ("*Stipulation*") for approval by the Missouri Public Service Commission ("Commission"). While not a Signatory, the only remaining party to this proceeding – Missouri Propane Gas Association – has indicated that it does not oppose this *Stipulation*. In support of this *Stipulation*, the Signatories respectfully state as follows:

BACKGROUND

1. On October 27, 2020, Ameren Missouri filed in this case an *Application, Request for Variances, and Request for Accounting Authority* ("*Application*"), together with supporting testimony and proposed tariffs, seeking approval for a pilot program that would provide incentives for the adoption of a specific subset of large business equipment. Specifically, the pilot program would provide incentives to Ameren Missouri business customers in order to encourage the adoption truck refrigeration units ("TRUs") and Class I Electric Lift trucks with a capacity greater than 6,000 pounds.

2. On February 1, 2021, the Commission issued its *Order Granting Motion to Modify the Procedural Schedule*, which established February 12, 2021, as the date parties should submit

Rebuttal Testimony in response to Ameren Missouri's proposal. In lieu of Rebuttal Testimony, the Signatories hereto submit this *Stipulation*. Because the agreements contained therein are conceptually similar to the Company's proposal, this *Stipulation* is generally supported by the Direct Testimony initially filed by the Company in this proceeding.

SPECIFIC TERMS AND CONDITIONS

3. Administrative/Marketing Costs. Ameren Missouri agrees to cap its administrative and marketing costs associated with the program at 20% of the proposed \$1.9 million budget, with the rest allocated to customer incentives.

4. Short-Term Debt. Ameren Missouri will account for any carrying costs associated with the program at the Company's short-term debt rate.

5. Time of Day Rates. Ameren Missouri will promote time of day rates in its marketing of this program, and will encourage participating customers to utilize time of day rates if it is practical for that customer to do so.

6. Customer Eligibility. The program will be available to all customers qualifying for service under Service Classifications Small General Service Rate 2(M), Large General Service Rate 3(M), Small Primary Service Rate 4(M), Large Primary Service Rate 11(M), and Large Transmission Service Rate 12(M), except for those customers currently taking service under or applying for discounted rates pursuant to Rider EDI or any other economic development program conducted by the Company. Customers may receive only one incentive per Measure, First preference for participation will be given to customers who agree to incorporate any equipment that allows monitoring of equipment usage. After that, preference will be given to customers who: 1) opt to use Time of Day ("TOD") rates; 2) require less in the way of infrastructure buildout in

order to utilize the incentivized equipment; and/or 3) are located in economically challenged areas in Ameren Missouri's service territory.

7. Eligible Equipment. The Description for Lift Trucks included in the program tariff will be revised to read as follows (i.e., the underlined language will be added):

A vehicle with two power-operated prongs at the front that can be slid under heavy loads and then raised for moving and stacking materials in warehouses, shipping depots, distribution center, etc. Incentives are only available for Class I Lift Trucks having a capacity of greater than 6,000 pounds only, and which are not replacing existing equipment that utilizes propane as its fuel source.

8. Education Requirements. Ameren Missouri will implement a plan for educating customers regarding the pilot, including a focus of its marketing efforts on industry trade allies that are engaged in manufacturing, sales, installation, and service of the eligible measures and that already have trusted relationships with customers. Additionally, the Company will work with its internal, customer-facing staff who have relationships with customers to introduce the program and solicit meetings with internal program staff. Ameren Missouri will provide education to applicants and program participants related to program benefits, the potential for bill impacts arising from the application of demand charges or hours use energy charges that may be associated with the customer's service classification to the incremental usage associated with the measure, TOD rates, and the safety of electric usage related to the equipment. The Company will share information and educational materials it intends to provide to applicants and participants with Staff and OPC, and take feedback regarding those materials under advisement. This includes a Frequently Asked Questions ("FAQ") section that Ameren Missouri shall include on its website related to this program.

9. Geographic Diversity. Ameren Missouri will, to the extent practical, encourage participation in the pilot program throughout its service territory, including in economically challenged areas. The Company will do this through:

- Tracking participation geographically and targeting its marketing strategy for the program accordingly;
- Limiting the number of incentives ports for TRUs to 45 among affiliated entities; and
- Limiting the number of incentivized lift trucks to 20 among affiliated entities.

For the purposes of this *Stipulation*, "affiliate" means, with respect to any entity, each entity that directly or indirectly controls, is controlled by, or is under common control with, such designated entity, with "control" meaning the possession, directly or indirectly, of the power to direct management and policies, whether through ownership of voting securities (if applicable) or by contract or otherwise. The Signatories understand that the Company cannot ultimately control the geographic location of the customers who ultimately choose to participate in the pilot.

10. Compliance Tariffs. Ameren Missouri will submit compliance tariffs consistent with the parameters described in the Direct Testimony of Steven M. Wills filed contemporaneously with the *Application*, modified only to the extent necessary to reflect the agreements contained herein, and submit those compliance tariffs for approval by the Commission as soon as practical. Ameren Missouri will work with Staff and OPC on the tariff language before the compliance tariffs are filed.

11. Reporting Requirements: Ameren Missouri will submit a report at the program term midpoint, as well as a final report at the end of the Initial Period, to the Commission in this docket, and with operable workpapers (as applicable) provided to all signatories, files or reports containing the following information (as available) set forth below (portions of which may be designated as confidential when appropriate)¹:

¹ To the extent information is not available for a particular reporting period, it will be provided (if available) in a subsequent period.

- Program information, by type of equipment (TRU, High Capacity Lift Trucks):
 - Physical address, account number, and account billing schedule, as well as (as applicable) locations of the participating customers' affiliated entities also participating in the incentive program;
 - Incentives paid; and
 - Equipment power levels;
- Direct load/revenues by location for separately metered program measures;
- Estimated direct load/revenues by location for program measures that are not separately metered, with work papers;
- Total administrative cost breakdown including a detailed description of advertising and education activities to date; and
- To the extent allowed by the available equipment and associated data, an analysis of any correlation of equipment usage with customer billing demands, system coincident peak loads as well as non-coincident peak loads, including equipment impact on customer loads during peak and off-peak periods.
 - Within 30 days of the Commission's approval of this *Stipulation*, Ameren Missouri will communicate to Staff, OPC, and Renew Missouri the technical capabilities and associated costs related to the capture of equipment load data and customer load data.
 - Based on that information, the Company, Staff, OPC, and Renew Missouri will determine what data, if any, can and will be provided to Staff, OPC, and Renew Missouri.
 - If the acquisition of equipment that facilitates retention of charging data exceeds the cost of similar equipment by more than \$50, the Signatories will support a reasonably revised tariff increasing the incentives by an amount in the range of \$50 - \$500, with the overall budget remaining the same.

12. Variations. In order to provide the requested incentives as agreed herein, the Signatories encourage the Commission to grant Ameren Missouri's a waiver of 20 CSR 4240-14.020(1)(D),(E), and (F), which provide:

No public utility shall offer or grant any of the following promotional practices for

the purposes of inducing any person to select and use the service or use additional service of the utility:

(D) The furnishing of consideration to any dealer, architect, building, engineer, subdivider, developer or other person for the sale, installation or use of appliances or equipment...

(E) The provision of free, or less than cost value, wiring, piping, appliances or equipment to any other person...

(F) The provision of free, or less than cost or value, installation, operation, repair, modification or maintenance of appliances, equipment, wiring, or piping of any other person...

13. Accounting Authority. Ameren Missouri will use a deferral accounting mechanism to track the program costs and administrative expenses as a regulatory asset. Rate treatment of that regulatory asset will be determined in future rate cases.

GENERAL PROVISIONS

14. This *Stipulation* is being entered into solely for the purpose of settling the issues specifically set forth above, and represents a settlement on a mutually agreeable outcome without resolution of specific issues of law or fact. This *Stipulation* is intended to relate *only* to the specific matters referred to herein; no Signatory waives any claim or right which it may otherwise have with respect to any matter not expressly provided for herein. No party will be deemed to have approved, accepted, agreed, consented, or acquiesced to any substantive or procedural principle, treatment, calculation, or other determinative issue underlying the provisions of this *Stipulation*. Except as specifically provided herein, no Signatory shall be prejudiced or bound in any manner by the terms of this *Stipulation* in any other proceeding, regardless of whether this *Stipulation* is approved.

15. This *Stipulation* has resulted from extensive negotiations among the Signatories and the terms hereof are interdependent. In the event the Commission approves this *Stipulation* with modifications or conditions to which a party objects, then this *Stipulation* shall be void and no Signatory shall be bound by any of the agreements or provisions hereof.

16. If the Commission does not approve this *Stipulation* unconditionally and without modification, and notwithstanding its provision that it shall become void, neither this *Stipulation*, nor any matters associated with its consideration by the Commission, shall be considered or argued to be a waiver of the rights that any Signatory has for a decision in accordance with Section 536.090, RSMo 2000 or Article V, Section 18 of the Missouri Constitution, and the Signatories shall retain all procedural and due process rights as fully as though this *Stipulation* had not been presented for approval, and any suggestions or memoranda, testimony or exhibits that have been offered or received in support of this *Stipulation* shall become privileged as reflecting the substantive content of settlement discussions and shall be stricken from and not be considered as part of the administrative or evidentiary record before the Commission for any further purpose whatsoever.

17. If the Commission unconditionally accepts the specific terms of this *Stipulation* without modification, the Signatories waive, with respect only to the issues resolved herein: their respective rights (1) to call, examine and cross-examine witnesses pursuant to Section 536.070(2), RSMo 2016; (2) their respective rights to present oral argument and/or written briefs pursuant to Section 536.080.1, RSMo 2016; (3) their respective rights to the reading of the transcript by the Commission pursuant to Section 536.080.2 RSMo 2016; (4) their respective rights to seek rehearing pursuant to Section 386.500, RSMo 2016; and (5) their respective rights to judicial review pursuant to Section 386.510, RSMo 2016. These waivers apply only to a Commission order respecting this *Stipulation* issued in this above-captioned proceeding, and do not apply to any matters raised in any prior or subsequent Commission proceeding, or any matters not explicitly addressed by this *Stipulation*.

18. The Staff and Ameren Missouri shall also have the right to provide, at any agenda meeting at which this *Stipulation* is noticed to be considered by the Commission, whatever oral explanation the Commission requests, provided that Staff and Ameren Missouri shall, to the extent reasonably practicable, provide the other Signatories with advance notice of when they shall respond to the Commission's request for such explanation once such explanation is requested from Staff or Ameren Missouri. Staff's and Ameren Missouri's oral explanation shall be subject to public disclosure, except to the extent it refers to matters that are privileged or protected from disclosure pursuant to the Commission's rules on confidential information.

19. This *Stipulation* contains the entire agreement of the Signatories concerning the issues addressed herein.

20. This *Stipulation* does not constitute a contract with the Commission and is not intended to impinge upon any Commission claim, right, or argument by virtue of the *Stipulation's* approval. Acceptance of this *Stipulation* by the Commission shall not be deemed as constituting an agreement on the part of the Commission to forego the use of any discovery, investigative or other power which the Commission presently has or as an acquiescence of any underlying issue. Thus, nothing in this *Stipulation* is intended to impinge or restrict in any manner the exercise by the Commission of any statutory right, including the right to access information, or any statutory obligation.

21. The Signatories agree that this *Stipulation*, except as specifically noted herein, resolves all issues related to these topics, and that this *Stipulation* should be received into the record without the necessity of any witness taking the stand for examination.

WHEREFORE, the Signatories respectfully request that the Commission approve this *Stipulation*, and grant any other and further relief as it deems just and reasonable.

/s/ Paula N. Johnson

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing was served on the Staff of the Commission and the Office of the Public Counsel on this via electronic mail (e-mail) on this 24th day of February, 2021.

/s/ Paula N. Johnson