

**STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION**

At a session of the Public Service  
Commission held at its office  
in Jefferson City on the 20<sup>th</sup>  
day of January, 2016.

Staff of the Missouri Public Service  
Commission,

Complainant,

v.

Union Electric Company, d/b/a  
Ameren Missouri,

Respondent.

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**File No. EC-2015-0315**

**ORDER REGARDING REQUESTS FOR REHEARING AND  
CLARIFICATION**

Issue Date: January 20, 2016

Effective Date: January 30, 2016

On November 18, 2015, the Commission issued an order granting Staff's motion for summary determination and denying Union Electric Company, d/b/a Ameren Missouri's motion for summary determination regarding Staff's complaint against Ameren Missouri. The Commission's order became effective on December 18.

On December 17, the Missouri Department of Economic Development – Division of Energy filed an application for rehearing. Ameren Missouri filed a separate application for rehearing on the same date. Ameren Missouri also requested clarification of a provision within the Commission's order.

Section 386.500.1, RSMo 2000 provides that the Commission may grant a request for rehearing, “if in its judgment sufficient reason therefor be made to appear”. In the judgment of the Commission, neither the Division of Energy nor Ameren Missouri has shown sufficient reason to rehear the order resolving Staff’s complaint. Those motions will be denied.

Ameren Missouri also requests clarification of one aspect of the Commission’s order. The Commission’s order required Ameren Missouri to provide its independent EM&V contractors with the most recent avoided cost information needed for the calculation of the portion of the annual net shared benefits that are to be awarded to Ameren Missouri as a performance incentive as a result of the energy efficiency savings the utility has achieved from its MEEIA demand-side programs for Program Year 2014. During that program year, the most recent avoided cost information changed when Ameren Missouri selected a new preferred resource plan on October 1, 2014, when it filed its 2014 IRP. Before that time the avoided cost information was based on its 2011 IRP filing. Ameren Missouri asks the Commission to clarify that the avoided cost estimates used to calculate the performance incentive arising from MWhs saved before October 1, 2014 should be measured against the standards found in the 2011 IRP filing rather than the 2014 IRP filing.

Staff responded to Ameren Missouri’s request for clarification by arguing 1) that the approach proposed by Ameren Missouri would be overly complicated, 2) would increase the amount of costs recovered from ratepayers, and 3) would have a minimal impact on the 2014 Performance Incentive amount. Ameren Missouri replied to Staff by arguing that the company knows, from month to month, which measures have been

installed. As a result, it is easy to segregate the measures installed before and after October 1, 2014, and it is a straightforward calculation to determine the lifetime savings from those measures. Ameren Missouri estimates that the impact to the 2014 Performance Incentive amount would be approximately \$3 million.

The Commission finds that Ameren Missouri's request for clarification is reasonable. The calculation proposed by Ameren Missouri is not overly complicated, and the impact of that calculation is not trivial. Most importantly, the calculation proposed by Ameren Missouri is consistent with the Commission's finding that the performance incentive should be based on the market price available at the time avoided costs are calculated. It is reasonable that the 2014 IRP actual costs begin to apply to the calculation of net benefits only after the 2014 IRP was filed.

**THE COMMISSION ORDERS THAT:**

1. The Missouri Department of Economic Development - Division of Energy's Application for Rehearing is denied.
2. Union Electric Company, d/b/a Ameren Missouri's Application for Rehearing is denied.
3. Union Electric Company, d/b/a Ameren Missouri's Request for Clarification is granted.

4. This order shall be effective on January 30, 2016.



**BY THE COMMISSION**

A handwritten signature in black ink that reads "Morris L. Woodruff".

Morris L. Woodruff  
Secretary

Hall, Chm., Stoll, Kenney, Rupp, and  
Coleman, CC., concur.

Woodruff, Chief Regulatory  
Law Judge