

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

Roman Dzhurinskiy and)	
Zinaida Dzhurinskaya,)	
Complainants,)	
)	
vs.)	Case No: EC-2016-0001
)	
Union Electric Company, d/b/a)	
Ameren Missouri,)	
Respondent.)	

ANSWER

COMES NOW, Union Electric Company, d/b/a Ameren Missouri (“Ameren Missouri” or “Company”), and for its Answer states as follows:

1. On July 1, 2015, Mr. Roman Dzhurinskiy and Ms. Zinaida Dzhurinskaya (“Complainants”) initiated this proceeding against Company. Complainants receive residential electric utility service from the Company and their service address is 32 Crabapple Ct., St. Louis, Missouri 63132.

2. Any allegation not specifically admitted herein by the Company should be considered denied.

3. In answer to paragraph 1 of the Complaint, Ameren Missouri admits that it is a public utility under the jurisdiction of the Missouri Public Service Commission. The location of the Company’s principal offices and its mailing address are: 1901 Chouteau Ave., MC-1310, P.O. Box 66149, St. Louis, Missouri 63166-6149.

4. In answer to the first sentence of paragraph 2 of the Complaint, the Company denies the allegations as stated but admits that its tariff, 1st Revised Sheet No. 90.1, titled “Rider EEIC Energy Efficiency Investment Charge (Cont’d.) for MEEIA Cycle 1 Plan” addresses which customers will be exempt from Rider EEIC charges and addresses how long the exemption will last. In further answer the Company states that the definition of low-income set forth in said tariff sheet provides that customers who are eligible, “*will be exempt* from Rider EEIC charges

for 12 billing months *following assistance received* from either Missouri Energy Assistance....” (emphasis added).

5. In answer to the second sentence of paragraph 2, the Company admits that Complainant Roman Dzhurinskiy contacted the Company’s customer care center in May 2015 and again in June 2015 and stated his position that he should be exempt from the Rider EEIC charge. The Company also admits that it determined, and communicated to Complainant, that he was not eligible for the exemption from the Rider EEIC charge because he had not received an energy assistance pledge on his residential electric utility account with the Company within the last 12 months.

6. The Company admits the allegation of the third sentence of paragraph 2.

7. In answer to the fourth sentence of paragraph 2, the Company admits that it interprets the phrase “assistance received,” included in the definition of “low-income” in Sheet No. 90.1, to mean that to be eligible for the low-income exemption, the customer must have received assistance to pay his or her bill from the Company for utility service provided by the Company. The Company denies the allegation that the Company’s interpretation is, “not supported by any legal documents.” In further answer, Missouri’s Energy Efficiency Investment Act (“MEEIA”) specifically provides that, “low-income classes” are those “as defined in an appropriate rate proceeding[.]” §393.1075.6 RSMo. The Company’s applicable tariff, 1st Revised Sheet No. 90.1, was proposed by the Company in its most recent rate case, ER-2014-0258. In that proceeding, the Company presented the only evidence, through the testimony of its witness, William R. Davis, regarding how the qualifications for the low-income exemption should be defined by the Company. Mr. Davis testified as follows:

Q. How are you defining low income?

A. As a practical consideration, Ameren Missouri does not think it is appropriate nor does it currently have the ability to act as the agent to validate its customers’ incomes. Ameren Missouri proposes to rely on *existing data in its billing system* to identify customers who already receive credits only available to customers who have met income requirements that are validated externally...[.]

Q. Will eligible customers need to do anything to get the exemption?

A. No. Any customer who has received a credit from at least one of the five programs identified above within the prior 12 months will automatically be exempted from the MEEIA Rider charges. Each billing period, *Ameren Missouri’s billing system will check to see if the customer has received a credit* and if a customer has received a credit within 12 months then the exemption will remain. (emphasis added).

ER-2014-0258, EFIS No. 23, Direct Testimony of William R. Davis, p. 20, l. 12-p. 21, l. 13; Schedule WRD-3, p. 2.

The only other testimony in ER-2014-0258 directly pertaining to this issue was the testimony of Geoff Marke, offered by the Office of Public Counsel. Mr. Marke admitted that, "...Ameren Missouri does not have the ability to act as the agent to validate its customers' income" and acknowledged that, instead, the Company was, "proposing to rely on existing data in their billing system to identify customers, which is to say, those customers who already receive some form of Missouri energy assistance...[.]" Mr. Marke noted that the Company's proposed initiative would not, "address the entire class of low-income customers" and recommended that the Commission, "tailor implementation carefully." ER-2014-0258, EFIS No. 244, Rebuttal Testimony of Geoff Marke, p. 9, l. 1-p. 10, l. 6.

The Commission entered an order approving a non-unanimous stipulation entered into by the Company, Staff of the Commission and the Office of Public Counsel in which the parties agreed to limit the exemption to "qualifying low-income customers." ER-2014-0258, EFIS No. 465. The Commission subsequently approved 1st Revised Sheet No. 90.1 exactly as originally proposed by Ameren Missouri, by its Order Approving Tariff, dated May 6, 2015, effective May 27, 2015, in ER-2015-0235.

8. Ameren Missouri admits the allegation of the fifth sentence of paragraph 2 that Ameren Missouri residential gas and electric customers who have had energy assistance applied toward their Ameren Missouri account from one of the programs identified in 1st Revised Sheet No. 90.1 are exempt from Rider EEIC charges (for 12 billing months following receipt of the assistance).

9. Ameren Missouri denies the allegation of the sixth sentence of paragraph 2 that, "[a]s a result, these customers [who receive the exemption] receive double benefits."

10. Ameren Missouri denies the allegation of the seventh sentence of paragraph 2 that, "[b]y Ameren wrong standard it means 'all our customers are equal but some are equal more.'"

11. Ameren Missouri denies the allegation of the eighth sentence of paragraph 2 that, "[t]he money assistance in the program (LIHEAP) by itself even \$1.00 is not a factor for Ameren to require it to be credited to account, only eligibility." In further answer thereto, Ameren

Missouri states that 1st Revised Sheet No. 90.1 does hinge the exemption from Rider EEIC charges on the receipt of energy assistance, not merely upon eligibility for energy assistance.

12. Ameren Missouri denies as stated the ninth and tenth sentences of paragraph 2 that allege that no law requires agencies to send assistance directly to a utility company and rather customers may receive assistance by check. Under federal law, the Low-Income Home Energy Assistance Act, a participating state must submit a state plan as part of its annual application, which plan can be in the model plan format provided by the Secretary of Health and Human Services, and the state must expend funds in accordance with its state plan. 42 U.S.C. 8624(c) and (d). Ameren Missouri states that it is an Energy Supplier with a Contractual Agreement with the State of Missouri to participate in LIHEAP and cooperate with Contract Agencies, as those capitalized terms are described in the State of Missouri FFY2015 LIHEAP Detailed Model State Plan (the “Missouri LIHEAP Plan”). Per Missouri’s LIHEAP Plan, Contract Agencies (that determine whether an applicant has met the requirements for LIHEAP eligibility and that issue assistance payments) *are* required to make LIHEAP energy assistance payments for eligible customers of the Company directly to contracted Energy Suppliers rather than to such customers. Further, Missouri law also requires that all payments made by the Department of Social Services from federal funds, “[i]nsofar as possible...shall be made directly to energy suppliers[.]” §660.110 RSMo. See also §660.122 RSMo, which requires payments to Commission-regulated home energy suppliers during the Cold Weather Rule period for reconnections of service be made directly to such suppliers and that such suppliers provide service, “consistent with their contractual agreements with the department of social services.”

13. Ameren Missouri denies the allegations of the eleventh and twelfth sentences of paragraph 2 of the Complaint.

14. In answer to paragraph 3 of the Complaint, the Company admits that Complainant Mr. Roman Dzhurinskiy called the Company in May 2015 and June 2015, that in one he call advised that he had received a pledge on his Laclede Gas utility bill, and that the Company responded to Consumer Services Staff of the Commission with the same information. The Company denies the remaining allegations of paragraph 3 as stated.

15. In further answer, the Company states that the letter Mr. Zhurinskiy attached to the Complaint does not support his claim for exemption from the Rider EEIC charges for the additional reason that the letter from the Missouri Department of Social Services establishes only

his (his wife's) *eligibility* (as determined by CAASTLC—a St. Louis contract agency) for LIHEAP assistance towards her Laclede Gas bill, but is not a confirmation that assistance was actually *received*. Approval from the energy supplier is required before the assistance payment is actually made. LIHEAP Supplier Agreements between the Missouri Department of Social Services Family Support Division and Home Energy Suppliers do not permit the energy supplier to accept LIHEAP payments on behalf of an otherwise eligible customer when certain circumstances are present. For example, if the LIHEAP payment would be insufficient to restore and continue the customer's service, or in the case of Energy Assistance ("EA") heating assistance payments (as distinct from Energy Crisis Assistance Program ("ECIP") payments), if the customer's account is not utilized as the primary source of home heating, then in those circumstances the energy supplier is not permitted to accept the payment.

16. In answer to Complainants' request for relief, the Company states that Complainants are not entitled to have Rider EEIC charges removed from their Company bill for residential electric utility services and therefore the request for relief should be denied.

17. The following attorneys should be served with all pleadings in this case:

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WHEREFORE, Ameren Missouri respectfully requests that the Commission issue an order dismissing the Complaint, or in the alternative setting the matter for hearing.

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing Answer was served on all the following parties via electronic mail, and additionally on Complainants via regular mail, this 31st day of July, 2015.

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