

Exhibit No.:
Issues: Energy Efficiency
Witness: Brenda Wilbers
Sponsoring Party: Missouri Department of Natural
Resources - Energy Center
Type of Exhibit: Surrebuttal Testimony
Case No.: ER-2007-0002
Date: February 27, 2006

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

**SURREBUTTAL TESTIMONY OF
BRENDA WILBERS**

**MISSOURI DEPARTMENT OF NATURAL RESOURCES
ENERGY CENTER**

**UNION ELECTRIC COMPANY d/b/a
AMERENUE**

CASE NO. ER-2007-0002

1 proposed in my direct testimony are for energy efficiency programs only. Goals and
2 expenditures for demand-response programs that the Commission may wish to approve
3 should be in addition to the energy efficiency goals and expenditures included in my direct
4 testimony.

5 **Q. Please explain how your direct testimony to establish goals for AmerenUE was**
6 **inconsistent.**

7 **A.** My testimony described AmerenUE's current DSM process and resource plan development
8 pursuant to the Commission's Electric Utility Resource Planning rule (4 CSR 240-22.010-
9 22.080), which includes both energy management (demand response) and energy efficiency
10 in defining what is included in a demand side resource (program). My testimony
11 recommended that AmerenUE "make an ongoing commitment to implement a robust
12 combination of demand response and energy efficiency programs that are selected as a result
13 of the DSM analysis..." (Wilbers direct, pg. 7, lines 17-19). I also proposed DSM goals of
14 which energy efficiency "should be an integral part of" rather than specifically
15 recommending that the goals be met only through energy efficiency, as was the case in other
16 states that have adopted energy efficiency resource standards (EERS) described earlier in my
17 testimony.

18 **Q. Did Staff recommend adoption of the DSM goals proposed by MEC?**

19 **A.** Yes. Despite Staff's assessment that the DSM goals recommended by MEC were too low,
20 Ms. Mantle recommended they be adopted but that the Commission require that the peak
21 demand and energy reduction goals be revised after parties intervening in the upcoming
22 [IRP] case have reviewed AmerenUE's resource plan filing on February 5, 2008.

23 **Q. Do you agree?**

1 A. In my direct testimony I proposed a similar review process by parties to determine how
2 progress toward meeting the DSM goals is calculated and monitored as well as to determine
3 if the goals should be increased. (Wilbers direct, pg. 8, lines 11-14) In addition, I
4 recommend that the parties determine if these goals should apply to energy efficiency
5 programs or if the goals should be increased to accommodate reductions from demand
6 response programs.

7 **Q. What is Staff's position on MEC's proposal that AmerenUE should commit to DSM**
8 **program funding levels?**

9 A. Staff does not recommend that the Commission set an expenditure amount goal for DSM
10 programs.

11 **Q. Do you agree?**

12 A. No. I believe it is appropriate in this case for the Commission to establish a baseline funding
13 level to provide sufficient and stable program funding that assures a meaningful level of
14 implementation of cost-effective energy efficiency programs. Setting a spending budget
15 baseline is a well-established straightforward mechanism used in several states to clearly
16 prioritize energy efficiency as a resource. Based on AmerenUE's inadequate treatment of
17 DSM in its 2005 resource plan filing and its historical opposition to certain types of energy
18 efficiency programs, I believe it is proper for the Commission to require AmerenUE to
19 commit to the amount of expenditure requested in my direct testimony for energy efficiency
20 programs.

21 WEATHERIZATION PROGRAM

22 **Q. What was Staff's position on MEC's recommendation that the weatherization program**
23 **should be continued?**

1 **A.** Staff agreed with MEC's recommendation that the weatherization program should be
2 continued at a funding level of \$1.2 million per year with the first distribution to local
3 weatherization agencies in October 2007.

4 **Q. Did Staff recommend how the program should be funded?**

5 **A.** Yes. Ms. Mantle recommended that AmerenUE fund 50 percent of the annual program costs
6 (\$600,000) and the other 50 percent should be recovered from ratepayers.

7 **Q. What was Staff's rationale for this proposal?**

8 **A.** Ms. Mantle did not explain the reason(s) for proposing that the weatherization program
9 funding be shared between ratepayers and shareholders.

10 **Q. Did MEC recommend how the program should be funded?**

11 **A.** In my direct testimony, I quantified the cost impact at \$0.09 per customer per month if the
12 ratepayers were to pay for the program (\$1,200,000/1,161,545 electric customers/12 months
13 = \$0.09). MEC routinely includes this calculation in testimony filed before the Commission
14 when proposing implementation of energy efficiency programs. However, MEC does not
15 explicitly recommend how a program is to be funded and defers to the Commission's
16 decision.

17 **Q. Did Staff make other recommendations regarding the weatherization program?**

18 **A.** Yes. Staff asked the Commission to require AmerenUE to do a process and impact evaluation
19 of the current program at a cost not to exceed \$120,000. Staff also requested that AmerenUE
20 file a tariff to explain the weatherization program's funding and eligibility requirements.

21 **Q. Do you agree with these recommendations?**

22 **A.** Yes, it would be appropriate to conduct a process and impact evaluation on AmerenUE's
23 weatherization program. I will note that weatherization programs that are administered

1 consistent with U.S. Department of Energy federal program guidelines (as was AmerenUE's
2 program) insure that cost effective energy efficiency measures are installed in eligible
3 households.

4 **Q. Does this conclude your testimony?**

5 **A.** Yes. Thank you.

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

In the Matter of Union Electric Company,
d/b/a AmerenUE, and Its Tariff
Filing to Implement a General Rate
Increase for Electric Service

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Case No. ER-2007-0002

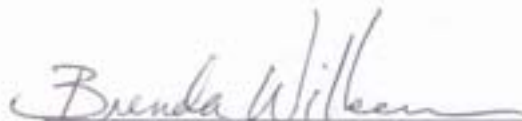
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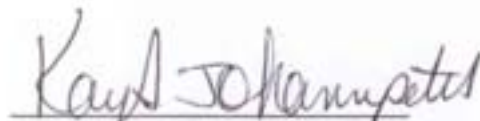
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Brenda Wilbers, being duly sworn on his oath, hereby states that she has participated in the preparation of the foregoing Surrebuttal Testimony in question and answer form; that the answers in the foregoing Surrebuttal Testimony were given by her; that she has knowledge of the matters set forth in such answers; and that such matters are true and correct to the best of her knowledge, information and belief.


Brenda Wilbers


Notary Public

My commission expires:



Subscribed and sworn before me this 22nd day of February, 2007.