

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

In the Matter of Union Electric Company d/b/a )  
Ameren Missouri’s Filing to Implement Regulatory )  
Changes in Furtherance of Energy Efficiency as ) **File No. EO-2012-0142**  
Allowed by MEEIA. )

**PUBLIC COUNSEL’S STATEMENTS OF POSITION**

COMES NOW the Office of the Public Counsel (“Public Counsel” or “OPC”) and for its

*Statements of Position* states:

**Issue 1. For determination of Ameren Missouri’s (sometimes referred also as “the Company”) Cycle 1 performance incentive amount, what are the appropriate net-to-gross (NTG) ratios to be used to determine annual energy savings and annual net shared benefits in the Evaluators’ final EM&V reports for program years 2014 (PY 2014) and 2015 (PY 2015)?**

OPC Position:

For program year 2014, the appropriate NTG ratio is **0.9577** as determined by the independent Evaluators and verified by the Public Service Commission’s (“Commission”) independent Auditor. For program year 2015, the appropriate NTG ratio is **0.9996** as determined by the evaluators and verified by the Commission’s auditor.

In order to understand the importance of this issue requires a discussion of Evaluation, Measurement, and Verification (“EM&V”). EM&V is the process by which the independent Evaluators and Commission’s auditor determine the energy savings for each kind of efficient measure – light bulb, etc. – and whether the installation of that efficient measure is attributable to Ameren Missouri’s programs. “Net-to-gross” is the component of EM&V used to determine the amount of energy savings caused by the Company’s MEEIA programs. Public Counsel has argued previously that this step is the most important aspect when determining whether or not the Company caused the energy savings. When the independent evaluators and Commission’s

auditor agree on the appropriate NTG ratio to apply - as they did for program years 2014 and 2015 – the Commission must use that number to ensure the company is rewarded appropriately for their measured and verified level of performance.

**Issue 2. For determination of Ameren Missouri’s Cycle 1 performance incentive amount, what costs should be used to determine annual net shared benefits for PY 2014 and PY 2015?**

OPC Position:

To determine the annual net shared benefits amount, the Commission must use the Total Resource Cost test (“TRC”), a preferred cost test in the MEEIA statute. Using the TRC ensures both the costs expended by the utility and the costs contributed by program participants to achieve the measured and verified energy savings are taken into account when determining the net benefits to be shared.

**Issue 3. What MEEIA Cycle 1 performance incentive amount has Ameren Missouri earned as a result of its MEEIA Cycle 1 energy efficiency programs and demand-side programs investment mechanism?**

OPC Position:

Ameren Missouri has earned a performance incentive amount of \$19,200,550. This amount is determined using the TRC net benefits and the actual EM&V NTG ratios for program years 2014 and 2015.

WHEREFORE, Public Counsel submits its *Statements of Position*.

Respectfully,

OFFICE OF THE PUBLIC COUNSEL

**/s/ Tim Opitz**

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**CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been mailed, emailed or hand-delivered to all counsel of record this 20<sup>th</sup> day of October 2016:

**/s/ Tim Opitz**

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