# BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Union Electric Company d/b/a ) File No. ET-2019-0149 Ameren Missouri's Revised Tariff Sheets. ) Tariff No. JE-2019-0120

# SUPPORT FOR IMPLEMENTATION OF NEW RIDER EDI – ECONOMIC DEVELOPMENT INCENTIVE AND FOR MODIFICATION OF EXISTING RIDER EDRR – ECONOMIC DEVELOPMENT AND RETENTION RIDER

COMES NOW Union Electric Company d/b/a Ameren Missouri ("Ameren Missouri" or "Company"), and submits to the Missouri Public Service Commission ("Commission") tariff sheets intended to implement the economic development incentives anticipated by Senate Bill 564 (Section 393.1640 RSMo). In support of its position, the Company states as follows:

# **BACKGROUND**

- 1. During its 2018 session, the Missouri Legislature passed Senate Bill 564 which, among other things, provided for the discounting of services for customers meeting specific criteria. This new statute, Section 393.1640 RSMo, became effective on August 28, 2018.
- 2. On September 25, 2018, Ameren Missouri submitted tariff sheets under Tariff Tracking No. JE-2019-0051 to revise its Rider Missouri Forward and Rider EDRR Economic Development and Retention Rider ("Rider EDRR") tariffs, intending to implement the economic development provisions of Senate Bill 564. The Company initially requested an effective date of October 25, 2018, but extended that date through November 21, 2018.
- 3. On November 19, 2018, the Commission Staff ("Staff") submitted a motion to suspend the tariff sheets because a substantive dispute may exist regarding the proposed tariffs, and a suspension would allow the parties an opportunity to discuss the tariff further.
- 4. On November 20, 2018, the Commission issued its *Order Suspending Tariff*, which suspended the Rider Missouri Forward and Rider EDRR tariffs for 120 days, until March 21, 2019.

- 5. On December 13, 2018, the Department of Economic Development Division of Energy ("DE") requested intervention in this proceeding. Ameren Missouri does not object to DE's intervention and has since actively involved DE in ongoing discussions.
- 6. Ameren Missouri, Staff, the Office of the Public Counsel ("OPC"), and DE continued to discuss the proposed tariffs and ultimately reached an agreement regarding certain concepts informing how to best implement the economic development terms anticipated by Senate Bill 564. These discussions ultimately resulted in the revised Rider EDI Economic Development Incentive ("Rider EDI") and clarifications to the Economic Development and Retention Rider Rider ("Rider EDRR") tariff sheets, which have been submitted with this filing, and which bear an issue date of December 19, 2018, and an effective date of January 18, 2019.

# **DISCUSSION**

- 7. Ameren Missouri found its discussions with Staff, OPC, and DE fruitful, and believes that the input from the parties have helped the attached tariff sheets to appropriately address an effective implementation of the economic development incentives anticipated by Section 393.1640 RSMo. Ameren Missouri highlights the following specific matters for the Commission to aid in its examination of these tariffs:
  - Impact on Rider EDI contracts if incentives expire after either 2023 or 2028, pursuant to Section 393.1640 RSMo;
  - Administrative Changes to Rider EDRR;
  - Applicability provisions; and
  - Load Factor Formula.

# Expiration of 393.1640 RSMo

8. Ameren Missouri believes that the potential benefits of Section 393.1640 RSMo will be materially compromised if it is unable to assure qualifying customers of discounts over a full five-year period. Projects that are considering where to locate facilities beginning in 2020, and even earlier for long lead-time projects that can approach two years of planning and construction from application to operational status, the potential expiration of Section 393.1640 RSMo after 2023 presents challenges. It is unlikely that a potential customer can seriously consider an incentive that may only be available for a year or two, and it is unlikely that a Commissionapproved extension of these incentives (via extension of Plant In-Service Accounting) through 2028 will be established in a sufficient timeframe to assuage any customer concerns. While it is clear that the level of discounts and recovery mechanisms defined in Section 393.1640 RSMo will expire at some point, Ameren Missouri feels that it will materially enhance the state-wide benefits of the statute if Rider EDI customers are allowed to access the existing Rider EDRR incentive levels of 15% discounts from base rates upon the expiration of Section 393.1640 RSMo incentives. While the discounts are materially less under Rider EDRR, Ameren Missouri would still be able to assure customers that some level of discount would be available for a full five-year period. For this reason, the Company asks the Commission to accept the tariff revisions that allow the transfer of a customer from Rider EDI to Rider EDRR.

# **Administrative Changes to Rider EDRR**

9. Ameren Missouri proposes several other revisions to Rider EDRR that are not substantive, and are intended primarily to add administrative details regarding certain customer obligations and utility filing requirements that were not previously addressed in Rider EDRR. These revisions are not substantial and will not impact any existing customers or the incentives

available under that Rider, since Ameren Missouri is not presently serving any customers under Rider EDRR.

# **Applicability Provisions of Rider EDI**

- 10. Ameren Missouri has specifically constructed the new Rider EDI to have maximum impact in incentivizing new investment and job creation in the state of Missouri. That said, should a business that does not qualify under the tariff's terms wish to avail itself of these incentives, Ameren Missouri suggests that there is a method by which the Commission could approve a request to provide discounts to that customer through a tariff variance.
- 11. As can be seen in Sheet No. 6 of Rider EDI, the incentives provided by the tariff are available to customers that, among other things, are "not accessible by the general public for the purpose of directly selling or providing goods and/or services." The Company very deliberately constructed this limitation. In order to maintain consistency with the new Section 393.1640 RSMo, Ameren designed as a tool to attract and compete for large Commercial/Industrial customers who have alternative and competitive site location/expansion options in other states. The company believes this is a prudent use of incentives to stimulate economic development and attract load growth that accrues multiple benefits to the state's economy. In other words, by leveraging electric incentives to attract a new business development project to the state of Missouri, the Company anticipates additional benefits to the affected communities, such a new household income, increased tax revenues, etc. This benefits not just the company, but all of its customers across rate classes.
- 12. By excluding customers that are "accessible by the general public for the purpose of directly selling or providing goods and/or services," Ameren Missouri hopes to avoid providing unnecessary benefits to customers whose location decisions are only minimally impacted by utility

rates, and instead locate based on consumer traffic patterns or proximity to attractions or that are relocating from established retail centers. The incentives may encourage a business into a community with an unfair advantage, undercutting similar and existing retail operations in the same community. And the incentives can be farther-reaching than a simple disparity in the electric rates charged to the customers. For example, the incentives might lure a large chain retailer, which likely already enjoys financial advantages due to its own corporate construct and overheads, into a geographic area that is already home to similar family-owned retail establishments. In such a case, the new retail business may have advantages over existing businesses, regardless of any incentive Ameren Missouri may offer. Additionally, incorrectly awarding such incentives could prove to have a broader detrimental impact upon surrounding communities: If a business in an existing shopping mall in one community relocates to another community, then the first community has a vacant building and decreased sales tax revenues.

- 13. Ameren Missouri hopes to minimize this potential by limiting its Rider EDI availability to those groups of customers whose locational decisions are most influenced by utility rate. Ameren Missouri has a similar limitation in its existing Rider EDRR, and Kansas City Power and Light Company implemented a similar limitation in its recent economic development tariff rider filing in File No. ET-2019-0080. Section 393.1640 RSMo enables a level of discretion in applicability of the discounts by stating a utility may include "additional or alternative terms and conditions to a customer's utilization of the discount."
- 14. That said, Ameren Missouri realizes there may be cases in which a customer that would otherwise be excluded by this provision might provide benefits to a community. For example, there could be a potential for a currently undefined project that would not be eligible for Rider EDI incentives, but would still provide the desired benefits to the local communities. If such

a project arises, then a party, with Ameren Missouri's support, could pursue extending Rider EDI to such a project through existing regulatory mechanisms, such as a variance from the strict applicability terms of Rider EDI.

# **Load Factor Formula**

- 15. Section 393.1640 RSMo is very prescriptive as to when evaluation of a customer's incremental demand is to occur. Unfortunately, if not addressed in a thoughtful way, this can create a distortion in the load factor calculation and could cause a customer to fail to meet the 55% load factor requirement of the Section 393.1640 RSMo, resulting in termination of that customer's discounts unfairly and without merit.
- 16. The agreed upon tariff language submitted contemporaneously with this supporting document proscribes the use of not a single peak demand, but the average of 12 monthly demands for the purpose of determining load factor. In the event a customer has load additions that occur over a long period of time (e.g., over a three-year ramp-up period), it would be unreasonable to require that customer to "time" the steps of load additions to avoid inadvertently reducing the load factor below 55%.
- 17. For example, suppose a customer expects to add 2 MW of load in total. In the thirteenth month, that customer's demand is 1,000 KW, and mid-way through the contract year, the customer's demand increases to 2,000 KW. Even if that customer's process operates at 60% monthly load factor in every month, basing the annual load factor on a single peak demand of 2,000 KW would drive the customer's load factor well below 55%, and the customer would cease to be eligible for the incentive. Without averaging the monthly demand, the load factor would become negatively impacted as the customer nears the end of the contract year. Because the evaluation period is specified in the law, and because load additions occur during the evaluation

period, *not* averaging monthly peaks creates a risk that the Company would not really be evaluating the character of the load at all, but instead would be evaluating the timing of the load addition.

	Month	KW	KWH	LF (720 hours)
	13	1,000	432,000	60%
	14	1,000	432,000	60%
	15	1,000	432,000	60%
	16	1,000	432,000	60%
	17	1,000	432,000	60%
	18	1,000	432,000	60%
	19	2,000	864,000	60%
	20	2,000	864,000	60%
	21	2,000	864,000	60%
	22	2,000	864,000	60%
	23	2,000	864,000	60%
	24	2,000	864,000	60%
				Annual Load
				Factor Test
Annua	al demand	2,000	7,776,000	44%
Averag	e Demand	1,500	7,776,000	59%

18. The agreed upon tariff language also proscribes the use of "on-peak" demand when evaluating load factor. On-peak demand is a better measure than peak demand because off-peak demand generally improves a utility's overall system load profile. While the number of customers that operate certain portions of their operations exclusively off-peak is nominal, the Company felt this was a relevant parameter to incorporate into the tariff. If the load factor of a particular portion of a customer's process is below average (less than 55%), then using a peak demand would actually take away incentive for the customer to operate that process off-peak, (from the standpoint of a customer's EDI eligibility with all other rate incentives for off-peak operation remaining unchanged). Ameren Missouri believes it is relevant to include this, as there could be customers

who will be encouraged to operate certain equipment or processes during off-peak hours if it helps them to maintain the 55% minimum load factor requirement for Rider EDI eligibility.

19. For these reasons, Ameren Missouri asks that the Commission approve the definition of load factor contained in agreed upon tariffs.

WHEREFORE, for the foregoing reasons, Ameren Missouri respectfully requests the Commission approve the tariff sheets submitted with this pleading, with an effective date of January 18, 2019.

Respectfully submitted,

/s/ Paula N. Johnson

Paula N. Johnson, #68963 Senior Corporate Counsel Jermaine Grubbs, #68970 Corporate Counsel Ameren Missouri 1901 Chouteau Avenue, MC 1310 St. Louis, MO 63103 (314) 554-3533 (phone) (314) 554-4014 (fax) AmerenMOService@ameren.com

Attorneys for Union Electric Company d/b/a Ameren Missouri

# **CERTIFICATE OF SERVICE**

The undersigned certifies that true and correct copies of the foregoing have been e-mailed or mailed, via first-class United States Mail, postage pre-paid, to the service list of record of this case on this 19<sup>th</sup> day of December, 2018.

Paula N. Johnson

Paula N. Johnson

# **ELECTRIC SERVICE**

MO.P.S.C. SCHEDULE N	ю6		1st Revised	SHEET NO.	86
CANCELLING MO.P.S.C. SCHEDULE N	ю. 6	_	Original	SHEET NO.	86
APPLYING TO	IISSOURI	SERVICE	AREA		

#### RIDER EDI

#### ECONOMIC DEVELOPMENT INCENTIVE

#### \*PURPOSE

The purpose of this Rider EDI - Economic Development Incentive rider ("Rider") is to comply with  $\S 393.1640$  RSMo.

#### \*EXPIRATION

No Rider EDI Discount or Beneficial Location of Facilities Discount ("Discounts") will be provided after December 31, 2023, unless Company has obtained an Order from the Missouri Public Service Commission ("Commission") required under subsection 5 of section §393.1400 RSMo., in which case all Agreements and Discounts shall expire December 31, 2028. At the time of expiration of this Rider, customers with existing Agreements will be eligible to receive the Incentive Provisions associated with the Rider EDRR-Economic Development and Retention Rider for the remainder of the initial five (5) year term that would have otherwise been available under this Rider.

#### \*AVAILABILITY

Transferred Load shall not be eligible for a Discount under this Rider.

Electric service under this Rider is only available to customers meeting all of the following criteria:

- 1. That have submitted an Application to Company for Discounts under this Rider prior to a public announcement of the growth project that would qualify for this Rider.
- 2. That are currently served under or considering service from the Company under the Company's Service Classifications 3(M) Large General Service Rate, 4(M) Small Primary Service Rate, or 11(M) Large Primary Service Rate.
- 3. That also receive local, regional, or state governmental economic development incentives in conjunction with the incremental load.
- 4. Where the electric account is an industrial or commercial facility not accessible by the general public for the purpose of directly selling or providing goods and/or services.
- 5. That are not receiving or considering service under §393.355 RSMo.
- 6. That are not receiving or have withdrawn from receiving incentives under any other economic development tariff of Company.
- 7. When Company's analysis indicates that the discounted rate makes a positive contribution to fixed costs associated with such service in excess of the variable costs associated with the electric account that is discounted. If customer has applied for Rebates or has received Rebates within the past twelve (12) months for the same electric account as customer's Application, Company's analysis will consider the impact of those rebates.

\*Indicates Addition

DATE OF ISSUE	December 19, 201	8 DATE EFFECTIVE	January 18, 2019
ISSUED BY	Michael Moehn	President	St. Louis, Missouri
•	NAME OF OFFICER	TITLE	ADDRESS

# **ELECTRIC SERVICE**

APPLYING TO	MIS	SOURI	SERVICE A	REA			
	CANCELLING MO.P.S.C. SCHEDULE NO	6			Original	SHEET NO.	86.1
	MO.P.S.C. SCHEDULE NO.	6			1st Revised	SHEET NO.	86.1

#### RIDER EDI

# ECONOMIC DEVELOPMENT INCENTIVE (Cont'd.)

# \*APPLICABILITY

The qualifying load under this Rider shall be the load of a new customer at a single premises or the incremental load of an existing customer at a single premises but in either case net of any Baseline Usage and/or Transferred Load. In addition, the incremental load must meet the following criteria for consideration under this Rider:

- 1. The Load Factor of the customer's incremental load is reasonably projected to equal or exceed fifty-five percent (55%) during each Contract Year of application of this Rider.
- 2. The Qualifying Demand of the customer's incremental load is reasonably projected to equal or exceed 300 kW during each Contract Year of application of this Rider.

Company may deny enrollment under this Rider to any customer that, in Company's discretion, is not reasonably projected to satisfy the Applicability requirements listed and may terminate Agreements under this Rider if requirements are not maintained or documented by customer.

#### \*DEFINITIONS

<u>Agreement</u> - The Rider EDI agreement between customer and Company specifying the customer's election of discount percentages for each Contract Year.

<u>Application</u> - The Company document that provides notification by customer to Company of an intent to seek qualification for the Rider EDI Discount which includes the initial customer and project information as known at the time of Application.

 $\underline{\text{Average On-Peak Demand}}$  - The average of the twelve (12) on-peak demand values, in kilowatts (KW), recorded during each billing period of a Contract Year where on-peak demand is defined by the tariff selected by customer to receive service under.

Baseline Usage - The actual or estimated billing determinants associated with the twelve (12) billing periods preceding the receipt by Company of a Rider EDI Application from customer: i) where the qualifying load is being added to an existing electric account, or ii) where customer has had a reduced electric demand or energy requirements or termination of other accounts.

Beneficial Location of Facilities Discount - A ten percent (10%) reduction in base rate components which shall be subject to Company's determination at the time of Application that the customer is taking service from an under-utilized circuit. The term of which will be up to one (1) year commencing when a customer's Rider EDI Discount ends and is subject to continued qualification by customer and availability.

\*Indicates Addition

DATE OF ISSUE	December 19, 2018	DATE EFFECTIVE	January 18, 2019
ISSUED BY	Michael Moehn	President	St. Louis, Missouri
	NAME OF OFFICER	TITLE	ADDRESS

# **ELECTRIC SERVICE**

MO.P.S.C. SCHEDULE	NO. 6	-		Original	SHEET NO.	86.2
CANCELLING MO.P.S.C. SCHEDULE	NO	_			SHEET NO.	
APPLYING TO	MISSOURI	SERVICE	AREA			

#### RIDER EDI

# ECONOMIC DEVELOPMENT INCENTIVE (Cont'd.)

#### DEFINITIONS (Cont'd.)

Contract Year – Twelve (12) consecutive billing periods for which Discounts available under this Rider are applicable. The first Contract Year will commence the later of i) when the meter for permanent service has been set up in the name of the customer that qualified for the Discount, and ii) the first full billing period after execution of the Agreement.

 $\underline{\text{Load Factor}}$  - The ratio of the actual annual incremental kilowatt-hours (kWh) vs. potential kWh based on the Average On-Peak Demand using the following formula:

Load Factor = Annual Incremental kWh / Average On-Peak Demand / 8760 hours

Where Annual Incremental kWh equals annual metered kWh less any kWh of Baseline Usage and Transferred Load and Average On-Peak Demand equals the average of the twelve (12) monthly on-peak demand metered amounts less any on-peak KW of Baseline Usage and Transferred Load.

<u>Qualifying Demand</u> - The average of the peak demands of a retail electric account recorded during the twelve (12) billing periods of a Contract Year less any Baseline Usage and Transferred Load with peak metered demand as defined by the tariff selected by customer to receive service under.

<u>Rebates</u> - Direct payments available through Company's tariffs, other than those required by legislation, including but not limited to payments under any electrification program and provisions of Company's line extension tariffs but excluding energy efficiency and demand control response rebates and incentives provided through Company's tariffs implementing the Missouri Energy Efficiency Investment Act (MEEIA) §393.1075 RSMo.

<u>Rider EDI Discount (Discount)</u> - The reduction in base rate components which shall be available under this Rider for up to five (5) Contract Years subject to continued qualification by customer and availability of the Discount. At the time of execution of the Agreement, customer will specify the Discount from base rates for each individual Contract Year to 30%, 40%, or 50% provided the average Discount for the five (5) Contract Years equals 40%.

 $\overline{\text{Transferred Load}}$  - Actual or estimated billing determinants of an electric load of the customer at any electric account that is being served by Company at the time of Application and for which the equipment or process is subsequently transferred to the electric account associated with the Application.

DATE OF ISSUE _	December 19, 2018	DATE EFFECTIVE _	January 18, 2019
ISSUED BY	Michael Moehn	President TITLE	St. Louis, Missouri ADDRESS

# **ELECTRIC SERVICE**

MO.P.S.C. SCHEDULE N	06	=		Original	SHEET NO.	86.3
CANCELLING MO.P.S.C. SCHEDULE N	0	_			SHEET NO.	
APPLYING TO M	ISSOURI	SERVICE	AREA			

# RIDER EDI

#### ECONOMIC DEVELOPMENT INCENTIVE (Cont'd.)

#### INCENTIVE PROVISIONS

The customer shall separately submit an Application for service under this Rider and also enter into an Agreement with the Company specifying the nature of the service to be provided, the Discount from base rates to be applied, the Baseline Usage (if applicable), any Transferred Load that is anticipated, the term of the Agreement, and such other terms and conditions of service as are lawful and mutually agreeable. No Discount will be provided prior to execution of such Agreement. No Discount will be provided sooner than 90 days following Company's receipt of customer's Application.

The Discount level specified in the Agreement for each Contract Year will reduce the amount due for each bill for electric service issued by Company during the term that the Discount is effective.

Where it has been determined that there is Baseline Usage and/or Transferred Load, the Discount will be applied to the difference between the bill that would be calculated using total metered demand and energy and the bill that would be calculated using Baseline Usage plus Transferred Load except where the difference is negative, the discount will not be negative.

If the Commission determines in a general rate proceeding that the level of Discount provided does not result in a positive contribution to fixed costs in excess of variable costs, then the Discount will be reduced, prospectively, to the extent required by the Commission order irrespective of the Contract Year Discount level specified in the Agreement.

# RELOCATION COSTS

Costs associated with relocation of Company facilities that are necessary to make the premises suitable for customer's siting or expansion will be treated as line extension costs and will not be subject to the provisions of Company's General Rules and Regulations, III. Distribution System Extensions, Relocation of the Distribution System tariff.

Costs associated with relocation of Company facilities that are cosmetic or strictly for customer convenience will remain subject to the provisions of Company's General Rules and Regulations, III. Distribution System Extensions, Relocation of the Distribution System tariff.

DATE OF ISSUE	December 19, 2018	DATE EFFECTIVE _	January 18, 2019
ISSUED BY	Michael Moehn	President THIF	St. Louis, Missouri

# **ELECTRIC SERVICE**

	MO.P.S.C. SCHEDULE NO. 6	=		Original	SHEET NO.	86.4
С	ANCELLING MO.P.S.C. SCHEDULE NO.	-			SHEET NO.	
APPLYING TO	MISSOUR	SERVICE	AREA			

#### RIDER EDI

#### ECONOMIC DEVELOPMENT INCENTIVE (Cont'd.)

#### CUSTOMER OBLIGATIONS

In order to continue receiving service under this Rider, customer must provide either by paper copy or electronically the following verifications to Company, under Affidavit, by June 30 of each year:

- 1. Verification from the local, regional, or state governmental entity that provided economic development incentives in conjunction with the incremental load that the incentives provided remain effective and have not been in any manner cancelled or revoked.
- 2. Verification that the facility is an industrial or commercial facility not accessible by the general public for the purpose of directly selling or providing goods and/or services.
- 3. Verification of Transferred Load:
  - a. Certification that there was not any Transferred Load, or
  - b. A description of the Transferred Load, including account numbers, suitable for Company to determine or estimate the billing determinants of the Transferred Load.

# EVALUATION OF LOAD

Beginning at the end of the second Contract Year and annually thereafter, customer's Qualifying Demand and Load Factor of the incremental load will be evaluated to verify that it qualifies to continue receiving the Rider EDI Discount or the Beneficial Location of Facilities Discount. Only the incremental demand and energy will be evaluated after subtracting any Baseline Usage and/or Transferred Load. Company may consider any Force Majeure conditions that impacted customer during the Contract Year when completing the incremental load evaluation.

# EARLY TERMINATION

Company shall terminate service under this Rider and no further Rider EDI Discount or Beneficial Location of Facilities Discount will be available under any of the following conditions:

- 1. Customer cannot or does not provide the annual verifications listed under Customer Obligations, or
- 2. Customer 's Qualifying Demand or Load Factor no longer satisfy the minimum requirements to receive discounts under this Rider, or
- 3. Company's authority to offer discounts under this Rider expires as described in the Expiration section of this Rider, or
- 4. If any term or terms of this Rider are determined to be discriminatory or otherwise unlawful by a court of competent jurisdiction or the Commission, or
- 5. If at any time during term of the Agreement, customer is allowed by changes in federal law, state law or Commission rules to take part or all of electric service from a provider other than Company.

DATE OF ISSUE _	December 19, 2018	DATE EFFECTIVE	January 18, 2019
ISSUED BY	Michael Moehn NAME OF OFFICER	President TITLE	St. Louis, Missouri ADDRESS

# **ELECTRIC SERVICE**

MO.P.S.C. SCHEDULE NO.	6	-		Original	SHEET NO.	86.5
CANCELLING MO.P.S.C. SCHEDULE NO.		-			SHEET NO.	
APPLYING TO MISS	SOURI	SERVICE	AREA			

#### RIDER EDI

#### ECONOMIC DEVELOPMENT INCENTIVE (Cont'd.)

# EARLY TERMINATION (Cont'd.)

When Company's authority to provide the Rider EDI Discount and the Beneficial Location of Facilities Discount expires, subject to continued incremental load qualification and local, regional, or state governmental entity verification of continued incentives, a customer with an existing Agreement will be eligible to receive the Incentive Provisions specified in Company's Rider EDRR - Economic Development and Retention Rider for the remainder of the initial five (5) year term associated with the Rider EDI Discount.

Customer may terminate service under this Rider upon written notice. Such termination shall become effective at the end of the current billing period in which the written notice is received by Company.

#### FILING REQUIREMENTS

Within thirty (30) days of execution of Agreement, Company will submit the following information through EFIS:

- 1. The Agreement.
- 2. Verification of local, regional, or state governmental economic development incentives received by customer.
- 3. Estimates of anticipated Qualifying Demand and Load Factor.
- 4. Company's estimate of the contribution to fixed costs in excess of variable costs after applying the Discounts for the electric account that is discounted.
- 5. Determination that the electric account is an industrial or commercial facility not accessible by the general public for the purpose of directly selling or providing goods and/or services.

This information will be submitted as a Non-Case-Related Submission. Company shall also file a publicly accessible version of each submittal with confidential information redacted in File No. ET-2019-0149.

Within thirty (30) days of the early termination of any Agreement, Company will submit notice of such early termination as a Non-Case-Related Submission.

Company will include, in its integrated resource plan filing and each update, a report for all active Agreements under this Rider which includes:

- 1. Records of the most recent verification of local, regional, or state governmental economic development incentives.
- 2. Company's estimate of the contribution to fixed costs after applying the Discounts for each Agreement separately, based on actual historical usage.
- 3. Affidavit as to the veracity of the calculations made in paragraph 2.

DATE OF 100115	Dogombon 10 2010	DATE EFFECTIVE	Tamus 10 2010
DATE OF ISSUE _	December 19, 2018	DATE EFFECTIVE _	January 18, 2019
ISSUED BY	Michael Moehn	President	St. Louis, Missouri
	NAME OF OFFICER	TITLE	ADDRESS

# **ELECTRIC SERVICE**

MO.P.S.C. SCHEDULE NO.	6	-		Original	SHEET NO.	86.6
CANCELLING MO.P.S.C. SCHEDULE NO.		-			SHEET NO.	
APPLYING TO MISS	SOURI	SERVICE	AREA			

# RIDER EDRR

#### ECONOMIC DEVELOPMENT AND RETENTION RIDER

#### \*PURPOSE

The purpose of this Economic Development and Retention Rider ("Rider") is to encourage new industrial and commercial development in Company's service territory and to retain existing load where possible.

#### \*\*STANDARD AVAILABILITY

Electric service under this Rider is only available, at Company's option, to customers currently served by or considering service from the Company where other viable electric supply options outside of Company's service area have been offered. Customer must be currently served, or qualify for service, under the Company's Service Classifications 3(M) Large General Service Rate, 4(M) Small Primary Service Rate, or 11(M) Large Primary Service Rate. Electric service under this Rider is only available in conjunction with local, regional, or state governmental economic development activities where incentives have been offered and accepted by customer who is requesting service to locate new or expanding facilities in the Company's service area or whose exit from the Company's service area is imminent.

#### \*\*AVAILABILITY TO EDI CUSTOMERS UPON EXPIRATION OF RIDER EDI

In the event of the expiration of Rider EDI, a customer with an existing Rider EDI Agreement will be eligible to receive the Incentive Provisions of this Rider EDRR for the remainder of the initial five (5) year term under Rider EDI. In such cases the Agreement will continue under the terms of Rider EDI, notwithstanding its expiration, except that the Incentive Provisions of this Rider EDRR shall apply and the Beneficial Location of Facilities Discount shall not be available. Definitions Applicability, Customer Obligations, Evaluation of Load criteria, and Early Termination provisions of Rider EDI will continue to apply to such Agreements. Company reporting concerning such Agreements shall continue under the Filing Requirements of Rider EDRR.

# \*\*APPLICABILITY

The qualifying load under this Rider shall be the entire load of a new customer, the incremental new load of an existing customer, or the portion of an existing customer's load for which exit from the Company's service area is imminent. In addition, the qualified load must meet the following criteria for consideration under this Rider:

1. The annual load factor of the customer's qualifying load is reasonably projected to equal or exceed fifty-five percent (55%) during the entire term of application of this Rider, where

Load factor = annual kWh / peak demand / 8760 hours.

2. The peak demand of the customer's qualifying load is, or is reasonably projected to be, at least 500 kW during each contract year under this Rider.

\*Indicates Reissue. \*\*Indicates Change.

DATE OF ISSUE	December 19, 2018	DATE EFFECTIVE	January 18, 2019
ISSUED BY	Michael Moehn	 President	St. Louis, Missouri
	NAME OF OFFICER	TITLE	ADDRESS

# **ELECTRIC SERVICE**

MO.P.S.C. SCHEDULE NO. $\_$	6	=		Original	SHEET NO.	86.7
CANCELLING MO.P.S.C. SCHEDULE NO.		-			SHEET NO.	
APPLYING TO MIS	SOURI	SERVICE	AREA			

#### RIDER EDRR

#### ECONOMIC DEVELOPMENT AND RETENTION RIDER (Cont'd.)

#### \*APPLICABILITY (Cont'd.)

3. The availability of this Rider shall be limited to industrial and commercial facilities not involved in selling or providing goods and/or services directly to the general public.

As a condition of service under this Rider, customer must furnish to Company such documentation as deemed necessary by Company to verify customer's intent to select a viable electric supply option outside of Company's service area, including an affidavit stating customer's intent.

The Company, at its sole discretion, shall determine whether an applicant or customer meets the requirements of this Rider and the acceptability of the information provided.

Service under this Rider shall be evidenced by a contract between the customer and the Company, which shall be submitted to the Commission for informational purposes. The terms of the contract shall be held in confidence by the Commission, the customer or its agent, and the Company.

#### \*INCENTIVE PROVISIONS

The customer shall enter into a contract with the Company specifying the nature of the service to be provided, the discounts from standard tariffs to be applied, the term of the contract, and such other terms and conditions of service as are lawful and mutually agreeable. Revenues to be received from customer over the term of the contract shall be greater than the applicable incremental cost to provide electric service, as determined by the Company, ensuring a positive contribution to fixed costs. In no case shall the terms of the contract represent more than a 15% discount from otherwise applicable tariffs, before tax additions, nor shall the term of the contract extend more than five (5) years. If customer fails to fulfill the entire term of the contract, any agreed upon discounts shall become void and shall be repaid by customer.

# \*TERM

This Rider shall immediately become void, and the Company shall have no further obligations or liabilities hereunder, if any term or terms of this Rider are determined to be discriminatory or otherwise unlawful by a court of competent jurisdiction.

# \*\*CUSTOMER OBLIGATIONS

For customers that commence service under or are transferred to this Rider after the initial effective date of this tariff, in order to continue receiving service under this Rider, customer must provide either by paper copy or electronically the following verifications to Company, under Affidavit, by June 30 of each year:

\*Indicates Reissue. \*\*Indicates Addition.

DATE OF ISSUE	December 19, 2018	DATE EFFECTIVE	January 18, 2019
ISSUED BY	Michael Moehn	President	St. Louis, Missouri
	NAME OF OFFICER	TITLE	ADDRESS

# ELECTRIC SERVICE

MO.P.S.C. SCHEDULE	NO. 6	-		Original	SHEET NO.	86.8
CANCELLING MO.P.S.C. SCHEDULE	NO	_			SHEET NO.	
APPLYING TO	MISSOURI	SERVICE	AREA			

#### RIDER EDRR

#### ECONOMIC DEVELOPMENT AND RETENTION RIDER (Cont'd.)

# \*CUSTOMER OBLIGATIONS (Cont'd.)

- 1. Verification from the local, regional, or state governmental entity that provided economic development incentives in conjunction with the incremental load that the incentives provided remain effective and have not been in any manner cancelled or revoked.
- 2. Verification that the electric account is an industrial or commercial facility not involved in selling or providing goods and/or services directly to the general public.
- 3. Verification of transferred load:
  - a. Certification that no equipment or process that was operating at the time of application was transferred to the electric account receiving service under this Rider, or
  - b. A description of the transferred load, including account numbers, suitable for Company to determine or estimate the billing determinants of the transferred load.

#### \*FILING REQUIREMENTS

Within thirty (30) days of execution of a contract, Company will submit the following information through EFIS:

- 1. The contract.
- 2. Verification of local, regional, or state governmental economic development incentives received by customer.
- 3. Estimates of anticipated peak demand and load factor
- 4. Company's estimate of the contribution to fixed costs in excess of variable costs after applying the discounts for the electric account that is discounted
- 5. Determination that the electric account is an industrial or commercial facility not involved in selling or providing goods and/or services directly to the general public.

This information will be submitted as a Non-Case-Related Submission. Company shall also file a publicly accessible version of each submittal with confidential information redacted in File No. ET-2019-0149.

Within thirty (30) days of the early termination of any contract, Company will submit notice of such early termination as a Non-Case-Related Submission.

For customers that commence service under or are transferred to this Rider after the initial effective date of this tariff, Company will include, in its integrated resource plan filing and each update, a report for all active contracts under this Rider which includes:

1. Records of the most recent verification of local, regional, or state governmental economic development incentives.

\*Indicates Addition.

DATE OF ISSUE	December 19, 2018	DATE EFFECTIVE	January 18, 2019
ISSUED BY	Michael Moehn	 President	St. Louis, Missouri
	NAME OF OFFICER	TITLE	ADDRESS

# ELECTRIC SERVICE

MO.P.S.C. SCHEDULE	NO6	=		Original	SHEET NO.	86.9
CANCELLING MO.P.S.C. SCHEDULE	NO	_			SHEET NO.	
APPLYING TO	MISSOURI	SERVICE	AREA			

# RIDER EDRR

# ECONOMIC DEVELOPMENT AND RETENTION RIDER (Cont'd.)

# \*FILING REQUIREMENTS (Cont'd.)

- 2. Company's estimate of the contribution to fixed costs after applying the Discounts for each contract or Agreement separately, based on actual historical usage.
- 3. Affidavit as to the veracity of the calculations made in paragraph 2.

<sup>\*</sup>Indicates Addition.

DATE OF ISSUE	December 19, 2018	DATE EFFECTIVE _	January 18, 2019
ISSUED BY	Michael Moehn	President	St. Louis, Missouri
	NAME OF OFFICER	TITLE	ADDRESS