

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

In the Matter of Union Electric Company d/b/a)
Ameren Missouri's Application for Approval of)
Revised Tariff Sheet Nos. 54, 54.4, & 54.7 to)
Continue to Default Certain Residential)
Customers to the Evening/Morning Savers Rate)
Plan, Motion for Waiver of 60-Day Notice)
Requirement, Motion for Expedited Treatment,) File No. ET-2024-_____
and if Expedited Treatment Not Granted,)
Alternative Motion for Approval of Substitute)
Revised Tariff Sheets to Delay Defaulting Certain)
Residential Customers to Smart Savers Rate Plan)
Beyond March 31, 2024.)

NOTICE OF CASE FILING, APPLICATION FOR APPROVAL OF REVISED TARIFF SHEET NOS. 54, 54.4 & 54.7 TO CONTINUE TO DEFAULT CERTAIN RESIDENTIAL CUSTOMERS TO THE EVENING/MORNING SAVERS RATE PLAN, MOTION FOR WAIVER OF 60-DAY NOTICE REQUIREMENT, MOTION FOR EXPEDITED TREATMENT, AND IF EXPEDITED TREATMENT IS NOT GRANTED, ALTERNATIVE MOTION FOR APPROVAL OF SUBSTITUTE REVISED TARIFF SHEETS TO DELAY DEFAULTING CERTAIN RESIDENTIAL CUSTOMERS TO THE SMART SAVERS RATE PLAN BEYOND MARCH 31, 2024

COMES NOW Union Electric Company d/b/a Ameren Missouri ("Ameren Missouri" or "Company"), a Missouri corporation, and pursuant to 20 CSR 4240-4.017, 20 CSR 4240-2.060, 20 CSR 4240-2.065(4), and 20 CSR 4240-2.080, submits this *Notice of Case Filing, Application for Approval of Revised Tariff Sheet Nos. 54, 54.4 & 54.7 to Continue to Default Certain Residential Customers to the Evening/Morning Savers Rate Plan, Motion for Waiver of 60-day Notice Requirement, Motion for Expedited Treatment, and If Expedited Treatment is Not Granted, Alternative Motion for Approval of Substitute Revised Tariff Sheets to Delay Defaulting Certain Residential Customers to the Smart Savers Rate Plan Beyond March 31, 2024* ("Application"). First, the Company requests approval of the revised electric tariff sheet nos. 54, 54.4 & 54.7

attached hereto as **Schedule 1**, so that Ameren Missouri may continue to default residential customers to the Evening/Morning Savers rate plan instead of the high-differential Smart Savers rate plan. Second, the Company moves for waiver of the 60-day notice requirement under 20 CSR 4240-4.017(1)(D). Third, the Company moves for expedited decision from the Commission in accordance with 20 CSR 4240-2.080(14). Fourth, only if the Missouri Public Service Commission ("Commission") does not grant expedited decision on this *Application* by December 4, 2023 the Company alternatively seeks approval of substitute electric tariff sheets, which are attached as **Schedule 5**, to delay the defaulting of certain residential customers to the high-differential Smart Savers rate plan beyond March 31, 2024.

In support of its requests, Ameren Missouri states as follows:

Introduction

1. Ameren Missouri's Journey With Residential Time-of-Use ("TOU") Rate Options:
 - a. In Ameren Missouri's 2019 electric general rate case, File No. ER-2019-0335, the Commission approved the *First Agreement*¹ and certain corresponding tariffs. Under paragraph 27(a)(ii) of the *First Agreement*, the Signatories agreed for residential customers to be transferred or defaulted to what was then called "the Daytime/Overnight rate" within six months after the customer receives an AMI meter if they do not select another available rate plan. Correspondingly, the Company's compliance tariffs provided for the Daytime/Overnight rate to be available on January 1, 2021, which was six months after the first AMI meter was installed by the Company for a residential customer. Under paragraph 27(a)(iii) of

¹ File No. ER-2019-0335, *Corrected and Non-Unanimous Stipulation and Agreement ("First Agreement")*, filed February 28, 2020, approved by Commission *Order Approving Stipulation and Agreements* effective March 28, 2020. Renew Missouri Advocates, d/b/a Renew Missouri, indicated that it had no objection to the *First Agreement*.

the *First Agreement*, the Signatures further agreed: "As of January 1, 2021, new customers or new accounts with AMI shall be placed directly on the Daytime/Overnight rate but will be informed of and have the option to request all other eligible rate options."

- b. However, Ameren Missouri found that completing adjustments to its systems and processes to allow the migration of all of its more than one million residential customers to TOU billing was more difficult and time-consuming than it anticipated. Therefore, in File No. EE-2021-0103, Ameren Missouri requested and was granted a five-month variance for complying with paragraph 27(a)(ii) of the *First Agreement*, which delayed the Daytime/Overnight default rate implementation until June 1, 2021.²
- c. The Daytime/Overnight TOU rate plan has been rebranded as the "Evening/Morning Savers" rate plan, and is the low-differential TOU rate plan wherein the differential between the energy charge between on-peak and off-peak periods is low (less than one cent).
- d. In Ameren Missouri's 2021 electric general rate case, File No. ER-2021-0240, the Commission approved a *Second Unanimous Stipulation and Agreement* among the parties to that case, which did not alter the TOU rate option to which residential customers would be defaulted within six months of installation of an AMI meter and to which new customers and accounts with AMI were placed unless another selection was made (collectively, the "Default TOU").³

² File No. EE-2021-0103, Order Granting Variances and Waivers, eff. November 28, 2020, at Ordering Para. 1(a).

³ File No. ER-2021-0240, Order Approving Stipulations and Agreements, eff. Jan. 4, 2022, at Ordering Para. 2.

- e. Thus, since June 1, 2021, residential customers who do not affirmatively elect a rate plan within six months after receiving their AMI meter have been defaulted to the Evening/Morning Savers rate plan, and new customers and accounts with AMI have been defaulted to the Evening/Morning Saver rate plan unless another rate plan is selected. In other words, for over two years, the low-differential Evening/Morning Savers TOU rate plan has been the Default TOU rate plan.
- f. In the Company's most recent electric general rate case, File No. ER-2022-0337, the Commission ordered the Default TOU rate plan to be changed from the Evening/Morning Savers rate plan to the Smart Savers (year-round) rate plan.⁴ The Smart Savers rate plan has a high differential between the on-peak and off-peak time periods.⁵ The currently effective summer on-peak rate is \$0.356 per kilowatt-hour ("kWh"), and the summer off-peak rate is \$0.067/kWh. This equates to an approximate 5:1 ratio of on-peak to off-peak rates.⁶ The Commission based such decision on the following findings (internal citations omitted):

56. Customers who do not affirmatively elect a rate plan six months after receiving their AMI meter, are transitioned to the Evening/Morning Saver rate plan, the current default TOU rate plan.

57. As of July 20, 2022, 359,115 customers are on the Evening/Morning Saver plan, 522 customers are on the Overnight Saver plan, 366 customers on the Smart Saver plan and 302 customers on the Ultimate Saver plan. As of that date, 519,333 customers with AMI meters, have opted for, or switched from a residential TOU rate plans[sic], to the Anytime plan.

58. Customers on the Overnight Saver, Smart Saver and Ultimate Saver residential rate plans are allowed the option to participate in TOU pricing during the summer only.

⁴ File No. ER-2022-0337, Report & Order, eff. June 24, 2023, at p. 36.

⁵ There is also a mid-peak time period for the Smart Savers rate plan.

⁶ Schedule 3 to this *Application*.

59. The Smart Saver and Ultimate Saver rate plans provide the greatest rate differential between peak and non-peak rates.

60. Ameren Missouri presented results that indicate for Overnight Saver, Smart Saver and Ultimate Saver TOU rate plans, around 80 percent of the customer outcomes and individual bills are lower than they would be for the same customers on the Anytime rate plan.

61. The Anytime rate plan and Evening/Morning Saver rate plan produce very similar bills for customers.⁷

g. Notably, the Commission's Report and Order, at paragraph 60 quoted above, cites to Company witness Steven Wills' Direct Testimony in File No. ER-2022-0337, Exhibit 39, at page 8. Below is a copy of page 8 from that testimony (internal citations retained, emphasis added):

Q. Are the adopters of advanced rates realizing bill savings as a result of their choice?

A. Yes, by and large they are. Across the intermediate and advanced TOU rate plans, around 80% of customer outcomes and individual bills are lower than they would be on the legacy Anytime User rate plan.⁸ *I prepared an analysis of each bill from the test year in this case associated with customers that had adopted either the Overnight Savers, Smart Savers, or Ultimate Savers rate plans, comparing those bills to what they would have been on the Anytime User rate.*⁹ Table 3 below summarizes my findings.¹⁰

⁷ File No. ER-2022-0337, Report & Order, eff. June 24, 2023, at p. 32.

⁸ By design, the Anytime User rate plan and the Evening/Morning Saver rate plan produce very similar bills for customers, so savings associated with these more advanced TOU rate plans relative to the new AMI default rate would be very similar to the levels reported relative to the legacy rate.

⁹ For customers that have elected the option to adopt e Overnight Savers or Smart Savers rate for the summer only and continue taking service on the Anytime User rate during the non-summer months, I excluded the bills for the non-summer period.

¹⁰ Total customers do not equal the total from Table 2 due to timing differences between customers that were billed on a TOU rate during the test year relative to customers that had selected a TOU rate plan by July 20, 2022.

Table 3 – Summary of TOU Rate Plan Savings Outcomes from Test Year

Rate Option	Number of Bills	% of Bills with Savings	Number of Customer Accounts ⁸	% of Customers that Saved	Total Savings (\$)	Average Savings per Customer per Month	Total Savings (%)
Overnight Savers	1,808	83.3%	371	84.6%	\$6,933	\$3.83	4.2%
Smart Savers	1,088	81.4%	216	81.0%	\$4,611	\$4.24	4.8%
Ultimate Savers	992	79.6%	157	77.7%	\$8,540	\$8.61	8.3%
Total	3,888	81.8%	744	82.1%	\$20,084	\$5.17	5.5%

h. At pages 14 and 15 of Mr. Wills' Direct Testimony in File No. ER-2022-0337, Exhibit 39, Mr. Wills further explains two reasons why "opt-in" TOU rates, like those offered by the Company, are particularly prone to causing revenue erosion in support of the Company's request for a two-way rate-switching tracker. First, while each of the TOU rates were and are designed to be revenue neutral to the legacy rate for the class as a whole (i.e., the average customer), no customer is precisely average so that every customer could naturally be a "winner" or "loser" on a new rate before making any behavior change in response to the new rate. Expected "winners" would be expected to adopt new rates much more readily and realize bill savings. Second, customers more engaged in controlling their energy bill are more likely to make an affirmative choice to go on a new rate plan, and correspondingly, are more likely to make changes in their lifestyles and energy consuming decisions to further benefit from the rate and lower their bills.

i. Therefore, the Company's analysis of bill impacts as presented by Mr. Wills on Direct in the 2022 rate review was through a very specific lens — customers who had been able to view bill comparisons under the different rate plans, affirmatively selected a more advanced rate (Overnight, Smart or Ultimate Savers) as likely natural "winners" under the rate plan, and correspondingly received any associated price signals from such advanced rate plans — to confirm bill savings under those more advanced rates as compared to their bills under the Anytime Users rate plan. Mr. Wills' analysis did not use data from residential customers who had not been presented with any options (as they had not received an AMI meter allowing for options other than the traditional, Anytime User flat rate), who had defaulted and might not be as engaged in the comparison of rate plans, and who had not responded to any time-differentiated price signals.

j. Below is the pertinent excerpt from the Commission's Report and Order in File No.

ER-2022-0337 announcing the change in default TOU plan:

The Commission finds it necessary to make several changes to the residential TOU rate plans Ameren Missouri offers. When determining just and reasonable rates for ratepayers and the Company, the Commission considers both Ameren Missouri's TOU rates and ***TOU rates throughout Missouri***. TOU rates, as previously discussed, send price signals to customers by having different rates for peak and off-peak usage. Those price signals should relay a consistent message that the price of energy varies throughout the day.

Ameren Missouri's current default TOU rate plan for customers with an AMI meter is the Evening/Morning Saver plan. The Evening/Morning Saver plan has a small price differential between peak and off-peak pricing and produces similar bill outcomes to the Anytime plan, which is a non-TOU residential plan. The Smart Saver plan has a greater potential to reduce peak load than the Evening/Morning Saver plan and 81 percent of the smart saver customers saved on their bills when compared to the Anytime plan. The Commission finds the Smart Saver plan more appropriate as the default residential TOU plan for Ameren Missouri's

customers with an AMI meter. ***The Smart Saver plan most closely aligns with other electric TOU default plans in Missouri.*** The Smart Saver plan has two options, a year-round option, and a summer-only option. The Commission finds that the Smart Saver year-round option is the appropriate default option.

Two thirds of Ameren Missouri's customers have AMI meters. Those customers have already defaulted into the Evening/Morning Saver plan, or have selected another TOU rate plan, or the Anytime plan. The Commission wishes to honor the choices of customers already in a TOU plan. ***The default Smart Saver plan only applies moving forward to customers who do not yet have an AMI meter or customers establishing a new account.***

In order for Ameren Missouri to have sufficient time to institute an effective education program to inform customers about TOU rate impacts, to permit Ameren Missouri time to engage with customers about the new default rate, and so customers have time to adjust their usage patterns before next summer, the Commission finds that the Smart Saver default rate must take effect no later than March 31, 2024. Ameren Missouri must take extra steps to educate space heating customers about the new default plan because those customers could experience greater impacts from the Smart Saver plan.¹¹

k. Thus, the Commission's decision to establish a new Default TOU plan for the remaining less than one-third of customers who do not or will not have AMI meters six months before March 31, 2024 was expressly related to "TOU rates throughout Missouri" and the "other electric TOU default plans in Missouri." The latter reference was unquestionably to Evergy Missouri Metro and Evergy Missouri West's (collectively, "Evergy") new default high-differential, two-period TOU rate plan in File Nos. ER-2022-0129 and ER-2022-0130.¹²

2. Evergy's Recent Request to Modify to Which TOU Plan Its Residential Customers Default, and the Commission's Approval Thereof:

a. On September 8, 2023, Evergy filed an Application for Approval of Tariff

¹¹ File No. ER-2022-0337, Report & Order, eff. June 24, 2023, at pp. 35 – 37 (emphasis added).

¹² File Nos. ER-2022-0129 and ER-2022-0130, Amended Report and Order, eff. Dec. 18, 2022, pp. 71 – 72.

Revisions to Time-of-Use Program, Request for Waiver of 60-Day Notice Requirement, and Motion for Expedited Treatment in File No. ET-2024-0061.

- b. On September 18, 2023, in light of the unanticipated "...significant amount of response from other parties....," Evergy filed its Notice of Withdrawal of Proposals and Amendment to Application in File No. ET-2024-0061, which withdrew all of Evergy's proposed tariff changes, with the exception that Evergy continued to request approval to change its tariffs to modify its default TOU rate plan from the high-differential two-period TOU rate (which Evergy calls the "Standard Peak Saver" rate) to the low-differential "Peak Reward Saver" rate (hereafter, "Evergy's Amended Application").¹³
- c. On September 27, 2023, via majority vote, the Commission issued its Order Approving Amended Application and Tariff in File No. ET-2024-0061 wherein the Commission approved Evergy's Amended Application. The Commission stated in pertinent part:

Evergy's TOU program allows customers to select from different rate plans based upon personal preference. Also, customers are free to change their choices at any time, including switching their TOU plan multiple times a year. Evergy's proposed tariff instead modifies which of the multiple TOU rate choices is the default in the TOU rate program in its tariffs.

Staff is concerned that approving the tariff would result in single-issue ratemaking. But Evergy is not requesting that the Commission change any of the current rate choices under the available TOU plans. Instead, it is requesting that from the multiple TOU rate options included in Evergy's current tariff, that the Commission switch the default TOU rate from the high-differential TOU to the low-differential TOU rate.

Evergy's amended application does not seek to change the price per kWh the Commission established under the approved TOU rate implementation

¹³ File No. ET-2024-0061, Evergy's Notice of Withdrawal of Proposals and Amendment to Application, EFIS Item 18, at paras. 2 & 3.

plan. What the application does request is to modify the tariff language that determines what TOU rate is first applied to customers who do not choose a specific TOU rate—the default TOU rate. Evergy’s amended application is not a collateral attack on the rate cases’ Amended Reports and Orders, but simply requesting approval of a tariff filing to modify the default in TOU choices to customers.¹⁴

- d. On October 7, 2023, which was the eve of the effective date for the Commission's Order approving Evergy's Amended Application, the Office of Public Counsel ("OPC") filed an Application for Rehearing, Reconsideration, and Clarification ("OPC's Rehearing Request").
- e. On November 1, 2023, the Commission denied OPC's Rehearing Request finding OPC's Rehearing Request did not demonstrate sufficient reason to rehear the matter.¹⁵

First Request – Approval of Revised Tariff Sheets to Modify Default TOU

- 3. Similar to Evergy's Amended Application in File No. ET-2024-0061, in this *Application*, the Company requests approval of the revised electric tariff sheet nos. 54, 54.4, & 54.7, which are attached as **Schedule 1**, so that Ameren Missouri may continue to default residential customers to the low-differential Evening/Morning Savers rate plan instead of the high-differential Smart Savers rate plan. For clarity, **Schedule 2** to this *Application* shows the "redlines" or revisions made to the currently effective sheets to yield the revised sheets presented in **Schedule 1**.
 - a. As explained in Steven Wills' affidavit in support of this *Application*, which is **Schedule 3**, as a result of rolling out AMI meters, Ameren Missouri's residential

¹⁴ File No. ET-2024-0061, Order Approving Amended Application and Tariff, issued Sept. 27, 2023, at pp. 3 – 4.

¹⁵ File No. ET-2024-0061, Order Denying Application for Rehearing or Reconsideration, issued Nov. 1, 2023, at p. 1.

customers are able to select from five different rate plans: the Anytime Users (traditional, non-TOU rate), the Evening/Morning Savers (current default, low-differential TOU rate), the Overnight Savers (two-part TOU rate), the Smart Savers (new default three-part high-differential TOU rate), and the Ultimate Savers (two-part high-differential TOU rate with a demand charge). As of October 31, 2023, Ameren Missouri has 656,824 residential customers enrolled in a TOU rate plan. Below is a breakdown of the number of residential customers as of October 31, 2023 who are enrolled in one of Ameren Missouri's TOU rate plans:

TOU Rate Plan Name	Number of Residential Customers Enrolled as of October 31, 2023
Evening/Morning Savers	653,356
Overnight Savers	1,457
Smart Savers	1,052
Ultimate Savers	959

4. As of October 31, 2023, only 10.7% of the residential customers who had completed their AMI journey (had an AMI meter installed more than six months before so that they would be subject to defaulting to a TOU rate) elected to return to the Anytime Users (traditional, non-TOU) rate. Resultingly, over 89% of customers have defaulted to the Evening/Morning Savers rate.¹⁶

5. Residential customers are also free to switch between TOU rate plans and the non-TOU rate plan multiple times a year.¹⁷

¹⁶ Schedule 3 to this *Application*.

¹⁷ Id.

6. Ameren Missouri's proposed revised tariff sheet nos. 54, 54.4, & 54.7, which are set out in **Schedule 1**, merely modify which of the five TOU rate plans is the Default TOU.¹⁸

7. Under Ameren Missouri's currently effective residential customer TOU defaulting program, new customers or new accounts with an advanced meter before March 31, 2024 shall be placed directly on the Evening/Morning Savers rate, and customers with an AMI meter installed prior to approximately October 1, 2023 that have had an advanced meter installed for six months shall be placed on the Evening/Morning Savers rate at the beginning of their next bill cycle.¹⁹

- a. Beginning March 31, 2024, new customers or new accounts with an AMI meter shall be placed directly on the Smart Savers Option A (year-round) rate, and customers with an AMI meter installed after approximately October 1, 2023²⁰ who have had an advanced meter installed for six months shall be placed on the Smart Savers Option A rate at the beginning of their next bill cycle.²¹
- b. Due to the continued rollout of AMI metering across the Company's service territory, only approximately 215,000 residential customers are scheduled to receive their AMI meter after October 1, 2023, and are therefore subject to potentially be defaulted to the Smart Savers rate plan.²²
- c. The revisions reflected in **Schedule 1** to sheet nos. 54, 54.4, & 54.7 only switch the default or plan to which a customer "shall be placed" from the Smart Savers back

¹⁸ Id.

¹⁹ See Electric 4th Revised Tariff Sheet No. 54.4.

²⁰ October 1, 2023 is an approximate date due to the mechanics of Company billing cycles.

²¹ See Electric 2nd Revised Tariff Sheet No. 54.7.

²² Schedule 3 to this *Application*.

to the current TOU Default Evening/Morning Savers rate plan.²³ The very limited revisions to Ameren Missouri's tariff sheets will merely allow Ameren Missouri to continue to default residential customers who receive an AMI meter after approximately October 1, 2023 to the low-differential Evening/Morning Savers rate plan six months post-AMI installation,²⁴ instead of defaulting customers to the high-differential Smart Savers rate plan.

8. The very limited tariff revisions reflected in **Schedule 1** do not change any of the calculated per kWh rates under any of the rate plans, nor do they change any of the five rate plans available to eligible residential customers.²⁵

a. Furthermore, the revised tariff sheets proposed in **Schedule 1** in no way alter the annual revenue requirement set in the Company's last electric general rate case, File No. ER-2022-0337, and the various rate plans were designed to be revenue neutral.²⁶

9. The **Schedule 1** revisions simply modify the tariff language that determines what TOU rate is first applied to customers who do not choose a specific TOU rate.

10. The Commission has statutory authority to review and approve tariff revisions, like this First Request under the *Application*.²⁷

11. Just as the Commission held that Evergy's Amended Application is not a collateral

²³ **Schedule 2** depicts the actual "redlines" or revisions to the currently effective sheets that are presented in **Schedule 1**.

²⁴ Approximately 80% will have already gone through the defaulting process with the low-differential Evening/Morning Savers rate plan.

²⁵ Schedule 3 to this *Application*.

²⁶ *Id.*

²⁷ §393.140(11), RSMo. (2023).

attack of the prior Evergy rate case Reports and Orders establishing a new high-differential default TOU rate,²⁸ this *Application* should similarly be held to not be a collateral attack on the Commission's Report and Order in File No. ER-2022-0337 and more accurately a simple request for approval of a tariff filing to modify the default in TOU choices to customers.

12. Factual differences are also at play here than were at play in the Company's most recent general rate case, File No. ER-2022-0337.

13. As explained in subparagraphs 1(j) and 1(k) of this *Application* above, the Commission's decision to establish a new TOU default plan in Ameren Missouri's most general rate case, File No. ER-2022-0337, was expressly related to the Commission's then-recent decision on Evergy's TOU default plan. The Commission even specially noted: "When determining just and reasonable rates for ratepayers and the Company, the Commission considers *both* Ameren Missouri's TOU rates and *TOU rates throughout Missouri*;"²⁹ and "The Smart Saver plan *most closely aligns with other electric TOU default plans in Missouri*."³⁰ Yet, as explained in subparagraph 2(c) above, the Commission has recently approved modification of Evergy's TOU default plan tariffs to now default Evergy customers' to a low-differential TOU rate plan instead of a high-differential TOU rate plan. This change in circumstances is material — the Commission *at least in part* justified the new high-differential default TOU for Ameren Missouri's customers defaulting after March 31, 2024 on a desire for consistency across Ameren Missouri's Default TOU to Evergy's default TOU, but then recently modified Evergy's default TOU.

14. Moreover, as explained in subparagraphs 1(g), 1(h) and 1(i) above, the Company's

²⁸ File No. ET-2024-0061, Order Approving Amended Application and Tariff, issued Sept. 27, 2023, at p. 4.

²⁹ File No. ER-2022-0337, Report & Order, eff. June 24, 2023, at pp. 35 – 36 (emphasis added).

³⁰ *Id.*, at p. 36 (emphasis added).

analysis of bill impacts as presented by Mr. Wills on Direct in File No. ER-2022-0337 analyzed bill savings for customers who had been presented bill impacts under the different rate plans available, affirmatively selected a more advanced rate (Overnight, Smart or Ultimate Savers), and correspondingly received any associated price signals from such advanced rate plans. That analysis showed that such engaged customers, who are expected to more likely be natural "winners" under those more advanced rates, saved under the more advanced rates as compared to the traditional, non-TOU Anytime Users rate plan. That analysis showed an average bill savings of approximately 4.3% for approximately 81% of customers who had affirmatively selected the Smart Savers rate plan in comparison to what their bill would have been under the Anytime Users rate plan.³¹

15. To try to gauge the potential bill impacts for the approximate 215,000 residential customers who will be subject to the new high-differential Default TOU, the Company recently performed an analysis comparing the total energy charge differences between the Evening/Morning Savers and the Smart Savers rate plans using the historical metered usage for a random sample of 987 residential customers who have had an AMI for at least 12 consecutive months as of October 1, 2023.³² The results of this analysis confirmed that a majority of bills, approximately 76%, would decrease or increase by less than 2% under the Smart Savers plan as compared to the Evening/Morning Savers plan. However, approximately 6% of bills would increase 10% or more. The analysis also evaluated 175 low-income customers³³ who had at least six consecutive months of AMI data, and showed that 14% of low-income customers' bills in January and February — months in which one would likely experience the most impact due to electric space heating — would increase 10% or more. The highest impact for a low-income customer's

³¹ File No. ER-2022-0337, Exhibit 39, Direct Testimony of Company witness Steven Wills, at page 8.

³² **Schedule 3.**

³³ Low-income customers were defined as customers who have met the low-income qualifications associated with exemption from the Company's Rider EEIC.

bill, based on the historical usage information during January, was an over 50% increase, which equated to an approximate \$214 increase for the bill. But here again, the analysis showed that a large majority of low-income residential customers would likely experience a bill decrease or approximately the same bill under the Smart Savers rate plan.³⁴

16. In light of the observed over 89% of customers to have defaulted to the Evening/Morning Savers rate discussed in paragraph 4 of the *Application* above, the majority of the impacted 215,000 residential customers are likely to default to the high-differential Smart Savers rate plan. And for a vast majority of those customers, no significant (greater than 2%) increase would be expected based on the Company's recent bill impact analysis.³⁵

17. But, the Company wants customers' first exposure to TOU rates to be positive so that future progress on TOU rates can effectively and efficiently be achieved.³⁶ The Commission and Commissioners are very familiar with Evergy's recent experience of negative media and customer feedback and confusion regarding Evergy's high-differential TOU default, including an assumption by customers that their bills will be increased by imposition of a default TOU rate.³⁷ The potential for confusion and negative reaction of Ameren Missouri's remaining approximate 215,000 residential customers impacted by the Company's new Default TOU similarly warrants modification to a low-differential TOU rate plan, like the Commission recently approved for Evergy. If the most extreme of the potential bill impacts presented in paragraph 15 above were to occur, even at the very low frequencies expected, but customers assume that they will experience

³⁴ Id.

³⁵ Id.

³⁶ Id.

³⁷ See e.g., Recording of MPSC Agenda 11-1-2023, New Orders Agenda Item 3, Discussion of OPC's Rehearing Request in File No. ET-2024-0061, Comments by Commissioners Kolkmeier and Hahn, available at: <http://psc.mo.gov/Videos/VideoDetail.aspx?Id=6664>; File No. ET-2024-0061, Evergy's Application, at p. 6, paragraph 10, reference to Slide 33, Exhibit A: "73% of customers are concerned their bill will go up with time-based rates."

such impacts, customer sentiment could be substantially soured on TOU rates.

18. Further concerning, the first exposure to TOU for the approximate 215,000 residential customers scheduled to receive their AMI meter after approximately October 1, 2023, and who are therefore subject to potentially be defaulted to the Smart Savers rate plan, will be inconsistent with the over 80% of residential customers whose first exposure was to the current very mild Default TOU rate without such potential bill impacts. This may trigger further unfounded customer concern that the remaining customers to have their AMI meter installed are even more likely to be disproportionately impacted or that they are more likely to experience the more extreme bill impacts under the Company's recent analysis.³⁸

19. For the foregoing reasons, the Commission should exercise its statutory authority³⁹ to review and approve the limited tariff revisions contained in **Schedule 1**, and thereby grant the Company's request to continue to default residential customers to the Evening/Morning Savers rate plan instead of the high-differential Smart Savers rate plan.

Second Request – Waiver of 60-Day Notice Requirement

20. Ameren Missouri requests a variance from the 60-day notice requirement of 20 CSR 4240-4.017, which states, in relevant part:

Any person that intends to file a case shall file a notice with the secretary of the commission a minimum of sixty (60) days prior to filing such case....

Pursuant to 20 CSR 4240-4.017(1)(D), waivers of the 60-day notice requirement may be granted for good cause shown. The rule further provides that good cause includes "... a verified declaration from the filing party ... that circumstances prevented filing the required notice and delaying the

³⁸ **Schedule 3.**

³⁹ §393.140(11), RSMo. (2023).

filing for sixty (60) days would cause harm."⁴⁰ As indicated in the *Verification and Affidavit* attached as **Schedule 4** to this *Application*, circumstances prevented Ameren Missouri from filing the required notice and delaying the filing for 60 days would cause harm.

21. Accordingly, Ameren Missouri has established good cause for a waiver from the 60-day requirement of 20 CSR 4240-4.017(1). No other public utility will be affected by granting the Company a waiver from this requirement.

Third Request – Expedited Treatment

22. Ameren Missouri moves for expedited treatment of this *Application* in accordance with 20 CSR 4240-2.080(14), which states:

(14) Any request for expedited treatment shall include the words “Motion for Expedited Treatment” in the title of the pleading. The pleading shall also set out with particularity the following: (A) The date by which the party desires the commission to act; (B) The harm that will be avoided, or the benefit that will accrue, including a statement of the negative effect, or that there will be no negative effect, on the party’s customers or the general public, if the commission acts by the date desired by the party; and (C) That the pleading was filed as soon as it could have been or an explanation why it was not.

Paragraph (A) – Action Date

23. Ameren Missouri requests a decision on this *Application* to be effective by at least December 4, 2023. Under Section 393.140(11), RSMo., the Commission may generally approve tariff changes like those set out in **Schedule 1** on 30 days' notice, but may allow such changes on less than 30 days' notice for good cause shown. In light of Staff's and OPC's attempts to extend the timeframe for review of Evergy's similar Amended *Application* in File No. ET-2024-0061,

⁴⁰ Pursuant to the Commission’s *Order Waiving 60-Day Notice Requirement* issued on August 1, 2017, in File No. WM-2018-0023, the examples of good cause provided in the rule are not exclusive, and the Commission may find that good cause has been established by other circumstances.

Ameren Missouri is concerned that Staff, OPC, and/or other parties may similarly attempt to extend the timeframe for review of this *Application* beyond the statutory 30-day timeframe for the tariff revisions in **Schedule 1**.

24. As explained by Mr. Wills in **Schedule 3**, the customer communication changes needed to inform impacted residential customers of the new high-differential Smart Savers default after March 31, 2024 (referred to hereinafter as "TOU HD Default Comms") must be finalized for production by December 13, 2023 in order to begin sending the first TOU HD Default Comms to customers on December 22, 2023.

Paragraph (B) – Benefit

25. Ameren Missouri accordingly requests a decision on this *Application* be effective by at least December 4, 2023 so that the Company has time to finalize or avoid publishing the TOU HD Default Comms pieces, and confirm accurate information is being sent to impacted residential customers regarding whether they will in fact be subject to high-differential TOU default or the low-differential Evening/Morning Savers default. If the Company were to finalize and begin sending the approximately 215,000 impacted residential customers the new TOU HD Default Comms, and then the Commission approves the limited tariff revisions set out in **Schedule 1**, a sincere concern for customer confusion would arise. There will be no negative effect, on the Company's customers or the general public, if the Commission acts by the date desired by the Company.⁴¹

Paragraph (C) – Soonest *Application* Could Be File

26. This *Application* was filed as soon as it could have been, because as described in

⁴¹ Schedule 3 to this *Application*.

the *Application* above, the Commission only recently approved Evergy's modification of its TOU default plan in File No. ET-2024-0061, the Commission only recently denied OPC's Rehearing Request in File No. ET-2024-0061, and Ameren Missouri only recently completed its bill impact analysis.

Fourth Request – Alternative Interim Electric Tariff Sheets

27. Only if the Commission does not grant expedited decision on this Application (the Third Request), the Company alternatively seeks approval of substitute electric tariff sheets set out in **Schedule 5** on an interim basis to delay the defaulting of residential customers to the high-differential Smart Savers rate plan beyond March 31, 2024 and thereby avoid potential customer confusion.⁴²

28. The Commission has statutory authority to review and approve tariff revisions, like this Fourth Request under the *Application*.⁴³

29. The revised tariff sheets in **Schedule 5** are limited to delay the defaulting of residential customers to the high-differential Smart Savers rate plan beyond the current deadline in Ameren Missouri's tariffs of March 31, 2024 until May 31, 2024.

30. If the Commission renders its decision approving the modification of the Default TOU as set out in **Schedule 1** *before* the December 4, 2023 requested expedited deadline, then the Commission could simply process the **Schedule 1** tariff sheets with whatever effective date the Commission designates. However, if a decision is rendered about the modification of the Default TOU *after* the December 4, 2023 requested expedited deadline, then the Commission could process the **Schedule 2** tariff sheets as substitute interim tariffs. If the Commission rejects the

⁴² More specifically, if this alternative is approved, then sheet no. 54 will be withdrawn and only sheet nos. 54.4 & 54.7 will be substituted.

⁴³ §393.140(11), RSMo. (2023).

modification of the Default TOU as set out in **Schedule 1** *before* the December 4, 2023 requested expedited deadline, the revisions in **Schedule 5** can simply be disregarded and will not be substituted.

20 CSR 4240-2.060(1), (A) through (M) — General Application Requirements

Paragraph (A) – Applicant; Paragraph (B) – Articles of Incorporation;

Paragraph (E) – Fictitious Name; Paragraph (G) – Information Previously Submitted;

Paragraph (H) – Character of Business⁴⁴

31. Union Electric Company is a Missouri corporation doing business under the fictitious name of Ameren Missouri, in good standing in all respects, with its principal office and place of business located at One Ameren Plaza, 1901 Chouteau Ave., St. Louis, Missouri 63103. Applicant is engaged in providing electric and natural gas utility services in portions of Missouri as a public utility under the jurisdiction of the Commission. There is already on file with the Commission a certified copy of Applicant’s Articles of Incorporation (See Case No. EA-87-105), which is incorporated herein by this reference. The Company's Fictitious Name Registration as filed with the Missouri Secretary of State’s Office is attached hereto as Application **Schedule 6**. A Certificate of Corporate Good Standing for Applicant is attached as Application **Schedule 7**.

Paragraph I – Correspondence and Communication

32. Correspondence and Communication — Correspondence, communications, orders and decisions in regard to this *Application* should be directed to the undersigned and to:

Steve Wills
Director, Regulatory Affairs
Ameren Missouri
1901 Chouteau Avenue
P.O. Box 66149
St. Louis, MO 63166-6149
swills@ameren.com

⁴⁴ Paragraphs (C), (D), and (F) do not apply to Ameren Missouri.

Paragraph (K) – Actions, Judgments, and Decisions; Paragraph (L) – Fees⁴⁵

33. Ameren Missouri has no final unsatisfied judgments or decisions against it from any state or federal agency or court that involve customer service or rates that have occurred within three years of the date of this *Application*. By the nature of its business, the Company has, from time-to-time, pending actions in state and federal agencies and courts involving customer service or rates. Company has no annual report or assessment fees overdue to this Commission.

Paragraph (M) – Affidavit

34. Affidavits in support of this *Application* by authorized individuals are included as **Schedules 3 and 4**.

WHEREFORE, Ameren Missouri respectfully requests that the Commission approve the revised tariff sheets in **Schedule 1**, grant the waiver of the 60-day notice requirement, grant expedited treatment of this *Application*, and if the Commission does not expedite its decision, then approve the substitute tariff sheets in **Schedule 5** on an interim basis until May 31, 2023 so that a decision on **Schedule 1** can be rendered.

Respectfully submitted,

/s/ Jermaine Grubbs

Jermaine Grubbs

Corporate Counsel

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**ATTORNEY FOR UNION ELECTRIC
COMPANY, d/b/a AMEREN MISSOURI**

⁴⁵ Paragraph (J) does not apply to Ameren Missouri.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing has been e-mailed to the Staff of the Commission, the Office of the Public Counsel, and all other parties on the service list for Ameren Missouri's most recent general rate case, File No. ER-2022-0337, on this 3rd day of November, 2023.

/s/ Jermaine Grubbs
Jermaine Grubbs