

**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.)	

AFFIDAVIT OF STEVEN WILLS

STATE OF MISSOURI)
) **ss**
CITY OF ST. LOUIS)

Steven Wills, being first duly sworn states:

1. My name is Steven Wills. I work in the City of St. Louis, Missouri, and I am employed by Ameren Missouri as Director, Regulatory Affairs.
2. I am of sound mind and lawful age.
3. In support of the foregoing *Application*, I provide the information in the following paragraphs.
4. The Smart Savers rate plan has a high differential between the on-peak and off-peak time periods.¹ 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.

¹ There is also a mid-peak time period for the Smart Savers rate plan.

5. As a result of rolling out Advanced Metering Infrastructure ("AMI") meters, Ameren Missouri's residential 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).

6. 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

7. 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.

8. Residential customers are free to switch between TOU rate plans and the non-TOU rate plan multiple times a year. Indeed, in the Commission's Report and Order in File No. ER-2022-0337, at page 37, the Commission found as follows: "... the Commission finds that

customers must be allowed to change plans up to three times a year. Customers may not change between optional TOU plans more than once in a billing cycle. However, customers may switch to the default Smart Saver plan and the Anytime plan without limitation or restriction." This rate-switching is reflected in Ameren Missouri's currently effective tariffs. See the Company's currently effective Electric Tariff Sheet Nos. 54.1, 54.4, 54.5, 54.7, 54.8, 54.11, and 54.14.

9. 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.

10. 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.²

11. 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, 2023³ 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.⁴

12. 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.

² See Electric 4th Revised Tariff Sheet No. 54.4.

³ October 1, 2023 is an approximate date due to the mechanics of Company billing cycles.

⁴ See Electric 2nd Revised Tariff Sheet No. 54.7.

13. 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 to the current TOU Default Evening/Morning Savers rate plan.⁵ 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,⁶ instead of defaulting customers to the high-differential Smart Savers rate plan.

14. 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.

15. 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.

16. The Company's analysis of bill impacts as presented by my Direct Testimony 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

⁵ **Schedule 2** depicts the actual "redlines" or revisions to the currently effective sheets that are presented in **Schedule 1**.

⁶ Approximately 80% will have already gone through the defaulting process with the low-differential Evening/Morning Savers rate plan.

affirmatively selected the Smart Savers rate plan in comparison to what their bill would have been under the Anytime Users rate plan.⁷

17. 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 meter for at least 12 consecutive months as of October 1, 2023. 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 customers⁸ 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 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.

18. 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

⁷ File No. ER-2022-0337, Exhibit 39, Direct Testimony of Company witness Steven Wills, at page 8.

⁸ Low-income customers were defined as customers who have met the low-income qualifications associated with exemption from the Company's Rider EEIC.

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.

19. 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.

20. 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 being 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.

21. Based on information from my colleague in Ameren's Digital Department, 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.

22. Ameren Missouri accordingly requests a decision on its *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.

23. I have reviewed the foregoing *Application*, and under the penalty of perjury, I affirm that the same is true and correct to the best of my knowledge and belief.

/s/ Steven Wills

Steven Wills

Sworn to me this 3rd day of November, 2023.