

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

In the Matter of the Application	)	
of Union Electric Company	)	Case No. ET-2016-0246
d/b/a Ameren Missouri for Approval	)	Tracking No. YE-2017-0030
of a Tariff Setting a Rate for	)	
Electric Vehicle Charging Stations	)	

RESPONSE OF THE MISSOURI DIVISION OF ENERGY TO PLEADINGS  
OF OTHER PARTIES

COMES NOW the Missouri Division of Energy (“DE”) in response to the pleadings of other parties and pursuant to Commission Rule 4 CSR 240-2.080(13) states:

1. Commission Rule 4 CSR 240-2.00(13) states, “Parties shall be allowed ten (10) days from the date of filing in which to respond to any pleading unless otherwise ordered by the commission.”
2. On August 15, 2016, Union Electric Company d/b/a Ameren Missouri (“Ameren”) filed its Application for Approval of Tariff Authorizing a Pilot Program for Electric Vehicle (“EV”) Charging Stations.
3. Also on August 15, 2016, the Commission issued its Notice of Tariff Filing and Order Establishing Time to File Recommendations setting a deadline of September 28, 2016 as the date for Staff and any other party to file a recommendation regarding Ameren’s EV charging station tariff.
4. On September 28, 2016, Staff, Sierra Club, and Natural Resources Defense Council filed timely recommendations.
5. On September 30, 2016 the Office of the Public Counsel (“OPC”) filed its Motion of the Public Counsel to Reject or Suspend Tariff Filing and Order Contested Case Proceedings (“Motion”) in which OPC responded in agreement with Staff’s September 28 recommendation.
6. On October 4, 2016, Ameren filed both an Objection to Motion to Suspend Tariff (“Objection”) and Response to Recommendations Filed by Staff, Sierra Club, and the Natural Resources Defense Council (“Response”).
7. Pursuant with Commission Rule 4 CSR 240-2.080(13), DE responds to the above mentioned pleadings.
8. The DE supports approval of the EV charging station tariff as modified by Ameren’s Response to address the concerns raised by NRDC and Sierra Club.

9. As described in the application and supporting testimony, authorization of the pilot and tariff would allow Ameren Missouri to install and operate electric vehicle charging stations at five sites within the Company's certificated service area along the I-70 corridor between the City of St. Louis and the City of Boonville; and a sixth site in Jefferson City.
10. One EV charging station installation is planned before the end of 2016. This investment will allow Ameren Missouri to take advantage of federal tax credits due to expire in December 2016. This tax credit will reduce the necessary investment in EV charging equipment by almost one-third of the cost of the first station to be installed, or approximately \$30,000 of the estimated \$95,000 cost, which will reduce the return of and return on investment in rates.
11. The pilot is a step toward meeting emerging demand for EV charging services and opportunity for Ameren to learn by doing. Ameren's choice to install EV charging stations along the I-70 corridor aligns availability with a high-traffic area and an area well situated to relieve range anxiety. The pilot will allow Ameren to test customer response to two charging technologies, L2-AC and DCFC.
12. Variable cost recovery is not at issue with respect to the tariff rates currently before the Commission. The proposed rates for L2-AC, at 20¢ per kWh and DCFC charging at 17¢ per minute<sup>1</sup>, exceed the 12.08¢ per kWh summer rate charged to customers taking service under Ameren Missouri's standard (1) M Residential service rate.
13. In its September 28 Order, rejecting a motion for consolidation, the Commission addressed the treatment of the cost of investment in charging stations stating:

If the Commission were to approve the pilot program resulting in a request for recovery in rates of the costs of a charging station during the true-up process, the Commission would not be precluded or hindered from considering all relevant issues in determining the ratemaking treatment for those costs in the rate case.
14. Ameren expects that the project as proposed will cover annual project fixed costs in Year 5 and make a \$3.8M contribution to non-project fixed cost over the 15 year period studied. Parties opposed to the pilot attempt to distinguish current customers from those who will use the charging stations. The Commission should not be persuaded by this artificial distinction. Travelers charging at these stations will be Ameren customers paying tariffed rates and contributing to fixed cost recovery based on these projections. Current customers do stand to benefit from both charging customers' contributions to

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<sup>1</sup> Assuming a 24 kWh vehicle battery and a 30 minute charge time, the equivalent per kWh rate is approximately 21.25¢ per kWh.

fixed costs over the life of the chargers and from economic growth created by locating EV charging stations within Ameren's service area.

15. One charging station is planned to be in service prior to the end of the rate case true-up period. Recovery of costs for the additional charging stations would not be considered until a subsequent rate case. To the extent that rates do not cover costs as the project ramps up, Ameren will absorb a share of the shortfall.
16. The Division of Energy encourages Ameren to continue to consider additional offerings to meet demand for EV charging within its service area.

WHEREFORE, Ameren's EV charging station tariff should be approved as modified by Ameren's October 4, 2016 Response. Ameren's costs associated with the EV charging stations contemplated in its tariff application should be treated above the line. Finally, OPC's Motion should be denied.

Respectfully Submitted,

/s/ Alexander Antal

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### **CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been served electronically on all counsel of record this 5th of October, 2016.

/s/ Alexander Antal

Alexander Antal