

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

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

STAFF'S RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission, by and through counsel, and for its *Recommendation* in this matter hereby states:

1. On August 15, 2016, Union Electric Company d/b/a Ameren Missouri filed an *Application for Approval of a Tariff Authorizing a Pilot Program for Electric Vehicle Charging Stations*. The Commission directed Staff to file a recommendation no later than September 28, 2016, for which Staff began a review and investigation. On September 12, some of the intervening parties in this matter filed a *Motion of Certain Intervenors to Consolidate Ameren Missouri Rate Case with and Ameren's Application for Approval of Electric Vehicle Charging Stations*. The Commission issued an order denying this *Motion* September 28. Staff now files its *Recommendation*.

2. Staff's investigation revealed that Ameren Missouri plans to install and operate six charging islands in its service territory. Staff also learned Ameren intends to include all revenues collected from the charging island transactions as well as all related expense and investment in its cost of service calculations in its rate cases. Ameren Missouri estimates a \$570,000 total capital investment for

the six charging islands and approximately \$40,000 of annual ongoing hardware operation and maintenance expense for access to the vendors managing charging station network. In addition, Ameren Missouri anticipates a \$10,000 annual marketing and education expense during the first three years of the program. No specific levels for depreciation expense or property tax expense have been identified in testimony.

3. Staff determined that Ameren Missouri has failed to demonstrate an adequate demand for the charging stations in its application. Staff's investigation further revealed that the projected costs associated with installation and maintenance of the electric vehicle charging station program will not be entirely covered by revenues from the proposed tariff; an additional subsidy from the ratepayers would also be necessary. Additionally, only 0.14 percent of customers in Ameren's service territory have registered an electric vehicle. As stated in *Staff's Memorandum*, attached to this pleading as Attachment A, Ameren Missouri's proposed electric vehicle charging station tariff is not designed in a manner that assigns costs of the program to the cost causers.

4. Staff notes that Ameren Missouri ratepayers should not be required to subsidize a program for which the majority of its ratepayers will receive no direct benefit. Staff recommends that the Commission only approve Ameren Missouri's proposed tariff sheets as they are currently filed on the condition that all revenues, expenses and investment associated with the program are recorded below-the-line in order to hold ratepayers harmless. Further, as part of

its pilot program, Staff recommends Ameren Missouri be required to gather data and report annually to the Commission and interested stakeholders on the impact of electric vehicle charging stations on grid reliability.

WHEREFORE, Staff recommends that the Commission only approve Ameren Missouri's proposed tariff sheets if it orders that all revenues, expenses and investments related to the proposed electric vehicle charging stations be recorded below-the-line and not charged to Ameren Missouri ratepayers; that Ameren Missouri be required to gather data and report annually on the impact of electric vehicle charging stations on grid reliability; and grant such other and further relief as the Commission considers just in the circumstances.

/s/ Whitney Payne

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served by electronic mail, or First Class United States Postal Mail, postage prepaid, on this 28th day of September, 2016, to all counsel of record.

/s/ Whitney Payne