

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

Claude Scott,

Complainant,

v.

Union Electric Company, d/b/a

Ameren Missouri,

Respondent.

**File No. EC-2018-0371**

**NOTICE OF RECOMMENDED REPORT AND ORDER**

Issue Date: May 2, 2019

The regulatory law judge is issuing the recommended report and order attached. The parties have ten days to file comments supporting or opposing this recommended order.<sup>1</sup>

**BY THE COMMISSION**



*Morris L. Woodruff*

Morris L. Woodruff  
Secretary

John T. Clark, Regulatory Law Judge,  
by delegation of authority pursuant to  
Section 386.240, RSMo 2016.

Dated at Jefferson City, Missouri,  
on this 2<sup>nd</sup> day of May, 2019.

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<sup>1</sup> 4 CSR 240-2.070(15)(H).

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

Claude Scott,	)	
	)	
Complainant,	)	
	)	
v.	)	<b>File No. EC-2018-0371</b>
	)	
Union Electric Company, d/b/a	)	
Ameren Missouri,	)	
	)	
Respondent.	)	

**REPORT AND ORDER**

**I. Procedural History**

On June 11, 2018, Claude Scott filed a small formal complaint with the Missouri Public Service Commission against Union Electric Company d/b/a Ameren Missouri ("Ameren Missouri"). The complaint alleged \$198.06 as the amount at issue. The Commission issued notice of the contested case on June 12, 2018. Ameren Missouri requested mediation of the complaint, Mr. Scott consented to mediation, and the Commission suspended the complaint pending the outcome of mediation. Mediation was unsuccessful and on September 21, 2018, the Commission lifted the suspension and directed Ameren Missouri to file an answer.

Ameren Missouri filed an answer to Mr. Scott's complaint on October 24, 2018. The Commission ordered the Commission's Staff ("Staff") to investigate and respond, and on November 2, 2018, Staff filed a report stating it found no violations by Ameren Missouri of any applicable statutes, Commission rules or regulations, or Commission approved tariffs. The Commission received no responses to the *Staff Report*.

On January 7, 2019, Mr. Scott filed another complaint also alleging \$198.00 as the amount at issue. The Commission treated this complaint as a supplemental complaint. The supplemental complaint also alleged that Ameren Missouri failed to provide requested discovery to Mr. Scott.

The Commission held an evidentiary hearing at the Commission's St. Louis office on Friday January 18, 2019. At the evidentiary hearing the Commission admitted the testimony of three witnesses and received 26 exhibits into evidence. Aubrey Krcmar, Regulatory Liaison, testified for Ameren Missouri; and Dana Parish, Missouri Policy Analyst, testified for the Commission's Staff. Mr. Scott testified on his own behalf.

After Mr. Scott presented his case against Ameren Missouri and at the beginning of Ameren Missouri's testimony, Mr. Scott announced that he had a doctor's appointment at 1:00 p.m. and wished to continue the evidentiary hearing to another date. That request was not granted. At 12:22 p.m. the evidentiary hearing recessed until 2:30 p.m. to give Mr. Scott an opportunity to go to his doctor's appointment. Mr. Scott did not return to the evidentiary hearing or contact the Commission, and the evidentiary hearing proceeded without him.

The Commission issued an order for Ameren Missouri and Mr. Scott to file post-hearing briefs. Ameren Missouri submitted a brief. Mr. Scott did not submit a brief. On February 15, 2019, the case was deemed submitted for the Commission's decision. Commission Rule 4 CSR 240-2.150(1) states "The record of a case shall stand submitted for consideration by the commission after the recording of all evidence or, if applicable, after the filing of briefs or the presentation of oral argument."

**Background:**

Mr. Scott's original complaint alleges that Ameren Missouri overbilled him \$160.06 and that an additional \$38.00 was not credited to his arrearage for a total disputed amount of \$198.06. Mr. Scott's supplementary complaint alleges a disputed amount of \$198.00. At the evidentiary hearing when asked to clarify if the two amounts in the complaint and supplementary complaint were different instances. Mr. Scott's response was that the \$198.00 was no longer in dispute, and the amount in dispute was \$973.74. The new amount consisted of overbilling by Ameren Missouri's budget billing program in the amount of \$752.00 and overpayment by Mr. Scott of \$241.44. Specific information related to a customer's bill is confidential under Commission Rule 4 CSR 240-2.135(2); however, the Commission may waive this provision under Commission Rule 4 CSR 240-2.135(19) for good cause. Good cause exists to waive confidentiality as to Mr. Scott's bills because it would be impossible to write findings of fact or a decision that did not use the confidential billing information that is the heart of Mr. Scott's claim. The confidential information disclosed in this Report and Order is the minimal amount necessary to support the decision.

## **II. Findings of Fact**

1. Ameren Missouri is a utility regulated by this Commission.
2. Mr. Scott began receiving electrical service from Ameren Missouri at 4110 Geraldine Ave. in July of 2017.<sup>1</sup>
3. Mr. Scott began receiving service at 4110 Geraldine Ave. Apartment 1, in July of 2017. His bill for electrical service from July 23, 2017 through July 31, 2017, issued

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<sup>1</sup> Ex. 102C, page 1.

August 2, 2017, included a transferred balance of \$1,005.57 from a prior address. His total amount due was \$1,027.04.<sup>2</sup>

4. On August 8, 2017, Mr. Scott called Ameren Missouri and asked to enter into a payment agreement. The payment agreement required an initial \$350 payment by August 29, 2017, with the remaining amount divided among 11 instalments of \$57.00 and a final 12<sup>th</sup> installment of \$50.04.<sup>3</sup> Mr. Scott paid the initial \$350 on August 24, 2017, and Ameren Missouri sent Mr. Scott a Payment Agreement letter.<sup>4</sup>

5. Payment agreements allow customers to pay past due amounts over a period of time while they continue to receive electrical service.<sup>5</sup>

6. All Ameren Missouri payment agreement letters contain the same general information, including a statement that late or insufficient payments will result in default of the payment agreement. Upon default the full amount owed is immediately due.<sup>6</sup>

7. On August 31, 2017, Ameren Missouri sent Mr. Scott a bill for electrical service from July 31, 2017, through August 29, 2017. The bill reflected the initial payment of \$350.00 and noted that after this bill Mr. Scott would owe \$620.04 on his payment agreement over the next 11 months. The total bill amount was \$146.14 including \$57.00 toward the payment agreement. Mr. Scott's usage charged was \$72.13, his customer charge was \$9.04, and other charges amounted to \$7.97. The bill's due date was September 22, 2017.<sup>7</sup>

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<sup>2</sup> Ex. 102C, page 1.

<sup>3</sup> Ex. 104C.

<sup>4</sup> EX.117C.

<sup>5</sup> 4 CSR 240-13.055(10)

<sup>6</sup> Ex. 117C.

<sup>7</sup> Ex. 102C, page 3.

8. Mr. Scott did not make a payment by September 22, 2017, and the Payment Agreement defaulted.<sup>8</sup>

9. On October 2, 2017, Ameren Missouri sent Mr. Scott a bill for electrical service from August 29, 2017, through September 28, 2017. The bill noted that Mr. Scott's Payment Agreement defaulted due to a missed payment. The total bill amount was \$830.03. This included the remaining Payment Agreement amount of \$677.04, a late charge of \$2.20, and a balance from the prior bill of \$89.14. Mr. Scott's usage charge was \$46.89, his customer charge was \$9.04, and other charges amounted to \$5.72. The bill's due date was October 23, 2017.<sup>9</sup>

10. On October 3, 2017, Ameren Missouri received a \$148.43 payment from Mr. Scott. This was \$2.00 more than the previous statement amount under the payment agreement, and significantly less than the amount owed on the defaulted payment agreement.<sup>10</sup>

11. Ameren Missouri issued Mr. Scott a disconnection notice on October 26, 2017, stating that his service would be disconnected unless he paid \$681.60 including the past due balance by November 7, 2017.<sup>11</sup>

12. On October 31, 2017, Ameren Missouri sent Mr. Scott a bill for electrical service from September 28, 2017, through October 29, 2017. The bill noted the October 3, 2017 payment of \$148.43. The total bill amount was \$749.28. This included a late charge of \$0.45, and a balance from the prior bill of \$681.60. Mr. Scott's usage charge

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<sup>8</sup> Ex. 115C

<sup>9</sup> Ex. 102C, page 5.

<sup>10</sup> Ex. 115C

<sup>11</sup> Ex. 104C.

was \$51.98, his customer charge was 9.04, and other charges amounted to \$6.51. The bill's due date was November 22, 2017. The bill contained a message that the account has a past due amount of \$681.60 and may be subject to disconnection.<sup>12</sup>

13. On October 31, 2017, Ameren Missouri received a \$124.00 payment from Mr. Scott, significantly less than the amount owed.<sup>13</sup>

14. The Cold Weather Rule period runs from November 1, through March 31.<sup>14</sup>

15. On November 1, 2017, Mr. Scott called Ameren Missouri and asked to enter into a payment agreement. The payment agreement required an initial \$175 payment by November 7, 2017, with the remaining amount divided among 12 instalments of \$38.00. Mr. Scott paid \$176.00 on November 6, 2017. Pursuant to the Cold Weather Rule the company offered to place Mr. Scott on Budget Billing as well.<sup>15</sup> Mr. Scott agreed and was informed that his budget bill amount would be \$100.00 a month plus the \$38.00 a month arrearage payment agreement amount. Ameren Missouri sent Mr. Scott a Payment Agreement letter.<sup>16</sup>

16. Budget billing levelizes a customer's bills to avoid seasonal variance.<sup>17</sup>

17. Budget billing amounts are \$100 per month if there is not 12 months of billing history for the customer at the current address.<sup>18</sup>

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<sup>12</sup> Ex. 102C, Page 7.

<sup>13</sup> Ex. 115C

<sup>14</sup> 4 CSR 240-13.055(2).

<sup>15</sup> Transcript, page 121.

<sup>16</sup> Ex. 104C.

<sup>17</sup> Transcript, pages 118-119.

<sup>18</sup> Ex. 114.

18. Mr. Scott did not reside at either the 4110 or the 3725 Geraldine Ave. address long enough to have 12 months of prior billing history at either address before starting budget billing.<sup>19</sup> Mr. Scott was only eligible to start budget billing at a \$100 minimum monthly payment under Ameren Missouri's budget billing tariff.

19. Under budget billing the customers' bills are evaluated six months after enrollment to determine if the current budget billing amount is correct for the customer based upon usage.<sup>20</sup>

20. Mr. Scott did not continue budget billing long enough at either address for enough time to be re-evaluated.

21. Budget billing as it appears on Mr. Scott's bills contains a current charge for electrical service followed by a budget bill adjustment which is positive or negative, and either raises or reduces the customer's payment amount to reach the budget bill amount (\$100.00 on Mr. Scott's bills).<sup>21</sup>

22. A payment agreement and budget billing can both occur at the same time.<sup>22</sup>

23. Some of Mr. Scott's bills contain both the budget bill amount, in addition to the payment agreement amount.<sup>23</sup>

24. On December 1, 2017, Ameren Missouri sent Mr. Scott a bill for electrical service from October 29, 2017, through November 29, 2017. The bill noted the November 7, 2017, payment of \$176.00. The total bill amount was \$138.00 (\$100.00 Budget bill

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<sup>19</sup> Ex. 102C and 103C.

<sup>20</sup> Ex. 114.

<sup>21</sup> Ex. 114.

<sup>22</sup> Transcript, pages 143-144.

<sup>23</sup> Ex. 102C and 103C.



amount + \$38.00 Payment Agreement amount). Mr. Scott's usage charge was \$89.03, his customer charge was \$9.04, and other charges amounted to \$10.64. The combined usage, customer charge, and other charges amounted to \$108.71, \$8.71 more than the budget bill amount of \$100.00 not including the \$38.00 Payment Agreement amount. Mr. Scott's Budget Bill Amount for this bill would leave -\$8.71 that would have to be reconciled in the future. The bill's due date was December 26, 2017. The bill contained a message that the after this bill he would owe \$411.28 on the payment agreement over the next 11 months, and that after paying this bill he would be behind \$8.71 on his Budget Billing balance.<sup>24</sup>

25. On December 27, 2017, Ameren Missouri received a \$138.00 payment from Mr. Scott. While the payment was received after the due date Mr. Scott's Payment Agreement did not default due to Ameren Missouri's grace period to receive payments.<sup>25</sup>

26. On January 4, 2018, Ameren Missouri sent Mr. Scott a bill for electrical service from November 29, 2017, through January 2, 2018. The bill noted the December 27, 2017, payment of \$138.00. The total bill amount was \$138.00 (\$100.00 Budget bill amount + \$38.00 Payment Agreement amount). Mr. Scott's usage charge was \$138.57, his customer charge was \$9.04, and other charges amounted to \$17.00. The combined usage, customer charge, and other charges amounted to \$164.61, so Mr. Scott's Budget Bill Amount for this bill would leave -\$64.61 that would have to be reconciled in the future. The bill's due date was January 26, 2018. The bill contained a message that the after this

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<sup>24</sup> Ex. 102C, Page 9.

<sup>25</sup> Tr. Page 147

bill he would owe \$373.28 on the payment agreement over the next 10 months, and that after paying this bill he would be behind \$73.32 on his Budget Billing balance.<sup>26</sup>

27. On January 29, 2018, Ameren Missouri received a \$139.00 payment from Mr. Scott for both the budget billing amount and the payment agreement. While the payment was received after the due date Mr. Scott's Payment Agreement did not default due to Ameren Missouri's grace period to receive payments.<sup>27</sup>

28. On February 2, 2018, Ameren Missouri sent Mr. Scott a bill for electrical service from January 2, 2018, through January 31, 2018. The bill noted the January 29, 2018, payment of \$139.00. The total bill amount was \$138.00 (\$100.00 Budget bill amount + \$38.00 Payment Agreement amount). Mr. Scott's usage charge was \$116.54, his customer charge was \$9.04, and other charges amounted to \$14.63. The combined usage, customer charge, and other charges amounted to \$140.30, so Mr. Scott's Budget Bill Amount for this bill would leave -\$40.30 that would have to be reconciled in the future. The bill's due date was February 26, 2018. The bill contained a message that after this bill he would owe \$335.28 on the payment agreement over the next 9 months, and that after paying this bill he would be behind \$113.62 on his Budget Billing balance.<sup>28</sup>

29. On February 27, 2018, Ameren Missouri received a \$138.00 payment from Mr. Scott. While the payment was received after the due date Mr. Scott's Payment Agreement did not default due to Ameren Missouri's grace period to receive payments.<sup>29</sup>

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<sup>26</sup> Ex. 102C, Page 11.

<sup>27</sup> Ex. 102C, Page 13.

<sup>28</sup> Ex. 102C, Page 13.

<sup>29</sup> Ex. 102C, Page 15.

30. On March 5, 2018, Ameren Missouri sent Mr. Scott a bill for electrical service from January 31, 2018, through March 1, 2018. The bill noted the February 27, 2018, payment of \$138.00. The total bill amount was \$138.00 (\$100.00 Budget bill amount + \$38.00 Payment Agreement amount). Mr. Scott's usage charge was \$99.44, his customer charge was \$9.04, and other charges amounted to \$12.42. The combined usage, customer charge, and other charges amounted to \$120.90, so Mr. Scott's Budget Bill Amount for this bill would leave -\$20.90 that would have to be reconciled in the future. The bill's due date was March 26, 2018. The bill contained a message that the after this bill he would owe \$297.28 on the payment agreement over the next 8 months, and that after paying this bill he would be behind \$134.52 on his Budget Billing balance.<sup>30</sup>

31. Mr. Scott moved from 4110 Geraldine Ave. Apartment 1, to 3725 Geraldine Ave in mid-March 2018.<sup>31</sup>

32. On March 12, 2018, Mr. Scott called Ameren Missouri requesting that service at 4110 Geraldine Avenue be discontinued. He also requested service at 3725 Geraldine Ave. as of March 9, 2018. Mr. Scott requested that budget billing be continued at his new address and was informed that it would remain at \$100.00 per month.<sup>32</sup>

33. On March 15, 2018, Ameren Missouri sent Mr. Scott a final bill for electrical service from March 1, 2018, through March 12, 2018, at 4110 Geraldine Avenue. The bill noted the prior \$138.00 statement amount. Mr. Scott's usage charge was \$3.08, his customer charge was \$3.31, and other charges amounted to \$0.56. The combined usage, customer charge, and other charges amounted to \$6.95. The total bill amount was

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<sup>30</sup> Ex. 102C, Page 15.

<sup>31</sup> Ex. 104C, and Transcript page 107.

<sup>32</sup> Ex. 104C.

\$175.00, which included the prior balance of \$138.00 plus a Budget Bill adjustment (Budget Billing was prorated because final bill only covered 11 days) amount of \$30.05 plus the current charge \$6.95. The bill's due date was April 6, 2018. The bill contained a message that after paying this bill he would be behind \$104.47 on his Budget Billing balance, and that the Payment Agreement balance of \$297.28 was transferred to Mr. Scott's new account.<sup>33</sup>

34. On March 19, 2018, Mr. Scott called Ameren Missouri to dispute the prorated budget bill adjustment on his final bill for electrical service at 4110 Geraldine Avenue.<sup>34</sup>

35. On April 10, 2018, Ameren Missouri received a payment from Mr. Scott for the full amount of the March 15, 2018, bill, which was the last bill for the 4110 Geraldine Ave. address covering 11 days.<sup>35</sup>

36. On April 12, 2018, Ameren Missouri sent Mr. Scott the first bill for electrical service from March 9, 2018, through April 10, 2018, at 3725 Geraldine Ave. The bill noted the April 10, 2018, payment of \$175.00. The total bill amount was \$138.00 (\$100.00 Budget bill amount + \$38.00 Payment Agreement amount). Mr. Scott's usage charge was \$17.38, his customer charge was \$9.64, and other charges amounted to \$2.55. The combined usage, customer charge, and other charges amounted to \$29.57, so Mr. Scott's Budget Bill Amount for this bill applied \$70.43 toward the amount his budget billing was behind. The bill's due date was May 3, 2018. The bill contained a message that the after

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<sup>33</sup> Ex. 102C, Page 17.

<sup>34</sup> Ex. 200C, Page 4.

<sup>35</sup> Ex. 103C, Page 1.

this bill he would owe \$259.28 on the payment agreement over the next 7 months, and that after paying this bill he would be behind \$34.04 on his Budget Billing balance.<sup>36</sup>

37. On April 18, 2018, Mr. Scott called Ameren Missouri and requested that Budget Billing be discontinued. Mr. Scott was informed that because he was behind on his budget billing there would be a settlement amount on his next bill. Ameren Missouri discontinued Mr. Scott's budget billing.<sup>37</sup>

38. Mr. Scott did not make a payment by the May 3, 2018, and the payment agreement defaulted.<sup>38</sup>

39. On May 11, 2018, Ameren Missouri sent Mr. Scott a bill for electrical service from April 10, 2018, through May 9, 2018. The total bill amount was \$459.41 Mr. Scott's usage charge was \$14.75, his customer charge was \$9.04, and other charges amounted to \$2.23. The combined usage, customer charge, and other charges amounted to \$26.02. A Budget Bill adjustment charge of \$34.04 appears on this bill to settle the amount Mr. Scott was behind on budget billing. The \$297.28 remaining on the Payment Agreement appears on the bill due to defaulting on the Payment Agreement. The \$100.00 budget bill balance from the prior bill also appeared on this bill. The bill had a due date of June 4, 2018.<sup>39</sup>

40. Mr. Scott did not make any payment by June 4, 2018.

41. Mr. Scott filed a formal complaint with the Commission on June 11, 2018.<sup>40</sup>

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<sup>36</sup> Ex. 103C, Page 1.

<sup>37</sup> Ex. 105C Ex. 200C pages 5-6.

<sup>38</sup> Ex. 103C, page 3.

<sup>39</sup> Ex. 103C, page 3.

<sup>40</sup> Complaint, June 11, 2018, EFIS.

42. On June 12, 2018, Ameren Missouri sent Mr. Scott a bill for electrical service from May 9, 2018, through June 10, 2018. The total bill amount was \$528.10. This included a late charge of \$2.43, and a balance from the prior bill of \$459.41. Mr. Scott's usage charge was \$50.82, his customer charge was \$9.04, and other charges amounted to \$6.40. The bill's due date was July 3, 2018. The bill contained a message that the account has a past due amount of \$459.41 and may be subject to disconnection.<sup>41</sup>

43. Mr. Scott did not make any payment by July 3, 2018.<sup>42</sup>

44. On July 9, 2018, Ameren Missouri sent Mr. Scott a disconnection notice stating that his service would be disconnected unless his past due balance was paid by July 19, 2018. The amount in dispute was included in the disconnection notice in violation of Commission Rule 4 CSR 240-13.050(6).

45. On July 12, 2018, Mr. Scott sent a copy of the above disconnection notice to the regulatory law judge.<sup>43</sup>

46. On July 12, 2018, Ameren Missouri sent Mr. Scott a bill for electrical service from June 10, 2018, through July 10, 2018. The total bill amount was \$622.32. This included a late charge of \$3.46, and a balance from the prior bill of \$528.10. Mr. Scott's usage charge was \$72.76, his customer charge was \$9.04, and other charges amounted to \$8.96. The bill's due date was August 2, 2018. The bill contained a message that the account has a past due amount of \$528.10 and may be subject to disconnection.<sup>44</sup>

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<sup>41</sup> Ex. 103C, page 5.

<sup>42</sup> Ex. 110C

<sup>43</sup> Notice of Extra Record Communication, July 12, 2018, EFIS.

<sup>44</sup> Ex. 103C, page 7.

47. Ameren Missouri subsequently removed the \$198.06 amount in dispute from collections and cancelled the disconnection notice.<sup>45</sup>

48. On July 31, 2018, Ameren Missouri received an online inquiry from an energy assistance agency. Agencies can find out if an account is in collections, total balance and past due balance, and if the account is in threat of disconnection. Mr. Scott's account was not in threat of disconnection at that time.<sup>46</sup>

49. Mr. Scott did not make any payment by August 2, 2018.<sup>47</sup>

50. On August 7, 2018, Ameren Missouri sent Mr. Scott a disconnection notice stating that his service would be disconnected unless his past due balance was paid by August 17, 2018.<sup>48</sup>

51. On August 10, 2018, Ameren Missouri sent Mr. Scott a bill for electrical service from July 10, 2018, through August 8, 2018. The total bill amount was \$718.80. This included a late charge of \$4.88, and a balance from the prior bill of \$622.32. Mr. Scott's usage charge was \$74.40, his customer charge was \$9.04, and other charges amounted to \$8.16. The bill's due date was August 31, 2018. The bill contained a message that the account has a past due amount of \$622.32 and may be subject to disconnection.<sup>49</sup>

52. On August 17, 2018, Ameren Missouri made two collection calls to Mr. Scott.<sup>50</sup>

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<sup>45</sup> Transcript, pages 178-179.

<sup>46</sup> Transcript, page 183.

<sup>47</sup> Transcript, page 184.

<sup>48</sup> Ex. 113C

<sup>49</sup> Ex. 103C, page 7.

<sup>50</sup> Ex. 105C

53. Mr. Scott did not make any payment by August 17, 2018.<sup>51</sup>

54. Ameren Missouri disconnected Mr. Scott's service for nonpayment on August 22, 2018.<sup>52</sup>

55. On August 22, 2018, two energy assistance fund pledges were made towards Mr. Scott's bill. The pledges just covered the arrearage related to the disconnection and the reconnection charge. The assistance inquiry and pledges were made after Mr. Scott's service had been disconnected.<sup>53</sup>

56. Ameren Missouri reconnected Mr. Scott's service on August 22, 2018, after the energy assistance pledges were confirmed.<sup>54</sup>

57. When an Ameren Missouri customer receives an energy grant from an energy assistance agency, the customer agrees to budget billing as a condition of receiving the grant. This is not an agreement between the customer and Ameren Missouri, but between the energy assistance agency and the customer. The energy assistance agency is responsible for informing the customer about being enrolled in budget billing.<sup>55</sup>

58. On September 11, 2018, Ameren Missouri sent Mr. Scott a bill for electrical service from August 8, 2018, through September 9, 2018. The total bill amount was \$484.79 Mr. Scott's usage charge was \$67.46, his customer charge was \$9.04, and other charges amounted to \$2.67. The combined usage, customer charge, and other charges

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<sup>51</sup> Transcript, page 186

<sup>52</sup> Transcript, page 186

<sup>53</sup> Ex. 105C

<sup>54</sup> Ex. 105C

<sup>55</sup> Transcript, page 199-200.



amounted to \$79.17. A Budget Bill adjustment charge of \$20.83 brings the Budget Bill amount to \$100. The bill also contains a \$30.00 reconnection fee and a \$30.00 credit from the energy grants payment of the fee. The bill also contains a late fee of 0.08 and a St. Ann charge for non-service of \$1.91. The bill reflects the September 5, 2018, payment of \$66.00. The bill also shows a \$300.00 energy grant received and \$155.00 energy grant was pending. The bill notes that after this payment Mr. Scott will be \$20.83 ahead on his budget billing balance. The bill had a due date of October 2, 2018.<sup>56</sup>

59. Mr. Scott did not make any payment by October 10, 2018.<sup>57</sup>

60. On October 10, 2018, Ameren Missouri sent Mr. Scott a bill for electrical service from September 9, 2018, through October 8, 2018. The total bill amount was \$430.28 Mr. Scott's usage charge was \$36.70, his customer charge was \$9.04, and other charges amounted to \$1.02. The combined usage, customer charge, and other charges amounted to \$46.76. A Budget Bill adjustment charge of \$53.24 brings the Budget Bill amount to \$100. The bill contains a late charge of \$0.49. The bill shows the \$155.00 energy grant was received and is no longer pending. The bill notes that after this payment Mr. Scott will be \$74.07 ahead on his budget billing balance. The bill was due October 31, 2018.<sup>58</sup>

61. Mr. Scott did not make any payment by October 10, 2018.<sup>59</sup>

62. On November 5, 2018, Ameren Missouri sent Mr. Scott a disconnection notice stating that his service would be disconnected unless his past due balance was

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<sup>56</sup> Ex. 103C, page 11.

<sup>57</sup> Ex. 103C, page 13, the bill reflects the receipt of the pending energy grant from the September 11, 2018, bill, but notes no other payments.

<sup>58</sup> Ex. 103C, page 13.

<sup>59</sup> Ex. 103C, page 15, the November 8, 2018, bill shows no prior payments.

paid.<sup>60</sup> The disconnect notice did not include the budget bill amounts which were higher than the actual service charges, but only the actual amount of service charges.<sup>61</sup>

63. On November 8, 2018, Ameren Missouri sent Mr. Scott a bill for electrical service from October 8, 2018, through November 6, 2018. The total bill amount was \$532.28 Mr. Scott's usage charge was \$27.39, his customer charge was \$9.04, and other charges amounted to \$0.91. The combined usage, customer charge, and other charges amounted to \$37.34. A Budget Bill adjustment charge of \$62.66 brings the Budget Bill amount to \$100. The bill contains a late charge of \$2.00. The bill notes that after this payment Mr. Scott will be \$136.73 ahead on his budget billing balance. The bill was due December 3, 2018.<sup>62</sup>

64. On November 16, 2018, a payment \$159.00 was received by Ameren Missouri.<sup>63</sup>

65. On November 19, 2018, Mr. Scott demanded Ameren Missouri immediately discontinue budget billing. Ameren Missouri witness Aubrey Krcmar spoke with Mr. Scott and agreed to discontinue budget billing immediately and issue Mr. Scott a corrected bill.<sup>64</sup>

66. On November 20, 2018, Ameren Missouri issued Mr. Scott a corrected bill for electrical service from October 8, 2018, through November 6, 2018. The amount due on the bill reflects the reduction of the prior balance from the settling up of the budget

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<sup>60</sup> Ex. 113C.

<sup>61</sup> Ex. 105C.

<sup>62</sup> Ex. 103C, page 15.

<sup>63</sup> Ex. 103C, page 17.

<sup>64</sup> Transcript, pages 198-199.

billing amount. The total bill amount was \$236.55 Mr. Scott's usage charge was \$27.39, his customer charge was \$9.04, and other charges amounted to \$0.91. The combined usage, customer charge, and other charges amounted to \$37.34. The bill contains a late charge of \$2.00. The bill reflects the November 16, 2018, payment of \$159.00. The bill was due December 12, 2018.<sup>65</sup>

67. On December 11, 2018, Ameren Missouri issued Mr. Scott a bill for electrical service from November 6, 2018, through December 9, 2018. The bill includes the current monthly charge and the prior balance of \$236.55 from the November 20, 2018, corrected bill. The total bill amount was \$281.10. Mr. Scott's usage charge was \$34.51, his customer charge was \$9.04, and other charges amounted to \$1.00. The combined usage, customer charge, and other charges amounted to \$44.55. The bill was due December 12, 2018.<sup>66</sup>

68. Ameren Missouri correctly calculated Mr. Scott's utility bills.

69. Budget billing was applied according to Ameren Missouri's tariff.<sup>67</sup>

70. Mr. Scott calculated budget billing amounts not credited to the customer at \$752.40. Mr. Scott arrived at the number by adding or subtracting the budget bill adjustment to the budget bill amount (usually \$100.00) to produce what Mr. Scott is calling the "net amount."<sup>68</sup>

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<sup>65</sup> Ex. 103C, page 17.

<sup>66</sup> Ex. 103C, page 19.

<sup>67</sup> Ex. 114.

<sup>68</sup> Ex. 13C.

### **III. Conclusions of Law**

A. Ameren Missouri is a public utility as defined by Section 386.020(43), RSMo. Furthermore, Ameren Missouri is an electrical corporation as defined by Section 386.020(15), RSMo. Therefore, Ameren Missouri is subject to the Commission's jurisdiction pursuant to Chapters 386 and 393, RSMo.

B. Section 386.390 states that a person may file a complaint against a utility, regulated by this Commission, setting forth violation(s) of any law, rule or order of the Commission. Therefore, the Commission has jurisdiction over this complaint.

C. Commission Rule 4 CSR 240-13.055 (The Cold Weather Rule) states in part:

(6) Discontinuance of Service. From November 1 through March 31, a utility may not discontinue heat-related residential utility service due to nonpayment of a delinquent bill or account provided—

(A) The customer contacts the utility and states his/her inability to pay in full;

(B) The utility receives an initial payment and the customer enters into a payment agreement both of which are in compliance with section (10) of this rule;

(10) Payment Agreements. The payment agreement for service under this rule shall comply with the following:

(B) Payment Calculations.

1. The utility shall first offer a twelve (12)-month budget plan which is designed to cover the total of all preexisting arrears, current bills, and the utility's estimate of the ensuing bills.

D. Commission Rule 4 CSR 240-13.055(6) regarding disputed amounts and disconnection states:

(6) A utility shall maintain an accurate record of the date of mailing or delivery. A notice of discontinuance of service shall not be issued as

to that portion of a bill which is determined to be an amount in dispute pursuant to sections 4 CSR 240-13.045(5) or (6) that is currently the subject of a dispute pending with the utility or complaint before the commission, nor shall such a notice be issued as to any bill or portion of a bill which is the subject of a settlement agreement except after breach of a settlement agreement, unless the utility inadvertently issues the notice, in which case the utility shall take necessary steps to withdraw or cancel this notice.

E. Ameren Missouri's applicable tariff states in relevant part:

I. BUDGET BILLING PLAN

Customers who are billed under Service Classification No. 1(M) or No. 2(M) with postcard or electronic billing and, at Company's option, certain eleemosynary customers may elect to be billed and pay for all electric service under Company's Budget Billing Plan provided customer shall have satisfied Company's credit requirements. The provisions of the Budget Billing Plan are as follows:

1. Upon enrollment in the Budget Billing Plan by customer, the average monthly bill amount will initially be equal to one-twelfth of the estimated annual billing to the customer with a one hundred dollar (\$100) minimum average monthly bill applicable to customers with less than twelve (12) months of billing history for the current account.
2. Company will re-evaluate the estimated annual billing to an actual use basis on the sixth month following the customer's enrollment in the program or anniversary date for existing Budget Bill customers. Thereafter, during the May and November bill cycles, the Company will re-evaluate the estimated annual bill and adjust the Budget Billing Plan amount where such adjustment will result in a change of at least three (\$3.00) per month.
3. Budget Bill settlement will occur annually during either the Company's May or November bill cycles with the initial settlement occurring more than six (6) but less than twelve (12) months after the customer's enrollment in the program or the anniversary date for existing Budget Bill customers. Any under or over collection balance existing at the settlement month will be rolled over and spread equally across all monthly bills in the next Budget Billing Plan year, unless customer requests the balance to be fully included on the settlement month's bill.
5. Company may terminate this Budget Billing Plan to any customer

who shall fail to make payment hereunder by the delinquent date, and, upon such termination and thereafter, such customer shall be billed in accordance with the terms of Company's standard monthly billing practice. Any billing adjustments required at the date of such termination shall be included in the next bill rendered to customer.

6. Customer may, at any time, elect to terminate the application of this Budget Billing Plan by requesting such termination and thereafter paying when due any amounts, including billing adjustments, which may be necessary in order to settle the account hereunder.
7. Final bills, whenever rendered, will include such amounts as may be necessary to settle the account based on actual usage as of the date of final meter reading unless, beginning with the August 2015 billing cycle, the balance is transferred to customer's new account.

J. The burden of showing that a regulated utility has violated a law, rule or order of the Commission is with the Mr. Scott.<sup>69</sup>

#### **IV. Discussion**

Mr. Scott filed a small formal complaint against Ameren Missouri because he believes that Ameren Missouri's budget billing was causing him to pay more than he would otherwise have to pay for electrical service. There are months where he is correct, but that does not mean that Ameren Missouri has violated a law, rule or order of the Commission which are within the Commission's statutory authority to determine. One of the functions of budget billing is to decrease the seasonal variance of billing charges. It can be reasonably expected that with budget billing if a customer is paying less for the service used in the summer than the actual bill without budget billing, then that customer

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<sup>69</sup> In cases where a "complainant alleges that a regulated utility is violating the law, its own tariff, or is otherwise engaging in unjust or unreasonable actions,"... "the burden of proof at hearing rests with the complainant." *State ex rel. GS Technologies Operating Co., Inc. v. Public Service Comm'n*, 116 S.W.3d 680, 693 (Mo. App. 2003).

will most likely be paying more than what their actual bill would be in the winter. Budget billing should make a customer's bill more predictable and manageable all year.

Mr. Scott provides an accounting for 2018 budget billing. This accounting involves either subtracting the budget billing adjustment from the budget billing amount, or adding the budget billing amount to the budget billing adjustment to arrive at a "net amount." Both of these methods of calculation are incorrect. The budget billing amount is the levelized amount Mr. Scott has to pay regardless of monthly usage. Because Mr. Scott did not have 12 months of prior billing history as required by Ameren Missouri's tariff, his monthly budget bill amount was \$100.00 in any month that was not pro-rated. The budget billing adjustment is the difference between what the Mr. Scotts bill should have been without budget billing and the budget billing amount. Mr. Scott agreed to budget billing for service at 4110 Geraldine Ave. in November 2017. Mr. Scott's budget billing amount of \$100.00 was less than his bill would have otherwise been in four of the five months he was on budget billing at the 4110 Geraldine Ave. address. The one time his actual service for 4110 Geraldine Ave. was only less than his budget billing amount was for March when his bill was prorated. While Mr. Scott was behind on his budget billing balance when he moved in March, his calculations incorrectly show Ameren Missouri overbilling him.

Mr. Scott's calculations are incorrect. Some of the numbers Mr. Scott uses to calculate his overbilling are misused. For example, Mr. Scott calculates that Ameren Missouri overbilled him by \$35.39 on the bill issued January 4, 2018. He arrives at \$35.39 by subtracting the budget billing adjustment of \$64.61 from his budget billing amount of \$100.00. \$100.00 was the budget billing payment amount, the adjustment of \$64.61 is Ameren Missouri adjusting his bill down to the \$100.00 from what his actual service

charges were: \$164.61. Ameren Missouri did not overbill Mr. Scott \$35.39 in the January 4, 2018 bill, Ameren Missouri under billed Mr. Scott \$64.61 as part of the budget billing program. Mr. Scott makes many such errors.

Mr. Scott's budget billing at the 3725 Geraldine Ave. address was greater than his bill would have otherwise been in all five of the months he was on budget billing at that address. Mr. Scott did not have 12 months of billing history at this address, so he also started budget billing at the required tariff budget billing at the amount of \$100.00 required by the tariff. Mr. Scott called Ameren Missouri in April 2018, and requested to discontinue budget billing. One of Mr. Scott's complaints was that budget billing appeared on his May 2018 bill. Mr. Scott was behind on his budget billing balance when he discontinued budget billing, and the May budget bill amount merely reconciles the amount he was behind on budget billing.

Mr. Scott was again placed on budget billing in September of 2018. This time budget billing occurred as a result of Mr. Scott receiving an energy assistance grant. Enrolling in budget billing is part of the agreement between the customer and the energy assistance agency. The energy assistance agency is to inform the customer that they are being enrolled in budget billing. It is unclear whether the energy assistance agency told Mr. Scott he would be enrolled in budget billing. Mr. Scott called Ameren Missouri in November 2018, and requested that they immediately stop budget billing, which they did, issuing him a corrected bill in which the budget billing amount is reconciled.

Mr. Scott has cherry picked his bills in an effort to show that he has paid more than the amount of electrical service used. Mr. Scott provides payment amounts made by him or energy assistance agencies, and contrasts those amounts against a usage amount for



the year. However, Mr. Scott provides no information as to how he arrived at this usage amount. The amount neither corresponds to actual charges for service, or service usage amounts. It is important to note that Mr. Scott started with a \$1,005.57 arrearage balance that was transferred to his account at 4110 Geraldine Ave. Mr. Scott never paid that balance in full. Mr. Scott defaulted on multiple payment agreements, and failed to pay his bills for several months. The \$1,170.00 that Mr. Scott says he paid over the last year would barely cover the \$1,005.57 balance he owed when he started service at 4110 Geraldine Ave. Mr. Scott seems confused as to why his balance has not gone down and yet there is not a single bill in which Mr. Scott is not carrying some form of unpaid arrearage. Mr. Scott blames budget billing. However, a sequential analysis of Mr. Scott's bills shows that Ameren Missouri correctly billed Mr. Scott, applied budget billing and payment agreements according to tariff and rule, and timely and correctly credited Mr. Scott's payments.

Ameren Missouri admits that it violated Commission Rule 4 CSR 240-13.050(6) by including part of the amount being disputed in a July 9, 2018, disconnection notice sent to Mr. Scott. Ameren Missouri testified that the inclusion of a disputed amount was inadvertent and upon discovery it immediately cancelled the disconnection in compliance with Commission Rule 4 CSR 240-13.055(6). Mr. Scott's service was not disconnected because of the inclusion of a disputed amount.

On January 7, 2019, Mr. Scott filed his supplemental complaint and motion for discovery. This occurred after the discovery deadline had passed, and 11 days prior to the scheduled evidentiary hearing. Mr. Scott was requesting any and all information, ledger postings of debits and credits, and meter readings relating to a specified account

from Ameren Missouri. Without waiving objection Ameren Missouri provided Mr. Scott with copies of his bills. The bills contained meter readings as well as activity statements. The bills Mr. Scott brought with him also contain meter readings and account activity. At the hearing Mr. Scott asked the judge to compel Ameren Missouri to produce the requested discovery. Ameren provided Mr. Scott a copy of his bills for the specified account which was all the discovery he was entitled to within the scope of his complaint. Mr. Scott's motion is overly broad and untimely, and accordingly will be denied along with his request to compel.

### **V. Decision**

After applying the facts to its conclusions of law, the Commission has reached the following decision. Complainant has the burden to show that Ameren Missouri has violated a law, rule or order of the Commission that are within the Commission's statutory authority to determine. Because he has not done so, his complaint fails and the Commission must rule in favor of the company.

Any application for rehearing must be filed before the effective date of this order.

#### **THE COMMISSION ORDERS THAT:**

1. Claude Scott's complaint is denied.
2. Claude Scott's request to compel discovery is denied.
3. Ameren Missouri may proceed, consistent with the law and the Commission's rules, with the Claude Scott's account as it sees appropriate.
4. This order shall become effective on \_\_\_\_\_, 2019.
5. This case shall be closed on \_\_\_\_\_, 2019.

**STATE OF MISSOURI**

**OFFICE OF THE PUBLIC SERVICE COMMISSION**

**I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.**

**WITNESS my hand and seal of the Public Service Commission, at Jefferson City, Missouri, this 2<sup>nd</sup> day of May 2019.**



  
**Morris L. Woodruff**  
**Secretary**

**MISSOURI PUBLIC SERVICE COMMISSION**

**May 2, 2019**

**File/Case No. EC-2018-0371**

**Missouri Public Service  
Commission**

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**Enclosed find a certified copy of an Order or Notice issued in the above-referenced matter(s).**

**Sincerely,**



**Morris L. Woodruff  
Secretary**

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Recipients listed above with a valid e-mail address will receive electronic service. Recipients without a valid e-mail address will receive paper service.