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Service Commission

Exhibit No.:
Issue(s): *Inclining Block Rate Proposals*
Witness: *Sarah L.K. Lange*
Sponsoring Party: *MoPSC Staff*
Type of Exhibit: *Supplemental Surrebuttal Testimony*
Case No.: *ER-2019-0335*
Date Testimony Prepared: *February 20, 2020*

MISSOURI PUBLIC SERVICE COMMISSION

INDUSTRY ANALYSIS DIVISION

TARIFF/RATE DESIGN DEPARTMENT

SUPPLEMENTAL SURREBUTTAL TESTIMONY

OF

SARAH L.K. LANGE

**UNION ELECTRIC COMPANY,
d/b/a Ameren Missouri**

CASE NO. ER-2019-0335

*Jefferson City, Missouri
February 2020*

Staff Exhibit No. 129
Date 3/4/20 Reporter JLB
File No. ER-2019-0335

1 SUPPLEMENTAL SURREBUTTAL TESTIMONY OF

2 SARAH L.K. LANGE

3 UNION ELECTRIC COMPANY,
4 d/b/a Ameren Missouri

5 CASE NO. ER-2019-0335

6 Q. Please state your name and business address.

7 A. My name is Sarah L.K. Lange and my business address is Missouri Public
8 Service Commission, P. O. Box 360, Jefferson City, Missouri 65102.

9 Q. Who is your employer and what is your present position?

10 A. I am employed by the Missouri Public Service Commission ("Commission")
11 and my title is Regulatory Economist III, Tariff/Rate Design Department of the Industry
12 Analysis Division. A copy of my credentials is attached to the Staff's Class Cost of Service
13 Report ("CCOS Report") filed on December 18, 2019, in this matter, to which I contributed.
14 I also provided Supplemental Direct Testimony and Rebuttal Testimony in this matter
15 concerning rate design.

16 Q. What is the purpose of your testimony?

17 A. I will provide a portion of Staff's response to Commissioner Rupp's Order
18 Regarding Inclining Block Rate Proposals.

19 I will also make minor corrections to prior testimonies. Specifically, at page 36
20 of my Rebuttal testimony, the words "customer, demand, and" should proceed the word
21 "energy" at line 14; and at page 23 of the Staff CCOS Report, the bottom table should be labeled
22 "Version B."

Response to Portions A & B of Commissioner Rupp's Order Regarding Inclining Block Rate Proposals

Q. Could you compare the currently experienced residential rates with that recommended in your supplemental direct testimony and the inclining block design described in Ameren Missouri's direct testimony?

A. Those rate designs are provided in the table below:

	Current net of Tax	Staff Supplemental Direct	Ameren Missouri Direct
Customer Charge	\$ 9.00	\$ 9.00	\$ 9.00
Summer			
First 750 kWh/Month	\$ 0.11959	\$ 0.10977	\$ 0.10590
Over 750	\$ 0.11959	\$ 0.11959	\$ 0.13140
Non-Summer			
First 750 kWh/Month	\$ 0.08139	\$ 0.79800	\$ 0.07930
Over 750	\$ 0.05379	\$ 0.05379	\$ 0.06010

Q. What are the current rate designs applicable to Evergy Missouri Metro and Evergy Missouri West?

A. The currently tariffed rates for Evergy Missouri Metro and Evergy Missouri West are provided in the table below:

	Evergy Metro	Evergy West
Customer	\$ 11.47	\$ 11.47
Summer		
First 600 kWh	\$ 0.13511	\$ 0.10938
Next 400	\$ 0.13511	\$ 0.10938
Over 1000	\$ 0.14916	\$ 0.11927
Non-Summer		
First 600 kWh	\$ 0.12013	\$ 0.09888
Next 400	\$ 0.07396	\$ 0.07800
Over 1000	\$ 0.06561	\$ 0.07800

Supplemental Surrebuttal Testimony of
Sarah L.K. Lange

1 Q. Could you compare the bill impact a customer typically using 1,000 kWh of
2 energy per month would expect from consuming 10% more energy and 10% less energy in a
3 month under each of the above rate designs?

4 A. Yes. The tables and graphs that follow indicate a base level of customer usage.
5 The first column provides the bill that would result from a 10% reduction in usage, the next
6 column shows the bill that would result from the indicated usage, then the next column provides
7 the bill that would result from a 10% increase in usage. The final two columns provide the
8 percentage change in customer bill that would be associated with a 10% reduction in usage and
9 a 10% increase in usage. A customer using 1,000 kWh of energy – regardless of the time of
10 consumption – would experience the following impact under each of the above rate designs:

	Customer Usage:		1,000		
	-10%	1,000 kWh	10%	10% Reduction	10% Increase
Evergny Metro	\$ 133.07	\$ 146.58	\$ 161.50	-9.22%	10.18%
Evergny West	\$ 109.91	\$ 120.85	\$ 132.78	-9.05%	9.87%
Ameren Missouri Direct	\$ 108.14	\$ 121.28	\$ 134.42	-10.83%	10.83%
Staff Supplemental Direct	\$ 109.27	\$ 121.23	\$ 133.18	-9.87%	9.87%
	-10%	Non-Summer	10%	10% Reduction	10% Increase
Evergny Metro	\$ 105.74	\$ 113.13	\$ 119.69	-6.54%	5.80%
Evergny West	\$ 94.20	\$ 102.00	\$ 109.80	-7.65%	7.65%
Ameren Missouri Direct	\$ 77.49	\$ 83.50	\$ 89.51	-7.20%	7.20%
Staff Supplemental Direct	\$ 115.85	\$ 121.23	\$ 126.60	-4.44%	4.44%

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13 Q. Could you compare the bill impact a customer typically using 2,000 kWh of
14 energy per month would expect from consuming 10% more energy and 10% less energy in a
15 month under each of the above rate designs?

16 A. Yes. A customer using 2,000 kWh of energy – regardless of the time of
17 consumption – would experience the following impact under each of the above rate designs:

Supplemental Surrebuttal Testimony of Sarah L.K. Lange

1

	Customer Usage:		2,000		10% Reduction	10% Increase
	-10%	2,000 kWh	10%			
Evergy Metro	\$ 265.91	\$ 295.74	\$ 325.57		-10.09%	10.09%
Evergy West	\$ 216.27	\$ 240.12	\$ 263.97		-9.93%	9.93%
Ameren Missouri Direct	\$ 226.40	\$ 252.68	\$ 278.96		-10.40%	10.40%
Staff Supplemental Direct	\$ 216.90	\$ 240.82	\$ 264.73		-9.93%	9.93%

	Non-Summer		10%		10% Reduction	10% Increase
	-10%	Non-Summer	10%			
Evergy Metro	\$ 165.62	\$ 178.74	\$ 191.86		-7.34%	7.34%
Evergy West	\$ 164.40	\$ 180.00	\$ 193.12		-8.67%	7.29%
Ameren Missouri Direct	\$ 131.58	\$ 143.60	\$ 155.62		-8.37%	8.37%
Staff Supplemental Direct	\$ 110.47	\$ 121.23	\$ 131.98		-8.87%	8.87%

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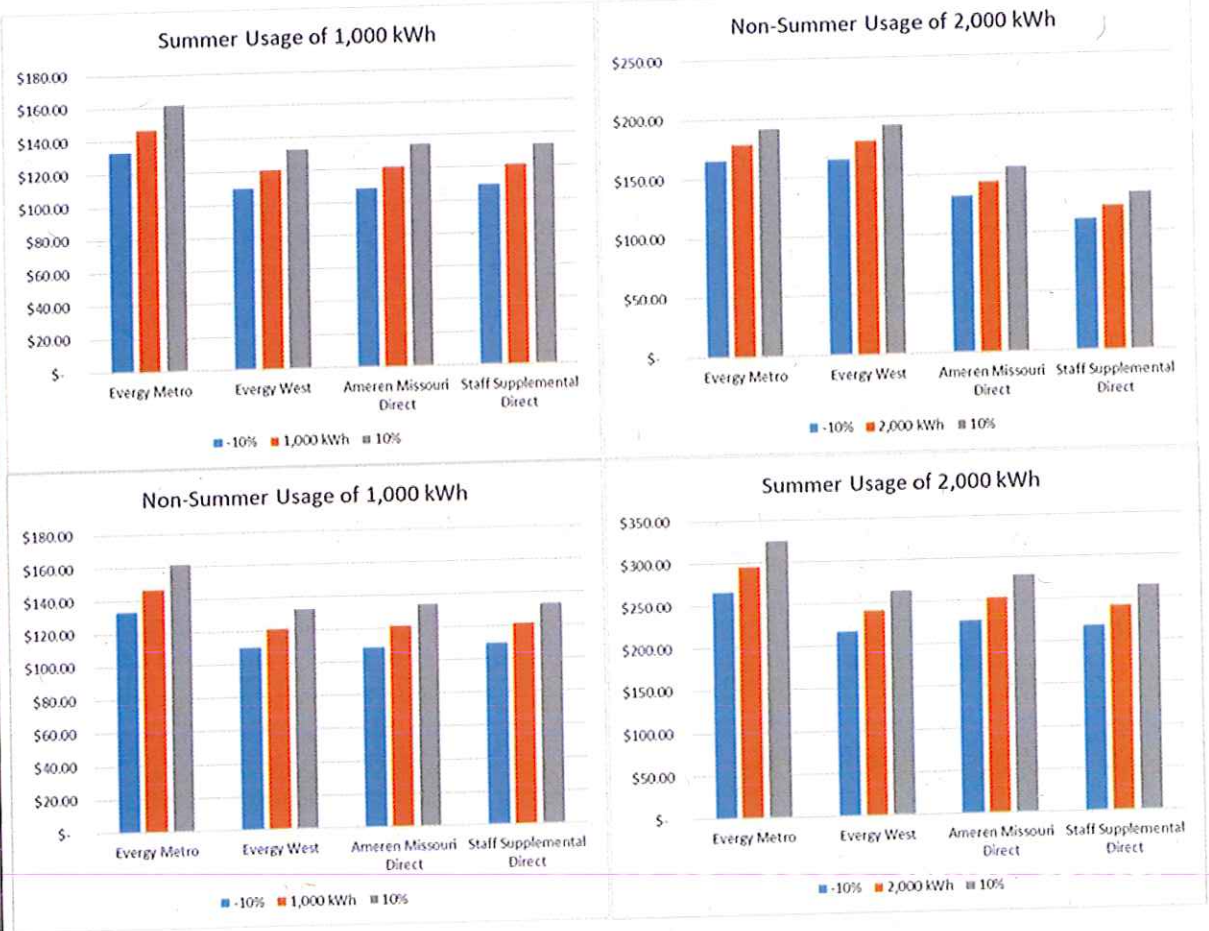
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Q. Could you provide summary graphs of the above values?

A. Yes. A graphical comparison of the above information is provided below:



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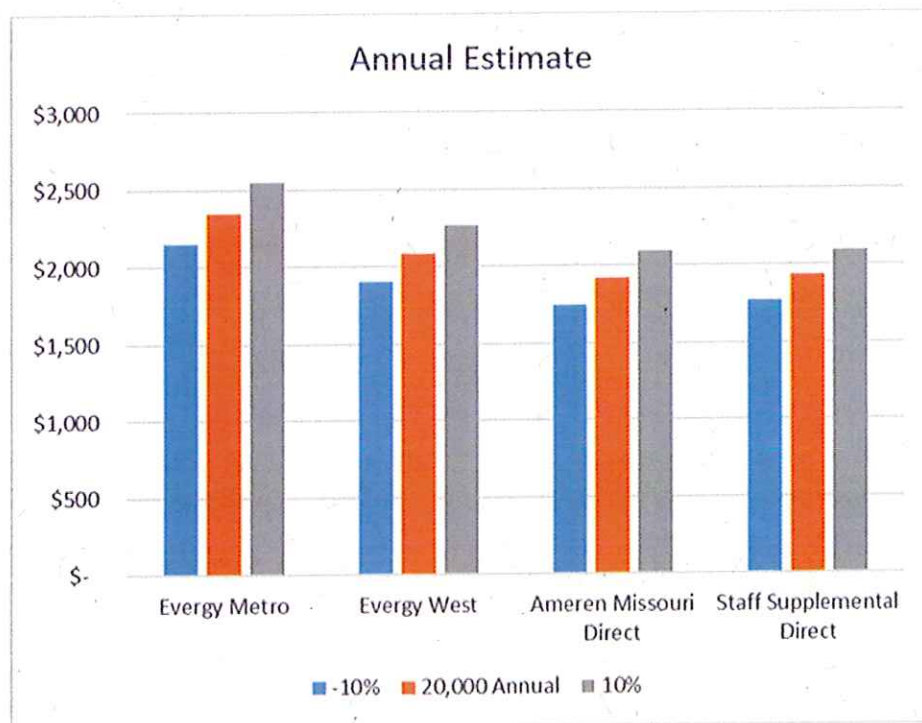
Supplemental Surrebuttal Testimony of
Sarah L.K. Lange

1 Q. Could you provide an annual bill comparison for a customer using 2,000 kWh
2 in four summer months, 2,000 kWh in four non-summer months, and 1,000 kWh in the
3 remaining four non-summer months?

4 A. Yes. The annual estimated bills resulting from that usage, and for the bills
5 resulting from 10% increase and decreases in that usage, are provided below, in tabular and
6 graphic form:

	-10%	20,000 Annual	10%	10% Reduction	10% Increase
Evergy Metro	\$ 2,149	\$ 2,350	\$ 2,549	-8.57%	8.43%
Evergy West	\$ 1,899	\$ 2,088	\$ 2,268	-9.05%	8.58%
Ameren Missouri Direct	\$ 1,742	\$ 1,919	\$ 2,096	-9.24%	9.24%
Staff Supplemental Direct	\$ 1,773	\$ 1,933	\$ 2,093	-8.29%	8.29%

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9 Q. Does this conclude your supplemental surrebuttal testimony?

10 A. Yes it does.

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BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of Union Electric Company)
d/b/a Ameren Missouri's Tariffs to Decrease) Case No. ER-2019-0335
Its Revenues for Electric Service)

AFFIDAVIT OF SARAH L.K. LANGE

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COMES NOW SARAH L.K. LANGE and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Supplemental Surrebuttal Testimony of Sarah L.K. Lange*; and that the same is true and correct according to her best knowledge and belief.

Further the Affiant sayeth not.

Sarah L.K. Lange
SARAH L.K. LANGE

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 20th day of February, 2020.

D. SUZIE MANKIN
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: December 12, 2020
Commission Number: 12412070

D. Suzie Mankin
Notary Public