

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

In the Matter of the Petition of Union  
Electric Company d/b/a Ameren Missouri                    )  
for a Financing Order Authorizing the                    )       File No. EF-2024-0021  
Issuance of Securitized Utility Tariff Bonds            )  
for Energy Transition Costs related to Rush            )  
Island Energy Center.

**AMEREN MISSOURI’S REPLY TO PUBLIC COUNSEL’S RESPONSE**

COMES NOW Union Electric Company d/b/a Ameren Missouri (“Company” or “Ameren Missouri”) and for its reply to Public Counsel’s Response to Ameren Missouri’s Motion to Strike Surrebuttal Testimony of Public Counsel Witness Murray (“OPC’s Response”), states as follows:

1.       OPC admits that Mr. Murray’s rebuttal testimony in response to Mr. Lansford’s extensive direct testimony on net present value benefits of securitization was merely “conceptual.” OPC Response, p. 1, para. 1. But OPC then declares that Mr. Murray did not change his position in surrebuttal and that he was merely clarifying his rebuttal testimony. *Id.* See also paragraph 2 of OPC’s Response. Not true.

2.       Notwithstanding OPC’s conclusory protests to the contrary, Mr. Murray’s rebuttal testimony in fact does reflect direct disagreements with, and a direct rejection of, Mr. Lansford’s direct case testimony and position, and it reflects an alternative to the traditional financing and recovery approach sponsored by Mr. Lansford in his direct testimony. In rebuttal, Mr. Murray did not say that “Mr. Lansford is wrong” about the traditional financing and recovery method he uses; Mr. Murray did not say that Mr. Lansford’s comparison of the NPV using the Company’s WACC to the NPV of securitization was incorrect; and Mr. Murray did not propose an alternative to Mr. Lansford’s traditional financing and recovery method, that is, a 15-year amortization without financing the sums at all.

3. But in his surrebuttal testimony, Mr. Murray did all of those things.<sup>1</sup> Mr. Murray's surrebuttal testimony isn't in substance a response to Mr. Majors.<sup>2</sup> To the contrary, after opportunistically making note of Mr. Majors' agreement with Mr. Lansford's analysis, Mr. Murray then shifts his merely conceptual discussion in his rebuttal testimony – where he does not actually say Mr. Lansford is wrong or that the Commission was wrong in its Liberty order – to what became in surrebuttal testimony a direct attack on Mr. Lansford's direct case. In the Liberty case, as it pertains to the Asbury energy transition costs, the Commission evaluated the NPV benefits question using Liberty's WACC as the appropriate discount rate. *Amended Report and Order*, File Nos. EO-2022-0040 & EO-2022-0193, Finding of Fact 175 (Issued Sept. 22, 2022).<sup>3</sup> Mr. Lansford, in his direct testimony, also used the utility's WACC in making the NPV benefits comparison. Mr. Murray's rebuttal testimony did not say that Mr. Lansford or the Commission got it wrong. Mr. Murray's surrebuttal testimony, for the first time, indeed so stated, disagreeing with Mr. Lansford and rejecting his position.

4. In short, there is not a single thing in Mr. Murray's surrebuttal testimony that could not have been – and that should not have been – included in his rebuttal testimony. If, as OPC claims, Mr. Murray's surrebuttal testimony does not reflect a change in position or a new alternative, then why in rebuttal did Mr. Murray file what could be fairly characterized as an academic concept piece, but then for the first time in surrebuttal, say that Mr. Lansford is simply wrong? For examples, see paragraph 14 of the Company's Motion to Strike.

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<sup>1</sup> E.g., “[T]his is not consistent with traditional ratemaking.” Murray Surrebuttal, p. 5, l. 20 (referencing Mr. Lansford's direct testimony position and analysis – followed by analyses designed to back-up his disagreement with Mr. Lansford).

<sup>2</sup> There are portions of Mr. Murray's surrebuttal that are a response to Mr. Majors rather than reflecting disagreement with Mr. Lansford, and the Company has not sought to strike those. Murray Surrebuttal, p. 2, l. 6 to 4, l. 4.

<sup>3</sup> As for the qualified extraordinary costs, the Commission used a long-term debt rate and, overall, used a weighted average rate of the two to determine an overall NPV benefit of securitization.

WHEREFORE, the Company again prays that the Commission make and enter its order striking the offending portions of Mr. Murray's surrebuttal testimony.

Dated: April 5, 2024

Respectfully submitted,

/s/ James B. Lowery

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**Attorneys for Union Electric Company  
d/b/a Ameren Missouri**

**CERTIFICATE OF SERVICE**

The undersigned certifies that true and correct copies of the foregoing have been e-mailed to the attorneys of record for all parties to this case as specified on the certified service list for this case in EFIS, on this 5th day of April, 2024.

/s/ James B. Lowery  
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