

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	)	Case No. EF-2024-0021
Authorizing the Issue of Securitized	)	
Utility Tariff Bonds for Transition Costs	)	
Related to Rush Island Energy Center	)	

**STATEMENT OF POSITIONS  
OF THE MISSOURI INDUSTRIAL ENERGY CONSUMERS**

COMES NOW the Missouri Industrial Energy Consumers (“MIEC”) and submits its Statement of Positions as follows:

**Issue 16. Allocation of Revenue Requirement**

***How should the securitized revenue requirement be allocated to customers?***

Ameren’s proposal to retire the Rush Island units to recover the undepreciated costs, along with related financing costs by use of securitization financing, is supported by Missouri law and is a reasonable way for Ameren to recover undepreciated costs that are not deemed imprudent. *Rebuttal Testimony of Maurice Brubaker, p. 2.*

However, Ameren’s proposed cost recovery mechanism for those costs based on relative class kWh kilowatt hour (kWh) consumption should be rejected. This proposal would materially overcharge large high load factor energy customers such as customers served under Rate Schedules 4 and 11. Ameren’s proposal has no reasonable relationship to costs and would result in unjust and unreasonable rates. *Rebuttal Testimony of Maurice Brubaker, pp. 2 - 3.*

Rush Island’s securitized costs should be allocated to customer classes as an equal percentage of base rate revenues, just as other increases in non-fuel costs should be reflected in rates. However, Staff witness Sarah Lange supports allocation of these costs based on class kWh

purchases. Ms. Lange's approach to "transform" Rush Island fixed costs by labeling them as something they are not and should be rejected. This approach would erode the foundation of fair and reasonable rates, even though it might serve Staff's class allocation goals. *Surrebuttal Testimony of Maurice Brubaker* at p. 3.

Contrary to Staff's position, Rush Island securitization costs should be recognized for what they are and allocated to customers on an equal percentage of base revenues. *Surrebuttal Testimony of Maurice Brubaker* p. 3. The unrecovered costs of the Rush Island units are fixed costs. Ameren has historically treated these costs as demand-related fixed costs in all prior cost of service studies, and has allocated these costs to customers based on their demands. Ameren has never proposed to allocate the fixed costs of Rush Island on an energy basis, and the Commission has never supported an allocation of Ameren's fixed costs based on class kWh. In the present case, the Rush Island costs to be securitized are currently collected in Ameren's base rates and have always been allocated based on demand and not based on energy. For these reasons, it is appropriate that the cost of the securitization be allocated to the customer classes similarly to how those costs are allocated in the rates. *Surrebuttal Testimony of Maurice Brubaker*, p. 9.

The facts in this case are vastly different from the Empire and Evergy cases, and this should be reflected in the allocation.

Ms. Lange's comments about volatility are exaggerated, inapplicable and should be disregarded.

Respectfully submitted,

Curtis, Heinz, Garrett & O'Keefe, P.C.

By: /s/ Diana M. Plescia

Diana M. Plescia #42419  
130 S. Bemiston, Suite 200  
St. Louis, Missouri 63105  
Telephone: (314) 725-8788  
Facsimile: (314) 725-8789  
[E-mail: dplescia@chgolaw.com](mailto:dplescia@chgolaw.com)

Attorney for the Missouri Industrial  
Energy Consumers

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing has been emailed to all parties included on the Commission's service list in this case.

/s/ Diana M. Plescia