

Exhibit No.:  
Issue(s): Affiliate Transactions,  
Edison Electric  
Company Dues,  
Kersting Estates  
Witness: Laura Moore  
Type of Exhibit: Direct Testimony  
Sponsoring Party: Union Electric Company  
File No.: ER-2024-0319  
Date Testimony Prepared: June 28, 2024

**MISSOURI PUBLIC SERVICE COMMISSION**

**FILE NO. ER-2024-0319**

**DIRECT TESTIMONY**

**OF**

**LAURA M. MOORE**

**ON**

**BEHALF OF**

**UNION ELECTRIC COMPANY**

**D/B/A AMEREN MISSOURI**

**St. Louis, Missouri  
June, 2024**

**TABLE OF CONTENTS**

I.	INTRODUCTION .....	1
II.	JOINT PLANNING WITH AMS .....	3
III.	DEMAND PLANNING WITH AMS .....	6
IV.	TRANSACTIONS WITH OTHER RATE-REGULATED AFFILIATES .....	12
V.	EDISON ELECTRIC INSTITUTE (“EEI”) Dues.....	13
VI.	KERSTING ESTATES.....	23

**DIRECT TESTIMONY**

**OF**

**LAURA M. MOORE**

**FILE NO. ER-2024-0319**

**I. INTRODUCTION**

1

2 **Q. Please state your name and business address.**

3 A. My name is Laura Moore, and my business address is One Ameren Plaza,  
4 1901 Chouteau Avenue, St. Louis, Missouri 63103.

5 **Q. What is your position with Ameren Missouri?**

6 A. I am Controller for Union Electric Company d/b/a Ameren Missouri  
7 (“Ameren Missouri” or the “Company”).

8 **Q. Please describe your educational background and employment**  
9 **experience.**

10 A. I received a Bachelor of Science degree in Accounting from the University  
11 of Missouri at Columbia in May 1991 and a Master of Business Administration degree  
12 from St. Louis University in May 1997. I am a Certified Public Accountant, licensed to  
13 practice in the state of Missouri. From 1992 to 1994, I worked for Preferred Pipe Products,  
14 Inc., in St. Louis, Missouri, in various capacities, including Staff Accountant in 1992 and  
15 Accounting Manager from 1992 to 1994. I worked with Eagleton Enterprises in St. Louis,  
16 Missouri, as an Accounting Manager from 1994 to 1995. I worked with Merit Behavioral  
17 Care in St. Louis, Missouri, as an Accountant from 1995 to 1997. I worked with Clark  
18 Refining and Marketing in St. Louis, Missouri, as a Financial Analyst from 1997 to 1999.  
19 From 1999 to 2002, I worked at Emerson Tool Company in St. Louis, Missouri, in the

1 Financial Analysis Department, first as an Analyst and then as the Manager. I have worked  
2 for Ameren Missouri or one of its affiliates since 2002.

3 During my tenure at Ameren, I have worked in various roles. I started in Ameren  
4 Services Company as a Financial Specialist and then worked in supervisory roles in Plant  
5 Accounting and Fuel Accounting. In 2012, I transferred to Ameren Missouri to work in  
6 Regulatory Accounting. I worked in Regulatory Accounting until I became Ameren  
7 Missouri's Controller in 2019.

8 I am a former Vice Chairperson of the Edison Electric Institute's ("EEI") Property  
9 Accounting and Valuation Committee. Prior to that, I was a member of the Leadership  
10 Committee for EEI's Property Accounting and Valuation Committee.

11 **Q. What is the purpose of your direct testimony?**

12 A. The purpose of my direct testimony is to (a) outline the manner in which  
13 Ameren Missouri determines the nature and extent of the Ameren Services Company  
14 ("AMS") products and services it will need each year in support of operating its regulated  
15 electric and gas utility businesses (see Sections II and III);<sup>1</sup> and (b) address the small  
16 (relative to the level of AMS transactions) exchanges of goods or services between Ameren  
17 Missouri and its rate-regulated affiliates (see Section IV). I will also discuss Ameren  
18 Missouri's membership in EEI and a settlement agreement involving service to the territory  
19 where the Kersting Estates subdivision is located.

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<sup>1</sup> Ameren Missouri witness Joseph S. Weiss' direct testimony addresses the service company approach relied upon by Ameren Missouri and its other affiliates, the prudence of utilizing that approach to obtain the kind of services Ameren Missouri relies upon from AMS, and why that approach benefits Ameren Missouri and its customers.

1           **Q.     Are there formalized processes in place by which Ameren Missouri**  
2 **determines the nature and extent of the AMS services it needs to support its business**  
3 **operations each year?**

4           A.     Yes, there are two complementary and, to some extent, overlapping  
5 processes used by AMS and the affiliates it serves (including Ameren Missouri) that allow  
6 Ameren Missouri to determine the nature and extent of the services it will receive from  
7 AMS each year. These processes occur as annual budgets are developed each year. These  
8 processes do not, however, stop with the approval of each annual budget. Rather, each  
9 process also involves ongoing review, oversight, and feedback from the affiliates receiving  
10 the AMS services (pertinent to this testimony, including Ameren Missouri) after budgets  
11 are finalized and as the budgets are being implemented. Specifically, we utilize both a  
12 Joint Planning and Procurement process and a separate but complementary Demand  
13 Planning process. I will discuss each of them below.

14   **II.       JOINT PLANNING WITH AMS**

15           **Q.     Please explain the Joint Planning process and how it relates to the**  
16 **Demand Planning process.**

17           A.     The Joint Planning process is governed by a Joint Planning and  
18 Procurement Policy, which was previously provided to the Commission as part of the direct  
19 testimony of Ameren Missouri's Cost Allocation Manual ("CAM") Team Manager Ben  
20 Hasse, in File No. EO-2017-0176. The policy is attached to my testimony as Schedule  
21 LMM-D1. The Joint Planning process is designed to allow Ameren Missouri to determine  
22 its need for, the nature of, and the value of the services it receives from AMS, as well as to  
23 consider alternatives to receiving a service or part of a service from AMS where

1 appropriate. As I noted earlier, there is some overlap between Joint Planning (the primary  
2 focus of which is on those AMS services that reflect operations and maintenance (“O&M”)  
3 costs for Ameren Missouri), and Demand Planning (which is focused primarily on services  
4 that produce capital expenses).<sup>2</sup> Taken together, the Joint Planning and Demand Planning  
5 processes allow Ameren Missouri to evaluate and understand the services that are  
6 available, their cost, alternatives, and \ultimately decide what services to take and at what  
7 level, in each case consistent with Ameren Missouri’s business needs.

8 **Q. Do you have a role in each process?**

9 A. Yes. As Ameren Missouri’s Controller, I am involved in both processes.

10 **Q. Please provide additional details on the Joint Planning Process.**

11 A. The Joint Planning process exists as a means to ensure that Ameren  
12 Missouri is receiving the mix and level of services it needs from AMS, and to do so in a  
13 manner that is transparent and that allows for a continued focus on opportunities for  
14 improvement, both in terms of cost levels and the efficiency of operations. While the  
15 process has existed for many years, it was reduced to the formal written policy in  
16 collaboration with Staff in File No. EO-2017-0176, as we worked with Staff in reaching  
17 an agreement on the Stipulation between the Company and the Staff, which was filed in  
18 that docket. Early in each year’s budget process (generally in the spring or early summer),  
19 detailed information is provided to Ameren Missouri (and the other affiliates AMS serves)  
20 about AMS’ services. This includes what those services are (changes from prior years  
21 would be highlighted) and may involve identification of possible opportunities for Ameren

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<sup>2</sup> As Mr. Weiss discusses, most (more than 90%) of the non-capital AMS costs incurred by Ameren Missouri can be further classified as administrative and general (“A&G”) costs.

1 Missouri to consider alternatives. Such alternatives could include the possibility of  
2 outsourcing a service (in whole or in part) instead of having AMS provide it in the  
3 upcoming year, or may involve information about ways that AMS could increase the value  
4 of a service(s) or reduce the cost of a service(s), or both. AMS provides projected AMS  
5 costs to Ameren Missouri based on a continuation of the products and services it has  
6 historically taken from AMS. These projected costs are provided in the aggregate for the  
7 upcoming annual period, and by product and service. AMS also provides Ameren Missouri  
8 with year-over-year comparisons, also in the aggregate and by product and service.

9 **Q. What happens after AMS provides this detailed information?**

10 A. Ameren Missouri leaders, myself included, review the information in detail,  
11 consult with various Ameren Missouri personnel (directors and other subject matter  
12 experts), and ultimately prepare for specific meetings with representatives from AMS  
13 functions to discuss the information, address questions, and discuss concerns, ideas for  
14 improvement, and alternatives (such as whether there are alternatives for the services AMS  
15 is offering, or alternative levels of the services, or other ideas for how Ameren Missouri  
16 can get the support it needs in an efficient and cost-effective manner). These discussions  
17 are collaborative, but at the same time, they often involve challenges from Ameren  
18 Missouri regarding whether costs can be eliminated or reduced, or provided in some other,  
19 more efficient or cost-effective manner. After this initial round of meetings involving all  
20 AMS areas, there may be (and often are) follow-up meetings with certain AMS  
21 representatives, as well as follow-up consultations among Ameren Missouri personnel.  
22 Ultimately, Ameren Missouri determines, as part of its final budgeting process, what level

1 of each service it will procure from AMS in the upcoming budget year. Those decisions  
2 are then reflected in Ameren Missouri's approved budget.

3 **Q. Does the process end there?**

4 A. No, Joint Planning is an ongoing, year-long process. Once the process is  
5 completed for an upcoming budget year – and that budget is finalized –Ameren Missouri  
6 engages in ongoing monitoring of its AMS costs to ensure that the services AMS is  
7 providing, and the costs Ameren Missouri is incurring for those services, are consistent  
8 with the decisions Ameren Missouri made as part of the annual budgeting process. AMS  
9 representatives meet with me and other members of the CAM Team on a quarterly basis to  
10 discuss variances in the approved products and services. The results of those quarterly  
11 meetings are then shared with the President of Ameren Missouri and members of his lead  
12 team to get their feedback. I, or others as appropriate, then follow-up with AMS on any  
13 action items, questions, or concerns that might arise from this quarterly review process,  
14 including, if necessary, adjustments to AMS' work on behalf of Ameren Missouri to align  
15 with the budget as approved, or as it may be changed by Ameren Missouri as the year  
16 proceeds. It should be noted that I, along with members of my team and other Ameren  
17 Missouri leaders as appropriate, also have ongoing discussions with AMS as needed  
18 throughout the year regarding the services AMS provides.

19 **III. DEMAND PLANNING WITH AMS**

20 **Q. Please describe the Demand Planning process.**

21 A. As indicated above, the focus of Demand Planning is on capital projects on  
22 which AMS works, as opposed to work that generates O&M expenses. The basic purpose  
23 of Demand Planning is the same as for Joint Planning: to follow an annual process so that



1 Ameren Missouri gets cost-effective capital project work from AMS functions where  
2 appropriate, and to include that contemplated capital work in Ameren Missouri's approved  
3 budget. As discussed further below, the process also includes ongoing review as the  
4 approved budget year progresses. While there is some AMS work on capital projects  
5 outside the Digital (formerly called "IT") function, a high percentage of the capital work  
6 at AMS for Ameren Missouri is in the Digital function. Consequently, the Demand  
7 Planning process between Digital and Ameren Missouri is more structured and detailed,  
8 and I will devote most of the remainder of my direct testimony to discussing Demand  
9 Planning as it pertains to the Digital function. I will also address the application of the  
10 process to the other capital work performed by AMS, albeit in less detail.

11 **Q. How does the process of determining what capital work from Digital is**  
12 **needed by Ameren Missouri work?**

13 A. The Digital Demand Planning process is broken down into different steps,  
14 as follows: (a) kick-off meetings; (b) opportunity gathering; (c) business case  
15 development; (d) reviews involving Ameren Missouri, Digital leadership and other  
16 relevant AMS stakeholders; and (e) execution planning. I should note that, as is the case  
17 with Joint Planning, Digital goes through a similar process with other Ameren affiliates  
18 and in many cases the meetings involve Digital and other affiliates, since many Digital  
19 Projects involve capital software or hardware projects that benefit both Ameren Missouri  
20 and others. At other times, Digital meets separately with Ameren Missouri when the focus  
21 of the discussions is for an Ameren Missouri-specific project.

1           **Q.     Please explain the process in more detail, starting with the kick-off**  
2 **meetings.**

3           A.     The process starts off with kick-off meetings between Digital and Ameren  
4 Missouri, Ameren Illinois Company (“AIC”), and/or Ameren Transmission Company of  
5 Illinois (“ATXI”). The kick-off meetings are organized around the different Digital  
6 “portfolios.”<sup>3</sup> At a minimum, Ameren Missouri participants in these meetings include  
7 members of the Ameren Missouri Capital Governance team, which reports to Ameren  
8 Missouri President Mark Birk, and other Ameren Missouri leaders. The kick-off meetings  
9 are used to outline the steps necessary to successfully complete the Demand Planning  
10 process so that the projects that are ultimately approved meet each affiliate’s needs.

11           **Q.     Please explain the opportunity gathering step.**

12           A.     Following the kick-off meetings, the next few months entail collecting  
13 details from the Ameren Missouri Capital Governance Team and/or other functional groups  
14 from Ameren Missouri, to identify investment needs. Other affiliates follow a similar  
15 process. This step includes capturing the high-level scope details and the benefits and costs  
16 of the capital projects identified. As noted earlier, if the projects benefit affiliates other  
17 than Ameren Missouri, those other affiliates are also involved. Once the needs are  
18 identified, the applicable participants review and determine which investments are  
19 priorities. At the end of this process, a list of investments is produced to move to the  
20 business case development process. Specific to Ameren Missouri, this list is developed  
21 with the input of Ameren Missouri’s functional areas (e.g., Energy Delivery, Generation),

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<sup>3</sup> A Digital portfolio is a functional grouping of digital systems. The functional groupings are as follows: Transmission, HR, Foundational Enablers (including Analytics & Automation), Customer, Other, Cyber, Generation/Nuclear, Supply Chain, Run the Business, Finance, Trade Floor and Energy Delivery.

1 and in collaboration with the Ameren Missouri Capital Governance team and of course  
2 with Digital.

3 **Q. Please explain the next step.**

4 A. The next step is the business case development process. Each affiliate's  
5 functional representatives continue to meet with Digital to gather additional details to  
6 complete an appropriate business case, which would include deeper development of details  
7 on the needs for the project, and its costs and benefits. Once the appropriate business cases  
8 are developed, the Digital team leverages the information developed and compiles a  
9 consolidated list of all of the potential investments.

10 **Q. What is the next step in the process?**

11 A. After the consolidated list of all of the investments across all of the different  
12 functional areas is complete, the reviews with each affiliate and Digital leadership begin.  
13 Before the review meetings, the Digital groups review the list of all the potential  
14 investments and consider the feasibility, cost and potential value of each investment in  
15 order to develop recommendations. Digital deprioritizes potential projects at this stage that  
16 it believes may not be as high priority as some of the other candidate projects, either for  
17 technical reasons, due to resource or timing constraints, or because not all projects could  
18 be pursued while also staying within investment targets set by each affiliate. While I  
19 referred to this as the "next step" in the process, in reality Digital meets several times with  
20 Ameren Missouri Capital Governance, Operational Technology Implementation, and  
21 Ameren Missouri functional teams prior to finalizing Digital's recommendations. The  
22 recommendations list is refined as needed as a result of additional discussions. Once the

1 recommendations list is “final,” those projects are then reviewed with the leadership of the  
2 affiliates. Once those reviews are complete, final decisions are made.

3 **Q. Please explain the final step of Demand Planning.**

4 A. Digital leadership then shares the approved list or plan with the entire  
5 Digital organization so there is a complete understanding of what investments were  
6 approved for funding by the affiliates for the year. Also, at this point, the investments are  
7 entered into the budget system for AMS and for each affiliate, including Ameren Missouri,  
8 and the affiliates perform a final review of the portion of the investments that they will be  
9 covering (100% for affiliate-specific work or their allocated share of projects that benefit  
10 more than one affiliate) before their budgets are finalized.

11 **Q. Is the Demand Planning process only used for Digital?**

12 A. No. There are two other AMS functions involving AMS services that  
13 involve capital project work for Ameren Missouri: Facilities and Transmission. A similar  
14 review process occurs in these functions, but without the same kind of set, detailed process  
15 followed by Digital. While projects in the Facilities and Transmission groups were still  
16 reviewed and scoped with Ameren Missouri (and other affiliates), the process varies from  
17 the Digital process primarily because most of these projects have longer planning periods  
18 prior to any work being done and fewer of their projects jointly benefit Ameren Missouri  
19 and AIC (which requires additional coordination and alignment), eliminating the need to  
20 go through the same kind of process used for Digital. Put another way, these projects are  
21 generally not confined to a single budget cycle, which means there is ongoing collaboration  
22 between Facilities and Transmission and the applicable affiliate as the projects are  
23 developed and proceed. By contrast, Digital projects get approved and other than the

1 ongoing reviews that take place, as discussed further below, Digital for the most part  
2 simply executes the projects without the same kind of ongoing collaboration that is needed  
3 for the longer-term Facilities and Transmission work.

4 **Q. Does Demand Planning end with the finalization of the budget?**

5 A. No. As a year progresses, emerging needs for capital work may arise, or  
6 needs may change in a way that could eliminate, reduce, or defer capital work. Meetings  
7 and other communications occur on a regular basis with the applicable AMS function, my  
8 team, the Ameren Missouri Capital Governance Team, or other Ameren Missouri  
9 functions.

10 The Ameren Missouri Financial Services and Capital Governance teams, and other  
11 Ameren Missouri representatives as appropriate, meet with Digital monthly to discuss  
12 progress on the projects in the budget as well as any emerging demands. Any requests for  
13 additional funding must be approved by the Ameren Missouri Financial Services and  
14 Capital Governance teams, in consultation with Ameren Missouri leadership. Similarly,  
15 Ameren Missouri might find it necessary to adjust the scope or timing of a project.

16 Regarding Facilities, the Ameren Missouri Financial Services team, the Ameren  
17 Missouri Capital Governance team, and if necessary other Ameren Missouri  
18 representatives, meet with Facilities every quarter. Like Digital, they discuss current  
19 projects, as well as upcoming planned projects or any emerging demands, if necessary.  
20 Other project plans or budget adjustments are also discussed as necessary.

21 For Transmission, the ongoing review is done more on an ad hoc basis, but material  
22 variances from the budget or material scope changes are discussed with the Ameren

1 Missouri Capital Governance team and/or other Ameren Missouri representatives, as  
2 needed.

3 **Q. What other processes are in place regarding capital work performed**  
4 **by AMS?**

5 A. My team, with input from the Ameren Missouri Capital Governance team,  
6 reviews all capital spending for Ameren Missouri every month and prepares a monthly  
7 variance analysis of actual spend to budgeted spend. This report is shared and reviewed  
8 with Ameren Missouri leadership monthly as well. If those reviews raise any concerns,  
9 the Capital Governance team takes the lead on communications with AMS to address any  
10 concerns or changes that need to be made.

11 **Q. Earlier you mentioned that Joint Planning and Demand Planning are**  
12 **complementary and may overlap in certain respects. Can you please elaborate?**

13 A. Yes. As the Demand Planning process proceeds, which projects are  
14 undertaken, the extent to which they are undertaken, and which projects may not be  
15 undertaken can have an impact on AMS' O&M costs. This can occur, for example, if a  
16 capital project that would have reduced O&M in a given year is not done, or there are  
17 capital projects that will require ongoing O&M once they are complete. Ameren Missouri  
18 coordinates with AMS across the Joint Planning and Demand Planning processes to make  
19 sure we are cognizant of the interplay between capital projects and O&M.

20 **IV. TRANSACTIONS WITH OTHER RATE-REGULATED AFFILIATES**

21 **Q. Does Ameren Missouri transact with affiliates other than AMS?**

22 A. Yes. As I have outlined before, including in my direct testimony in File No.  
23 EO-2017-0176, there are routine transactions with other rate-regulated affiliates involving

1 things like inventory exchanges, meter and line transformer exchanges, building and  
2 software rentals, storm support between the utilities, other miscellaneous support work,  
3 and energy/capacity sales.

4 **Q. Aside from the energy/capacity sales, can you please give the**  
5 **Commission a sense of the level of these transactions?**

6 A. Yes, per the Company's 2023 CAM submission, the net impact of the non-  
7 AMS affiliate transactions was approximately \$5 million received by Ameren Missouri.<sup>4</sup>  
8 Regarding energy/capacity sales, those sales occur as a result of Ameren Missouri's  
9 competitive bidding into the Illinois Power Auction as a means of making additional off-  
10 system sales at the market prices established by that auction. Therefore, while technically  
11 the transaction is with an "affiliate" in the sense that the ultimate buyer ends up being AIC,  
12 practically speaking, the sales are made pursuant to a market process, and Ameren  
13 Missouri's bids are always above its marginal cost.

14 **V. EDISON ELECTRIC INSTITUTE ("EEI") Dues**

15 **Q. Please explain the purpose of EEI.**

16 A. EEI is an association of U.S. investor-owned electric companies. EEI also  
17 has some international electric companies as members. EEI provides an opportunity for  
18 Ameren Missouri to pool resources and information with other U.S. investor-owned  
19 electric companies, which allows us to more efficiently and effectively address issues that  
20 are impacting the industry. This ability benefits the Company and our customers.

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<sup>4</sup> These are the kinds of regulated utility to regulated utility transactions that the Commission has found do not present affiliate subsidy-type concerns. See orders in File Nos. EM-2007-0374 and EM-2018-0012.

1           **Q.     Can you provide some examples?**

2           A.     Yes. The following are some examples of the benefits received from the  
3 EEI membership.

4           *Mutual Assistance:*

5           There are 7 Regional Mutual Assistance Groups (“RMAG”) in the United States.  
6 Each is comprised of utility representatives from EEI member companies. Ameren  
7 Missouri belongs to the Midwest Mutual Assistance Group (“MMAG”). The purpose of  
8 the MMAG is to effectively, and collaboratively, share resources within the Midwest  
9 region of the United States as well as assist other RMAGs when called upon.

10          Utilities requesting assistance start by contacting the MMAG Chair. The MMAG  
11 Chair will then send out an electronic notice (voice mail/email/text message) notifying the  
12 rest of the membership of the need for resources with a deadline for response. The MMAG  
13 Chair holds a conference call with members to confirm the number of resources/equipment  
14 available and mobilization plan. The requesting utility is not required to accept all offers  
15 and is allowed to choose which offers to accept.

16          The benefits of MMAG include access to resources from peer utilities, getting  
17 resources mobilized quickly according to geographic availability, and dividing resources  
18 systematically between companies when multiple requests are made. Utilizing MMAG to  
19 obtain resources (including from another RMAG) for storm restoration may also mitigate  
20 risks and have cost advantages as compared to use of non-RMAG resources. First,  
21 contractors used by RMAG members have already been through a sourcing event (designed  
22 to acquire resources cost-effectively) with peer utilities. Other contractors that might be



1 used but that have not been through these processes typically come with a substantially  
2 higher cost.

3 *Digital:*

4 The EEI Technology Advisory Committee serves to keep members abreast of  
5 emerging strategic information technology and business issues that impact the energy  
6 industry. Participation allows Ameren Missouri to receive updates on federal and state  
7 actions as they happen, allowing us to take action or begin planning on issues relating to  
8 topics that impact our ability to provide service efficiently (e.g., cyber security, information  
9 security, including security of customer information).

10 Attending committee meetings provides opportunities to meet with other industry  
11 professionals to:

- 12 • Discuss similar issues and work to develop common solutions,
- 13 • Learn from the experience of other utilities,
- 14 • Benefit from expert speakers who discuss the future of  
15 legislation/regulations, which allows us to remain proactive in our  
16 compliance efforts by planning early and before requirements are  
17 mandatory,
- 18 • Share resources to gain insight on pending governmental policies and  
19 regulations more efficiently and at a lower cost than if those resources had  
20 to be duplicated,
- 21 • Collaborate on evolving and emerging industry issues relative to the North  
22 American Electric Reliability Council (“NERC”) Reliability Standards

- 1 Infrastructure Protection requirements, smart grid deployment, cyber  
2 security, and emergency response, among others,
- 3 • Participate in the Chief Information Security Officer (“CISO”) Executive  
4 Advisory Committee and the Electric Sector Coordinating Council  
5 (“ESCC”) Advisory Committee which provides information sharing across  
6 the industry, particularly related to cyber security and telecommunications  
7 challenges, and the Security and Technology Policy Executive Advisory  
8 Committee (“S&T EAC”) Committee which provides an industry forum for  
9 senior executives to discuss public policy and advise on technical and  
10 strategic security issues. The cross-industry collaboration is extremely  
11 helpful and instrumental in improving cyber defense and response  
12 capabilities across investor-owned utilities, municipals and co-ops,
  - 13 • The Cyber Security Working Group discusses emerging cyber security  
14 issues. EEI is currently working with member companies and various  
15 Congressional committees in crafting legislation to address cyber-attacks  
16 against the electric power grid and to identify vulnerabilities that could be  
17 exploited,
  - 18 • The Company receives updates from the North American Electric  
19 Reliability Council Critical Infrastructure Protection (“NERC CIP”)  
20 drafting teams as they develop the new regulations,
  - 21 • EEI has facilitated the formation of the cyber mutual assistance program,  
22 initiated by the ESCC. This program is intended to be similar to the mutual

1 assistance program for storm recovery. Ameren Missouri is actively  
2 engaged in establishing the framework and procedures for this program.

3 All of these help Ameren Missouri to more efficiently and effectively use  
4 information technology as part of providing service to customers, which helps us operate  
5 with lower costs than we could absent these benefits. Early notice of federal/state  
6 regulations also helps us be more proactive in response and avoid penalties for non-  
7 compliance.

8 *Controller's Function:*

9 EEI provides value to the Controller's function in many ways, including providing  
10 educational forums that allow for the maintenance of utility-specific skills for accounting  
11 staff. Accurate financial statements allow the Commission to properly set rates and are  
12 necessary to procure the capital necessary to invest and operate Ameren Missouri. EEI  
13 members receive discounts at their sponsored forums. The Controller's group receives  
14 many benefits from this membership:

- 15 • Committees allow for the sharing of questions and information related to  
16 various accounting topics, which assure we are properly thinking about and  
17 accounting for various utility-specific issues. Accurate financial statements  
18 allow the Commission to properly set rates and are necessary to procure the  
19 capital necessary to invest and operate Ameren Missouri. Use of EEI  
20 reduces Company staff that may be necessary to respond.
- 21 • Coordinate responses with other leaders in the industry to accounting  
22 standard setters for requested comments on potential new accounting  
23 standards. Use of EEI reduces Company staff that would be necessary to

1                   respond and allows for responses that represent the industry rather than an  
2                   individual company.

- 3                   •       Coordinate forums for interaction with investors that provide capital to  
4                   utilities. These forums are an efficient method of meeting investors and  
5                   potential investors versus multiple trips and other targeting methods.
- 6                   •       EEI regularly has meetings with the Financial Accounting Standards Board  
7                   (“FASB”), the Securities and Exchange Commission (“SEC”) and the  
8                   Federal Energy Regulatory Commission (“FERC”) to discuss industry  
9                   accounting issues, helping these bodies better understand the utility  
10                  industry’s issues and helping the utility industry understand their  
11                  viewpoints resulting in higher quality financial reporting.
- 12                 •       EEI has been an effective forum to influence tax legislation and  
13                   administrative rulemaking to minimize tax burdens on customers,  
14                   especially in the area of capital recovery through depreciation and repairs.

15                 *Energy Efficiency:*

16                 Ameren Missouri utilizes the services of EEI’s Institute for Electric Innovation  
17                 (“IEI”) on a regular basis. IEI was created in 2008 to focus on accelerating the electric  
18                 power industry’s energy efficiency efforts and increasing the industry’s associated  
19                 investments. IEI works with the electric utility industry, regulators, policymakers and other  
20                 stakeholders to advance customer-side solutions for energy management, including energy  
21                 efficiency, demand response, distributed power, and customer-focused technologies. The  
22                 IEI resources were invaluable to Ameren Missouri in creating its Missouri Energy  
23                 Efficiency Investment Act (“MEEIA”) filings. IEI has resources to provide detail on

1 demand-side management (“DSM”) cost recovery regulatory frameworks for every state  
2 that the Ameren Missouri team reviewed and utilized in the development of its proposed  
3 Demand-Side Investment Mechanism.

4 *Environmental:*

5 Ameren Missouri faces numerous critical environmental, natural resources and  
6 clean energy policy issues that impact our strategic planning and decision making. EEI  
7 works closely with other member companies to assess the potential implications of, and  
8 opportunities relative to, the current environmental, natural resources and clean energy  
9 landscape. EEI provides updates on federal and state actions related to environmental and  
10 other electric industry issues as they develop. This information helps us develop  
11 compliance strategies and take action to prepare for environmental regulations and issues  
12 that impact our industry in a proactive manner before requirements are mandatory. This  
13 enhances our ability to provide service efficiently and minimize cost impact to our  
14 customers. EEI provides dedicated environmental staff that are available to support  
15 members as well as coordinate the activities of committees on specific environmental  
16 topics such as air quality, water quality, land and natural resource management and climate  
17 policy. The environmental committees provide information sharing across the industry,  
18 particularly related to environmental issues and challenges.

19 Attending the committee meetings, workshops, and webinars allows us to meet  
20 with others from the industry which helps us to:

- 21 • Discuss similar issues and work to develop common solutions,
- 22 • Learn from the experience of other utilities,

- 1           •     Benefit from expert speakers who discuss the future of  
2                     legislation/regulations,
- 3           •     Share resources to gain insight on pending governmental policies and  
4                     regulations more efficiently and at a lower cost than if those resources had  
5                     to be duplicated,
- 6           •     Collaborate on current environmental issues affecting the industry, such as:  
7                     air quality regulations; water quality regulations; coal combustion residuals;  
8                     climate and energy policy.

9           EEI member companies and EEI staff continue to engage in extensive outreach to  
10 Congress on the industry’s positive, forward-looking clean energy and climate record and  
11 priorities. This outreach has included briefings with key Congressional committees,  
12 coalitions, and leadership, as well as individual members and staff. There continues to be  
13 a significant amount of activity on climate policy at the state and regional levels.

14           Recently, the Environmental Protection Agency (“EPA”) unveiled four (4) new  
15 significant environmental regulations directly affecting the electric utility industry and  
16 Ameren Missouri (and ultimately its customers) specifically. The four new rules (GHG,  
17 MATS, CCR Legacy and ELG) could have significant impacts on the industry and EEI has  
18 been instrumental in informing its members of the important aspects and details the rules  
19 contain, which gives the member companies a head start of evaluating how the rules may  
20 affect the Company and its customers and in complying with the rules. This head start  
21 reduces the time and expense the member companies would otherwise likely need to spend  
22 on such activities. With regard to the GHG rule, EEI worked with its member companies,  
23 outside counsel, and its own staff to quickly assess the impact of the regulation on member

1 companies, developed and hosted webinars to review the implications, and eventually  
2 initiated a legal challenge to protect its members' and ultimately customers' interests.

3 *Human Resources:*

4 EEI's pre-employment testing program (covering many industry positions such as  
5 plant operations and maintenance, transmission and distribution, and technician jobs) assist  
6 members to obtain the most qualified, productive employees.

7 *Environmental, Social and Governance ("ESG"):*

8 EEI and the American Gas Association ("AGA") coordinated the EEI/AGA  
9 ESG/Sustainability template report which follows one of the most used ESG reporting  
10 standards for utilities. The Company participates in this voluntary industry initiative to  
11 better serve customers and investors with more uniform and consistent reporting. The  
12 Company is a pilot member of this initiative and uses this report annually to deliver  
13 important quantitative data on several topics, including energy generation, resource  
14 utilization, capital expenditures and safety.

15 *Other:*

16 Ameren Missouri participates in the Spare Transformer Equipment Program  
17 ("STEP"). This is a transformer sharing program in the event of an act of terror along with  
18 a presidential declaration of an emergency. Upon the trigger, STEP is a binding contract  
19 that requires the sharing of spare transformers. Transmission transformers currently have  
20 an approximate 30-month lead time, so this access can be critical to the restoration of the  
21 grid.

1           EEI is working on many aspects of transportation electrification which includes  
2 grid readiness, vehicle-grid integration, and fleet electrification. This effort includes  
3 working with EEI members, customers, vehicle manufacturers and other key stakeholders.

4           EEI offers dozens of meetings and conferences each year, providing information,  
5 data exchange, and an opportunity for policy discussions aimed at ensuring the continued  
6 provision of affordable, reliable, and increasingly clean electricity in a rapidly changing  
7 world. Meetings are planned and staffed by EEI employees.

8           A key benefit for electric companies' customers is the sharing of best practices and  
9 knowledge transfer. EEI engages member companies, from CEOs to technical staff,  
10 through committees. Member company employees convene with their peers to share  
11 information. There are also online workrooms and webinars to further disseminate best  
12 practices to member company staff.

13           Finally, I would point out that EEI also prepares many valuable reports and collects  
14 industry data on different topics because of its relationship with the electric sector. Much  
15 of this work is not something that Ameren Missouri can easily accomplish on its own.  
16 Ameren Missouri, and its customers, benefit from this information and knowledge.

17           **Q.     How much is included in the revenue requirement for EEI dues in the**  
18 **test year?**

19           A.     Ameren Missouri has included approximately \$600,000 in EEI dues in the  
20 test year. This amount does not include the portion of EEI's invoice that is related to  
21 lobbying activities. The lobbying portion of the dues are recorded below-the-line and are  
22 excluded from the revenue requirement.



1           **Q.     Is it possible to quantify a dollar benefit for these many beneficial**  
2 **activities supported by EEI?**

3           A.     A specific calculation would be difficult to develop, but it should be obvious  
4 that the benefits far exceed \$600,000.

5                           **VI.       KERSTING ESTATES**

6           **Q.     What is Kersting Estates?**

7           A.     Kersting Estates is a subdivision development in St. Charles County. The  
8 proposed subdivision was not subject to an existing service territory agreement and both  
9 the Company and Cuivre River Electric Cooperative, Inc. (“CREC”) had facilities in the  
10 vicinity of the development.

11           CREC had proposed certain incentives to provide service to the subdivision and the  
12 developer asked if the Company could match the incentives offered. In September 2020,  
13 the Company filed an application, in File No. EE-2021-0086, with the Commission seeking  
14 required tariff waivers to offer those incentives. Staff and the Company reached an  
15 agreement recommending approval of the Company’s request with certain modifications.  
16 The terms and conditions are discussed below. In October 2020, the Commission approved  
17 the stipulation and agreement.

18           As a result, the Company is providing service to this subdivision and incentives are  
19 being paid to the vendor.

20           **Q.     What costs are included in the revenue requirement in this case?**

21           A.     The capital costs incurred thus far to supply service to this subdivision of  
22 approximately \$60,000 are included in the Company’s rate base. These include costs to  
23 install the primary cable, junction boxes, transformers, service cable and meters.

1           The Company has also included the costs of incentives paid to date of  
2 approximately \$16,000 and proposes that further incentives paid through the true-up period  
3 should also be included and then amortized in rates. The Company is proposing a two-  
4 year amortization of these costs.

5           **Q.     What is the expectation of serving these customers?**

6           A.     The subdivision will include 10 lots and the homes are expected to be 3,000  
7 square feet or larger on each lot. Currently, there are three customers in the subdivision  
8 being served by the Company, and most, if not all, of the other lots are sold.

9           The Company performed a calculation of the estimated annual revenue for this  
10 subdivision. I have attached a copy of the revenue calculation to my testimony in Schedule  
11 LMM-D2. Based on the Company's estimates, the subdivision is expected to generate  
12 revenues of approximately \$37,000 annually. Based on these calculations, the project  
13 should pay for itself in approximately 3 years.

14          **Q.     Does this conclude your direct testimony?**

15          A.     Yes, it does.




**Joint Planning and Procurement Procedure for Purchasing Ameren Services Company Products and Services**

**Effective Date:** 9/26/18

Approved By:  Date: 9/26/18

**Michael Moehn  
President – Ameren Missouri**

Approved By:  Date: 9/26/18

**Marty Lyons  
President – Ameren Services Company**

**Table of Contents**

<b><u>Section</u></b>	<b><u>Page Number</u></b>
<b>1.0 Purpose .....</b>	<b>3</b>
<b>2.0 Scope.....</b>	<b>3</b>
<b>3.0 AMS Joint Planning and Procurement Process.....</b>	<b>3</b>
<b>4.0 Oversight/Approval Process .....</b>	<b>6</b>
<b>5.0 Internal Audit .....</b>	<b>6</b>

## **1.0 Purpose**

- 1.1 The purpose of this document is to establish the procedure used by Ameren Missouri for planning for and purchasing products and services from Ameren Services Company (AMS) in an efficient process.

This process is designed to allow Ameren Missouri to determine its need for, the nature of, and the value of the products and services offered by AMS. This process contemplates that Ameren Missouri will analyze and evaluate practical alternatives, if any, including performing the service or developing the product within Ameren Missouri, before Ameren Missouri makes commitments to purchase AMS products and services from AMS. This procedure allows Ameren Missouri to explore additional opportunities for obtaining the products or services it needs, and to increase the value of the products and services AMS provides to Ameren Missouri by either reducing the cost or increasing the service level.

- 1.2 It is understood that Ameren Missouri is responsible to perform adequate review and evaluation to support its decision to procure specific AMS products and services for the current year as well as the following budget year. It is understood that Ameren Missouri is responsible to ensure AMS provides all necessary information to facilitate a review of the products, services, and billings received from AMS, in order to determine whether Ameren Missouri should dispute or question AMS charges.

## **2.0 Scope**

- 2.1 This procedure applies to all expenditures made by Ameren Missouri for AMS products and services, whether charged to balance sheet or income statement accounts.
- 2.2 This procedure does not apply to transactions under the Money Pool Agreement, under the Tax Allocation Agreement, or to products or services purchased by AMS as agent for Ameren Missouri on Ameren Missouri's behalf.
- 2.3 This procedure applies to current year AMS expenditures charged to Ameren Missouri and to development of the annual budget of AMS expenditures charged to Ameren Missouri for the following year.

## **3.0 AMS Joint Planning and Procurement Process**

- 3.1 AMS planning and procurement is done on an annual basis, beginning no later than the end of September, so that it may be completed prior to the final Ameren Missouri board meeting of the year, normally held in December.
- 3.2 An initial comprehensive joint planning and procurement meeting is held between representatives of Ameren Missouri and AMS.

3.2.1 The President of Ameren Missouri, the Sr. Vice President – Customer and Power Operations, the Sr. Vice President and Chief Nuclear Officer, and the Vice President – External Affairs and Communications will ensure that they have obtained the views of employees within their organizations as necessary to properly evaluate the products and services available from AMS.

3.2.2 AMS Officers (Vice President or Sr. Vice President) representing each AMS organization providing products or services to Ameren Missouri will ensure that they have obtained information from employees in their organizations as necessary to properly provide Ameren Missouri with relevant information regarding the products and services available from AMS.

3.2.3 By a deadline to be determined by Ameren Missouri each year, AMS will provide to Ameren Missouri detailed information for Ameren Missouri to review in advance of the initial comprehensive planning and procurement meeting. This deadline shall be far enough in advance of the meeting to allow for in-depth review by Ameren Missouri leaders and for broader dissemination and in-depth review by Ameren Missouri employees at lower levels of the Company. The information provided by AMS shall include:

3.2.3.1 Descriptions of the individual services and products AMS is willing to provide Ameren Missouri, with details defining what is included in the product or service,

3.2.3.2 AMS' assessment of opportunities for Ameren Missouri to consider alternatives for obtaining the product or service or to increase the value derived from each product and service to Ameren Missouri by reducing the cost or increasing the service level.

3.2.3.3 Projected aggregate annual AMS costs related to its products and services provided to Ameren Missouri, including year-over-year comparisons,

3.2.3.4 Projected annual costs for each AMS product and service offered, including year-over-year actual historical costs comparisons.

3.2.3.4 Records of AMS' exercise of its authority as agent for Ameren Missouri during the prior year.

3.2.3.5 Any additional information requested by Ameren Missouri from AMS needed to prepare for the initial comprehensive planning and procurement meeting. Ameren Missouri and AMS are expected to document and communicate their current positions regarding AMS transactions at the time any material issue/matter develops and not wait until this annual initial comprehensive planning and procurement meeting.

3.2.4 Ameren Missouri will assign company resources as necessary to review the detailed information in advance of the initial comprehensive planning and procurement meeting, and ensure that:

3.2.4.1 Ameren Missouri understands the full nature of the products and services that AMS offers to Ameren Missouri.

3.2.4.2 Ameren Missouri evaluates the nature and extent of the products and services it will receive for the coming year.

3.2.4.3 Ameren Missouri evaluates practical alternatives, if any, such as providing them within Ameren Missouri or outsourcing them to third parties other than AMS, to determine if such actions would increase the value derived from the products and services.

3.2.4.4 Ameren Missouri assesses and provides feedback to AMS on opportunities for AMS to increase the value of products and services it is willing to provide to Ameren Missouri, either by reducing costs or increasing service levels.

3.2.4.5 Ameren Missouri assesses and provides feedback to AMS on opportunities for AMS to provide value to Ameren Missouri and other Ameren affiliates by providing new or additional products and services needed by Ameren Missouri, at a lower cost or with a higher service level than Ameren Missouri could otherwise do on its own.

3.2.4.6 Ameren Missouri assesses and provides feedback to AMS regarding the nature and extent of AMS' historical exercise of its authority as Ameren Missouri's agent and provides instructions with respect to any limits on such authority or consultation required by AMS with Ameren Missouri with respect to exercise of such authority during the upcoming year.

3.2.5 If the first meeting is not conclusive regarding the products, services, and price terms between AMS and Ameren Missouri, follow-up actions will be agreed to by AMS and Ameren Missouri, which may include additional meetings of the appropriate Ameren Missouri and AMS representatives.

3.3 Once Ameren Missouri agrees to the purchase of specific AMS products and/or services, Ameren Missouri will adjust its budgets to reflect the results of decisions made in this joint planning and procurement process and ensure that appropriate parties enter these results in the budget system before required deadlines.

3.4 Ameren Missouri will ensure that the individual products and services that AMS is to provide to Ameren Missouri are documented contemporaneously and also reflected in Ameren Missouri's next CAM filing.

**4.0 Oversight/Approval Process**

4.1 Ameren Missouri understands its responsibility to ensure payments to AMS are consistent with the products and services approved by Ameren Missouri. In order to support payments to AMS, Ameren Missouri will establish a monitoring process documenting the receipt of the specified product and/or service from AMS, as agreed to with Ameren Missouri, as well as Ameren Missouri's level of satisfaction with the received product or service as compared to the specified conditions for the received product or service outlined in the Ameren Missouri – AMS General Services Agreement, and will establish a monitoring process for AMS' exercise of agency authority on Ameren Missouri's behalf. Ameren Missouri shall ensure that its agreement with AMS includes a billing format that facilitates the Ameren Missouri approval process.

**5.0 Internal Audit**

5.1 Ameren Missouri shall initially conduct annual audits to assess the level of compliance with this procedure and to identify corrective actions, if any, necessary to ensure ongoing compliance and satisfaction of Ameren Missouri's stated responsibilities. After three years and upon a showing of a high level of compliance and responsibility satisfaction, these audits may be conducted not less than once every four years.



## Extension Allowance Calculator Version History

<u>Version</u>	<u>Date</u>	<u>Change</u>
1.0	4/1/19	Implement new line extension policy
2.0	4/8/20	Update retail rates effective 4/1/20 and update avoided costs voltage based loss factor.
2.1	4/28/20	Update Rider EDI comments
2.2	5/28/20	Limit Marginal Revenue to not less than \$0.00, document version history

Ameren Missouri  
 Kersting Estates  
 Estimated Annual Revenue

Average Actual Energy		
<u>Cust 1 (1)</u>	<u>Cust 2 (1)</u>	<u>Cust 3 (2)</u>
6,816	5,182	5,524
6,569	5,569	4,016
4,903	4,833	3,923
3,312	3,274	4,961
2,163	2,545	4,534
2,312	2,480	5,384
3,143	3,314	5,938
3,130	3,419	5,385
2,619	3,123	5,883
2,343	3,025	4,824
2,533	2,564	4,054
3,835	3,779	6,231
<u>43,679</u>	<u>43,106</u>	<u>60,657</u>

Est Contr to System Peak Demand		
<u>Cust 1</u>	<u>Cust 2</u>	<u>Cust 3</u>
18	18	24
18	18	24
7.5	7.5	11.25
7.5	7.5	11.25
7.5	7.5	11.25
7.5	7.5	11.25
7.5	7.5	11.25
7.5	7.5	11.25
7.5	7.5	11.25
7.5	7.5	11.25
18	18	24
18	18	24
<u>18</u>	<u>18</u>	<u>24</u>

- 1) 3 Year Average
- 2) 2 Year Average
- 3) "Average" between Cust 2 & Cust 3 x 9

Base Rate Revenue						
<u>Cust \$</u>	<u>Energy \$</u>	<u>Cust 1</u>		<u>Cust \$</u>	<u>Energy \$</u>	<u>Cust 2</u>
9.06	386.63	\$ 395.69	\$	9.06	\$ 298.72	\$ 307.78
9.06	373.36	\$ 382.42	\$	9.06	\$ 319.54	\$ 328.60
9.06	283.75	\$ 292.81	\$	9.06	\$ 279.95	\$ 289.01
9.06	198.14	\$ 207.20	\$	9.06	\$ 196.09	\$ 205.15
9.06	136.34	\$ 145.40	\$	9.06	\$ 156.85	\$ 165.91
9.06	273.09	\$ 282.15	\$	9.06	\$ 292.93	\$ 301.99
9.06	371.15	\$ 380.21	\$	9.06	\$ 391.42	\$ 400.48
9.06	369.65	\$ 378.71	\$	9.06	\$ 403.78	\$ 412.84
9.06	309.34	\$ 318.40	\$	9.06	\$ 368.79	\$ 377.85
9.06	145.99	\$ 155.05	\$	9.06	\$ 182.71	\$ 191.77
9.06	156.24	\$ 165.30	\$	9.06	\$ 157.89	\$ 166.95
9.06	226.27	\$ 235.33	\$	9.06	\$ 223.26	\$ 232.32
		\$ 3,338.67				\$ 3,380.65

	<u>Cust \$</u>	<u>Energy \$</u>	<u>Cust 3</u>
\$	9.06	\$ 308.78	\$ 317.84
\$	9.06	\$ 274.24	\$ 283.30
\$	9.06	\$ 250.86	\$ 259.92
\$	9.06	\$ 255.41	\$ 264.47
\$	9.06	\$ 275.10	\$ 284.16
\$	9.06	\$ 623.45	\$ 632.51
\$	9.06	\$ 640.93	\$ 649.99
\$	9.06	\$ 623.04	\$ 632.10
\$	9.06	\$ 648.43	\$ 657.49
\$	9.06	\$ 245.59	\$ 254.65
\$	9.06	\$ 207.34	\$ 216.40
\$	9.06	\$ 305.65	\$ 314.71
			\$ 4,767.54

<u>9 Home Projection (3)</u>			
	<u>Energy</u>	<u>Demand</u>	<u>Revenue</u>
	48,176	189.0	\$ 2,815
	43,131	189.0	\$ 2,754
	39,401	84.4	\$ 2,470
	37,058	84.4	\$ 2,113
	31,854	84.4	\$ 2,025
	35,390	84.4	\$ 4,205
	41,636	84.4	\$ 4,727
	39,618	84.4	\$ 4,702
	40,526	84.4	\$ 4,659
	35,322	84.4	\$ 2,009
	29,781	189.0	\$ 1,725
	45,045	189.0	\$ 2,462
	466,935	189.0	\$ 36,667

**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 Adjust    )  
Its Revenues for Electric Service.            )                  Case No. ER-2024-0319

**AFFIDAVIT OF LAURA M. MOORE**

**STATE OF MISSOURI    )**  
  **) ss**  
**CITY OF ST. LOUIS    )**

Laura M. Moore, being first duly sworn states:

My name is Laura M. Moore, and on my oath declare that I am of sound mind and lawful age; that I have prepared the foregoing *Direct Testimony*; and further, under the penalty of perjury, that the same is true and correct to the best of my knowledge and belief.

*/s/ Laura M. Moore*  
\_\_\_\_\_  
Laura M. Moore

Sworn to me this 21<sup>st</sup> day of June, 2024.