

FILED
AUG 15 2024
Missouri Public
Service Commission

Exhibit No. 223

Staff – Exhibit 223
Amy Eichholz Testimony
Rebuttal
File No. EO-2023-0136

Exhibit No.:
Issue(s): *Low Income Programs*
Witness: *Amy L. Eichholz*
Sponsoring Party: *MoPSC Staff*
Type of Exhibit: *Rebuttal Testimony*
Case No.: *EO-2023-0136*
Date Testimony Prepared: *April 26, 2024*

MISSOURI PUBLIC SERVICE COMMISSION

INDUSTRY ANALYSIS DIVISION

ENERGY RESOURCES DEPARTMENT

REBUTTAL TESTIMONY

OF

AMY L. EICHHOLZ

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

CASE NO. EO-2023-0136

Jefferson City, Missouri
April 2024

1 **REBUTTAL TESTIMONY**

2 **OF**

3 **AMY L. EICHHOLZ**

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

6 **CASE NO. EO-2023-0136**

7 Q. Please state your name and business address.

8 A. My name is Amy L. Eichholz, and my business address is Missouri Public
9 Service Commission, P. O. Box 360, Jefferson City, Missouri 65102.

10 Q. Are you the same Amy L. Eichholz that filed direct testimony on March 1, 2024,
11 in this case?

12 A. Yes, I am.

13 **EXECUTIVE SUMMARY**

14 Q. What is the purpose of your rebuttal testimony?

15 A. The purpose of my rebuttal testimony is to briefly discuss Staff’s concerns
16 regarding low-income tariffs, program design and federal assistance, and if Union Electric
17 Company d/b/a Ameren Missouri (“Ameren Missouri”) has taken the proper steps within its
18 *Amended and Supplemental Application to Approve DSIM and Demand-Side Management*
19 *Portfolio and Plan, and Request for Variances* (“Amended Application”) filed on January 25,
20 2024, to address these concerns.

21 **LOW-INCOME PROGRAM TARIFFS**

22 Q. What low-income programs is Ameren Missouri proposing in its
23 Amended Application?

1 A. Ameren Missouri is proposing a Single Family Income-Eligible program, a
2 Multifamily Income-Eligible program, and a Business Social Services program.
3 The Amended Application defines the programs as follows:

4 1. Single Family Income-Eligible employs multiple delivery channels to provide
5 a one-stop-shop for single family, whole-home energy efficiency upgrades for
6 the benefit of income-eligible residential customers. Also includes a Grants and
7 Community Products delivery channel.¹

8 2. Multifamily Income-Eligible is a one-stop-shop approach for owners and
9 operators of multifamily income-eligible properties to assist with applications for
10 financing and technical support along with incentives designed to overcome
11 barriers completing comprehensive retrofits.²

12 3. Business Social Services delivers, installs, and completes paperwork for low-
13 cost and/or no-cost energy efficiency measures in business social services
14 facilities so they can better serve income-eligible individuals.³

15 Q. In your direct testimony in this case, you raised several concerns Staff has with
16 Ameren Missouri’s income-eligible programs. Has Ameren Missouri taken action in its
17 Amended Application to address these concerns?

18 A. No. As I stated in my direct testimony, Staff is concerned that setting the income
19 levels at or below 80% of area median income (“AMI”) or 200% of the federal poverty level
20 (“FPL”)for the single family and multi-family income-eligible programs likely results in more
21 mid-income participants as opposed to actual low-income participants. It is not clear to Staff if

¹ Amended Application MEEIA 2025-27 Plan (revised), Page 18.

²Amended Application MEEIA 2025-27 Plan (revised), Page 18.

³Amended Application MEEIA 2025-27 Plan (revised), Page 18.

1 the “Low-Income” definition and program availability in Ameren Missouri’s tariff allows
2 customers with homes in disrepair to opt out⁴ of the Energy Efficiency Investment Charge
3 (“EEIC”) or participate in Low-Income programs. Staff is concerned those that may be in need
4 are being denied assistance due to homes being in disrepair resulting in contractors being unable
5 to make repairs due to the homes condition. In response to DR 92.1, Ameren Missouri stated
6 ”The use of Income-Eligible has the same meaning of low-income customer as defined in the
7 Company’s tariff and outlined in the Missouri Energy Efficiency Investor [sic] Act. 393.1075
8 RSMo.”. As stated in my direct testimony, the definition of “Low-Income” in the Company’s
9 tariff and the reference within the statute are inconsistent.⁵

10 Ameren Missouri’s tariffed “Low-Income” definition refers to Section 393.1075.6,
11 RSMo, which refers to “low-income classes, as defined in an appropriate rate proceeding,
12 as a subclass of residential service.” Staff is unaware of a “low-income class” being defined in
13 any rate proceeding. Further, Ameren Missouri’s tariffed “Low-Income” definition states,
14 “As approved in File No. ER-2014-0258, customers eligible under this definition will be
15 exempt from Rider EEIC charges for 12 billing months following assistance received from...”
16 However, File No. ER-2014-0258 goes on to state, “A qualifying low-income customer will be
17 defined as any residential customer who, in any of the prior 12 billing months, has received
18 assistance from...” There is a huge discrepancy in the way “12 billing months” is being used in
19 each and they are far from consistent. The Ameren Missouri tariff language speaks to exemption
20 for 12 billing months following assistance. The stipulation from File No. ER-2014-0258 speaks
21 to receiving assistance in the prior 12 billing months and appears to allow exemptions

⁴ 393-1075 (6) The commission may reduce or exempt allocation of demand-side expenditures to low-income classes, as defined in an appropriate rate proceeding, as a subclass of residential service.

⁵ Eichholz Direct Testimony, Page 6, Line 2.

1 indefinitely. Staff is unclear if this discrepancy is accidental, intentional, or if something
2 changed the intent in a subsequent filing.

3 Q. Does Ameren Missouri consider the qualifications to be exempt from the EEIC
4 are the same as the qualifications for the single family low-income program and the multi-
5 family low-income program?

6 A. No. As further stated in the DR 92.1 response, “Ameren Missouri follows
7 applicable exemption from EEIC as outlined in Rider EEIC tariff (Sheet 91.12). The eligibility
8 requirements to participate in Single Family Low-Income and Multifamily Low-Income
9 programs consist of:

- 10 • Participation in federal, state, or local subsidized housing program.
- 11 • Proof of resident income levels at or below 80% of area median income (AMI)
12 or 200% of federal poverty level.
- 13 • Fall within a census tract included on Company's list of eligible low-income
14 census tracts.

15 Q. Can customers be exempt from the EEIC and not be eligible for the single-family
16 low-income program and/or multi-family low-income program?

17 A. No. The eligibility criteria for customer exemptions stated in the Rider
18 EEIC tariff are lower than the program requirements in the question listed above.⁶

19 Q. Can a customer be required to pay the EEIC and not be eligible for the
20 single- family low-income program and/or the multi-family low income program?

⁶ Ameren MO’s Response to MSPC Data Request No. MSPC 0092.1 page 2, question 3

1 A. Yes. All customers that do not meet the exemption requirement in the
2 Rider EEIC tariff are required to pay the Rider EEIC charge.⁷

3 Q. What is staff's concerns with Ameren Missouri's current MEEIA low-income
4 tariff sheets and those proposed in its MEEIA Cycle 4?

5 A. Staff is concerned that there are too many inconsistencies between
6 Ameren Missouri's MEEIA low-income tariff sheets, the stipulated language from
7 Case No. ER-2014-0258, and the statute. If the Commission approves a MEEIA Cycle 4,
8 Staff recommends these inconsistencies be addressed.

9 **FUNDING**

10 Q. Ameren Missouri states in its Amended Application that, "The Company will
11 also facilitate access for its customers to other funding that could be used for energy efficiency
12 measures, such as grants (e.g. Federal and State weatherization funding for income-qualified
13 properties), Federal Housing Administration loan incentives, Fannie and Freddie's Green Loan
14 incentives, tax credits and deductions, and Energy Financing mechanisms."⁸ Does Staff have
15 concerns with this?

16 A. Yes. There is federal assistance available for low-income individuals/families
17 including but not limited to grants, loans, and tax incentives, several of which are offered
18 through the recent passage of the Inflation Reduction Act ("IRA"). All of the grants, loans,
19 tax credits, etc. are likely more beneficial avenues for those customers to pursue.
20 Ameren's incentives are free money that gets tacked on top of all the assistance that is currently
21 available, and are very likely not the driver of the customer's participation. This is because

⁷ Ameren MO's Response to MSPC Data Request No. MSPC 0092.1 page 2, question 6

⁸ Amended Application MEEIA 2025-27 Plan (revised), Page 21.

1 the IRA is a federally funded program funneling millions of dollars into Missouri to offer
2 rebates to help promote energy efficiency upgrades to residents and businesses of Missouri.
3 Currently, it is projected that more than \$150 million could be available to Missouri residents
4 to promote energy efficient upgrades handled by the State’s Division of Energy (“DOE”).”

5 **LOW-INCOME MEEIA PROGRAM**

6 Q. Does Staff recommend continuing the MEEIA income-eligible programs that
7 are currently provided?

8 A. No. Staff believes that other federal, state, and Ameren Missouri non-MEEIA
9 programs have rendered MEEIA income-eligible programs unnecessary. Other state, federal,
10 and Ameren Missouri non-MEEIA programs include:

- 11 • Federal and State weatherization funding for income-qualified properties,
- 12 • Federal Housing Administration loan incentives,
- 13 • Fannie and Freddie’s Green Loan incentives,
- 14 • Tax credits and deductions,
- 15 • Energy Financing mechanisms,
- 16 • Keeping Current/Keeping Cool/Low-Income Pilot Program, and the
- 17 • Critical Needs Program and Rehousing

18 This is because the above programs will continue allowing low-income customers to receive
19 services and benefits through these programs absent MEEIA programs.
20 Furthermore, interested stakeholders in future Ameren rate cases will have the ability to request
21 new programs for Commission consideration.

22 Q. Does this conclude your rebuttal testimony?

23 A. Yes.

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of Union Electric Company d/b/a)
Ameren Missouri's 4th Filing to Implement) Case No. EO-2023-0136
Regulatory Changes in Furtherance of Energy)
Efficiency as Allowed by MEEIA)

AFFIDAVIT OF AMY L. EICHHOLZ

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COMES NOW AMY L. EICHHOLZ and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Rebuttal Testimony of Amy L. Eichholz*; and that the same is true and correct according to her best knowledge and belief.

Further the Affiant sayeth not.


AMY L. EICHHOLZ

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 23rd day of April 2024.

D. SUZIE MANKIN
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: April 04, 2025
Commission Number: 12412070


Notary Public