

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

In the Matter of the Second Prudence Review)
of the Missouri Energy Efficiency Investment)
Act (MEEIA) Cycle 2 Energy Efficiency)
Programs of Union Electric Company d/b/a)
Ameren Missouri.

File No. EO-2019-0376

**STAFF’S REPORT OF SECOND MEEIA PRUDENCE REVIEW
OF CYCLE 2 ENERGY EFFICIENCY PROGRAMS**

COMES NOW Staff of the Missouri Public Service Commission, by and through counsel, and presents to the Commission its report of the *Second Prudence Review For Cycle 2 of Costs Related To The Demand-Side Programs Investment Mechanism for the Electric Operations of Union Electric Company d/b/a Ameren Missouri (Staff’s Report)* for the period November 1, 2017 through February 28, 2019. As a result of its review, Staff proposes a disallowance of \$194,451 and in support thereof states as follows:

1. Commission Rule 20 CSR 4240-20.093(11), authorized under § 393.1075.3 and § 393.1075.11, RSMo., provides that “[a] prudence review of the costs subject to the DSIM shall be conducted no less frequently than at twenty-four (24) month intervals.” Ameren Missouri’s Energy Efficiency Investment Charge tariff contains similar language concerning prudence reviews.

2. Rule 20 CSR 4240-20.093(11), in part, requires: “The Staff shall file notice within ten (10) days of starting its prudence audit.” It also establishes a schedule by which certain events are to take place based on the date the Staff starts its prudence review. The Staff filed its *Notice of Start of Second MEEIA Prudence Review of Cycle 2 Energy Efficiency Programs (Notice)* on June 3, 2019. Therefore, guided by the timeline set out

in the rule when certain events are to take place, Staff's *Notice* included the following dates and deadlines:

Time from start of Staff prudence review to event	Event
Within 150 days (10/30/19)	Submission of Staff Recommendation to Commission regarding Staff's examination and analysis
Within 160 days (11/8/19)	Request for hearing
Within 210 days (12/30/19)	Commission Order, if no hearing requested

3. On June 3, 2019, Staff initiated its second prudence review of the costs associated with Ameren Missouri's Demand-Side Programs Investment Mechanisms (DSIM) for its MEEIA Cycle 2 energy efficiency programs.

4. In accordance with 20 CSR 4240-20.093(11), *Staff's Report* explains the results of its examination and analyses in this case. The Staff's Energy Resources Department was responsible for conducting the prudence review and developing its recommendation for \$194,451 of proposed adjustments. Staff reviewed and examined a variety of items including Ameren Missouri's incurred DSIM program costs, its Throughput Disincentive (TD), and interest costs for the review period of November 1, 2017 through February 28, 2019 (the *Review Period*). *Staff's Report* is filed contemporaneously herewith, in both Confidential and public formats.

5. As a result of its review, the Staff identifies and recommends a disallowance amount of \$194,451, plus interest from March 1, 2019 through the date of Ameren Missouri's next EEIR (Energy Efficiency Investment Rate) filing. The proposed

disallowance of \$194,451 is made up of the adjustments shown in Table 2 of *Staff's Report*.

WHEREFORE, pursuant to Staff's *Notice*, the Staff prays the Commission accept its *Second Prudence Review For Cycle 2 of Costs Related To The Demand-Side Programs Investment Mechanism for the Electric Operations of Union Electric Company d/b/a Ameren Missouri* regarding the second prudence review of Ameren Missouri's MEEIA Cycle 2 energy efficiency programs for the *Review Period* and issue an order directing Ameren Missouri to make an Ordered Adjustment in the amount of \$194,451, plus interest from March 1, 2019 through the date of Ameren Missouri's next EEIR filing, to be returned to Ameren Missouri's customers in accordance with the adjustments and supporting rationale from *Staff's Report* filed contemporaneously herewith.

Respectfully submitted,

/s/ Jeffrey A. Keevil

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to counsel of record this 30th day of October, 2019.

/s/ Jeffrey A. Keevil