

*Exhibit No.:*  
*Issue(s):* Rate Design  
*Witness:* Hari K Poudel, PhD  
*Sponsoring Party:* MoPSC Staff  
*Type of Exhibit:* Direct Testimony  
*Case No.:* ER-2024-0319  
*Date Testimony Prepared:* December 17, 2024

**MISSOURI PUBLIC SERVICE COMMISSION**

**INDUSTRY ANALYSIS DIVISION**

**TARIFF AND RATE DESIGN DEPARTMENT**

**DIRECT TESTIMONY**

**OF**

**HARI K. POUDEL, PhD**

**UNION ELECTRIC COMPANY,  
d/b/a AMEREN MISSOURI**

**Case No. ER-2024-0319**

*Jefferson City, Missouri  
December 17, 2024*



1           A.     The NMR is one of the elements that goes into the Energy Efficiency Investment  
2 Charge (“EEIC”) Rider calculation in each general rate case. Prior to the widespread use of  
3 time-based rates, total usage by class and by month were the key drivers of marginal rate  
4 calculations.<sup>1</sup> With wide-spread time-based rate structures, it is more important to calculate  
5 marginal rates by time-based rates. With a Time-Of-Use (“TOU”) rate structure, the rate  
6 differential no longer occurs based primarily upon the total usage in a given month, but rather  
7 the time of day that an individual customer uses energy. As customer adoption of higher  
8 differential rates increases, the need for NMR by rate plan also increases.

9           Q.     Do net marginal rates vary based on the various rate plans?

10          A.     Yes. Ameren Missouri’s customers are grouped into several classes, with each  
11 class receiving service under a different rate schedule. Ameren Missouri has multiple active  
12 rate schedules with different energy charges per kWh within each rate class. Ameren Missouri’s  
13 current tariff includes several residential time-based rate schedules. TOU rates are rate  
14 structures in which customers pay different prices at different times of the day. TOU rates are  
15 usually divided into multiple blocks per 24-hour period and can be seasonally adjusted. In a  
16 TOU rate structure, higher prices are charged during utility peak-load times, and such rates can  
17 provide an incentive for consumers to curb electricity use during peak times. On-peak prices  
18 are higher and off-peak prices are lower than they would be for a flat rate, based on season, day  
19 of week, and time of day.

20          Q.     What updates to MEEIA net margin rates are appropriate for the compliance  
21 tariffs in this case?

---

<sup>1</sup> The NMR is the difference between the wholesale cost of the energy for a given kWh sold at retail and the marginal retail rate for that kWh of energy. The marginal rate is the retail price of a unit of energy not sold due to Ameren Missouri’s facilitation of customer-funded demand-side programs.

1           A.     The MEEIA net margin rates set out on Tariff Sheet 91.7 require updating for  
2 the final rates by class, and final billing determinants by class. Additionally, the current tariff  
3 sheet may require separate NMRs by rate plan by month since a majority of Ameren Missouri  
4 residential customers are now served on time-based rate structures. The MEEIA NMRs for each  
5 applicable service classification set out on Tariff Sheet 91.7 require updating for the final rates  
6 by month and by class as part of the compliance tariff filing. These NMR rates will need to be  
7 calculated to coincide with the final billing determinants used to calculate the compliance rates  
8 for service and the final rates for service. This is consistent with the Non-Unanimous  
9 Stipulation and Agreement approved by the Commission on November 14, 2024, in  
10 Case No. EO-2023-0136, allowing Ameren Missouri to recover the Throughout Disincentive  
11 for MEEIA 4 through the Rider EEIC.”<sup>2</sup>

12           Q.     What updates to Community Solar Energy (“CSP”) rates are appropriate for the  
13 compliance tariffs in this case?

14           A.     The community solar rate schedules need to be updated so that charges on a  
15 given customer’s bill are prorated by season consistent with the application of seasonal rates  
16 for that customer on their standard rate schedule as reflected in the company’s revenues.  
17 The CSP service is only available to full service electric customers currently served by  
18 Ameren Missouri under either Residential Service or Small General Service tariffs. The Rider  
19 CSP facilities rates set out on Tariff Sheet 89.4 need to be increased by the percentage increase  
20 applicable to residential energy charge elements and SGS energy charge elements, respectively.

21           Q.     What updates to the Community Solar Pilot Program’s (“CSPP”) solar block  
22 monthly charges are appropriate for the compliance tariffs in this case?

---

<sup>2</sup> EO-2023-0136 Non-Unanimous Stipulation and Agreement, Page 8

1           A.     The CSPP service is only available to full service electric customers currently  
2 served by Ameren Missouri under either Residential Service or Small General Service tariffs.  
3 The Rider CSPP facilities rates for Residential Service and SGS customers set out at  
4 Tariff Sheet 158.4 need to be increased by the percentage increase applicable to residential  
5 energy charge elements and SGS energy charge elements, respectively.

6           Q.     What updates to the Standby Service Rider (“SSR”) are appropriate for the  
7 compliance tariffs in this case?

8           A.     The SSR set out on Tariff Sheet 92.3 requires updating consistent with the  
9 underlying rate schedules. Standby Service is supplied to premises by Ameren Missouri in the  
10 event of the customer (Large General Service, Small Primary Service, and Large Primary  
11 Service) exceeding its Supplemental Contract Capacity. The Standby Service may be needed  
12 on either a scheduled or unscheduled basis.

13     **CONCLUSION**

14           Q.     Does this conclude your direct testimony?

15           A.     Yes. It does.

**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 HARI K. POUDEL, PhD**

STATE OF MISSOURI        )  
  )  
COUNTY OF COLE        )        ss.

**COMES NOW HARI K. POUDEL, PhD** and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Direct Testimony of Hari K. Poudel, PhD*; and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.



\_\_\_\_\_  
**HARI K. POUDEL, PhD**

**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 16<sup>th</sup> day of December 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

# **Hari K. Poudel**

## **Present Position**

Currently, I work for the Missouri Public Service Commission (“Commission”) as a Regulatory Economist in the Tariff/Rate Department of the Industry Analysis Division. The Department of Tariff and Rate Design takes part in and offers advice on matters filed with the Commission, such as rate, complaint, application, territorial agreements, sale, and merger. The department also handles rate design, weather variables, and weather normalization tasks and offers technical assistance. I am responsible for using quantitative economic techniques and statistical analysis to address energy-related challenges that have an effect on utility ratemaking. I am also responsible of recommendations for the Commission based on a various economic analysis of the problems relating to energy and energy efficiency.

## **Educational Credentials and Work Experience**

I received a Doctor of Philosophy in Public Policy from the University of Missouri, Columbia, Missouri in May 2020. I graduated with a Master’s in Public Health from the University of Missouri, Columbia in May 2019. In 2008, I received a Master’s in Agricultural Economics degree from Hohenheim University in Germany.

I’ve been employed with the Missouri Public Service Commission since October 25, 2021, in the Tariff/Rate Department of the Industry Analysis Division as a Regulatory Economist. Prior to joining the Commission, I was a Research/Data Analyst for the Missouri Department of Health and Senior Services. I analyzed public health data that directly affects Missourians in my capacity as an analyst.

### Testimonies/Memorandum

| SN  | Case Number                 | Company Name                                    | Issue  |
|-----|-----------------------------|---|--|
| 1.  | GR-2021-0320                | Liberty Utilities                               | Tariff Compliance  |
| 2.  | GR-2022-0235                | Spire Missouri, Inc.                            | Weather Normalization Adjustment Rider (WNAR)  |
| 3.  | ER-2022-0146                | Ameren Missouri                                 | Rider Energy Efficient Investment Charge (EEIC)  |
| 4.  | GT-2022-0233                | Liberty Utilities                               | Weather Normalization Adjustment Rider (WNAR)  |
| 5.  | ER-2022-0129 & ER-2022-0130 | Evergy Metro, Inc. & Evergy Missouri West, Inc. | General Rate Case  |
| 6.  | ER-2022-0337                | Ameren Missouri                                 | 365-Day Adjustment, Weather Variables, Weather Normalization, Hourly Load Requirement Energy Efficiency Adjustment |
| 7.  | GO-2023-0002                | Spire   | Weather Normalization Adjustment Rider (WNAR)  |
| 8.  | GT-2023-0088                | Liberty Utilities                               | Weather Normalization Adjustment Rider (WNAR)  |
| 9.  | GT-2023-0274                | Liberty Utilities                               | Weather Normalization Adjustment Rider (WNAR)  |
| 10. | EA-2023-0286                | Ameren Missouri                                 | Economic Feasibility   |
| 11. | GT-2024-0054                | Liberty Utilities (Midstates Natural Gas)       | Weather Normalization Adjustment Rider (WNAR)  |
| 12. | GT-2024-0055                | The Empire District Gas Company                 | Weather Normalization Adjustment Rider (WNAR)  |
| 13. | GR-2024-0107                | Ameren Missouri                                 | Weather Normalization Adjustment Rider (WNAR)  |
| 14. | EO-2023-0136                | Ameren Missouri                                 | Throughput Disincentive, Marginal Rate Analysis, Rebound Effect, Rate Case Annualization                           |
| 15. | EO-2023-0369 & EO-2023-0370 | Evergy Metro, Inc. & Evergy Missouri West, Inc. | MEEIA (Throughput Disincentive, Rebound Effect, Rate Case Annualization)   |
| 16. | ER-2024-0189                | Evergy Missouri West, Inc.                      | MEEIA, Net Margin Rate, Economic Development Riders, PISA Compliance   |
| 17. | GR-2024-0106                | Liberty Utilities                               | Weather Normalization, 365 Days-Adjustment   |