Exhibit No.:	
Issues:	Cost of Service/Revenue Allocation/Rate Design
Witness:	Jessica A. York
Type of Exhibit:	Direct Testimony
Sponsoring Party:	Missouri Industrial Energy Consumers
Case No.:	ER-2024-0319
Date Testimony Prepared:	December 17, 2024

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**

Direct Testimony and Schedule of

Jessica A. York

On behalf of

Missouri Industrial Energy Consumers

December 17, 2024

BRUBAKER & ASSOCIATES, INC.

Project 11700

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**

STATE OF MISSOURI)
) **SS**
COUNTY OF ST. LOUIS)

Affidavit of Jessica A. York

Jessica A. York, being first duly sworn, on her oath states:

1. My name is Jessica A. York. I am a consultant with Brubaker & Associates, Inc., having its principal place of business at 16690 Swingley Ridge Road, Suite 140, Chesterfield, Missouri 63017. We have been retained by the Missouri Industrial Energy Consumers in this proceeding on their behalf.

2. Attached hereto and made a part hereof for all purposes are my Direct Testimony and Schedule which were prepared in written form for introduction into evidence in Missouri Public Service Commission Case No. ER-2024-0319.

3. I hereby swear and affirm that the testimony and schedule are true and correct and that they show the matters and things that they purport to show.

Jessica A. York

Subscribed and sworn to before me this 17th day of December, 2024.

TAMMY S. KLOSSNER
Notary Public - Notary Seal
STATE OF MISSOURI
St. Charles County
My Commission Expires: Mar. 18, 2027
Commission # 15024862

Notary Public

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Table of Contents to the Direct Testimony of Jessica A. York

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Direct Testimony of Jessica A. York

Q PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A Jessica A. York. My business address is 16690 Swingley Ridge Road, Suite 140, Chesterfield, MO 63017.

Q WHAT IS YOUR OCCUPATION?

A I am a consultant in the field of public utility regulation and a Principal with the firm of Brubaker & Associates, Inc. ("BAI"), energy, economic and regulatory consultants.

Q PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND EXPERIENCE.

A This information is included in Appendix A to this testimony.

Q ON WHOSE BEHALF ARE YOU APPEARING IN THIS PROCEEDING?

A This testimony is presented on behalf of the Missouri Industrial Energy Consumers ("MIEC"), a non-profit corporation that represents the interests of large consumers in Missouri rate matters.

I. INTRODUCTION AND SUMMARY

Q WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A The purpose of my testimony is to address Ameren Missouri's ("AMO" or "Company") class cost of service study ("CCOSS"), proposed revenue apportionment, and rate design.

My silence regarding any position taken by AMO in its application or direct testimony in this proceeding does not indicate my endorsement of that position.

Q PLEASE SUMMARIZE YOUR TESTIMONY AND RECOMMENDATIONS.

A My testimony and recommendations may be summarized as follows:

1. Class Cost of Service is the starting point and most important guideline for establishing the level of rates that should be charged to customers.

2. AMO's test year load characteristics exhibit three significant summer peak demands as compared to demands in other months. In addition, the Company exhibited one winter peak that was within 10% of the annual system peak.

3. AMO utilizes, for its generation allocation, the Average and Excess ("A&E") method using four class Non-Coincident Peak ("NCP") demands.

4. The A&E methodology considers both class maximum demands and class load factor, as well as diversity between class peaks and the system peak.

5. A reasonable alternative would be a Four Coincident Peak ("4CP") A&E approach, but in this case the difference between the two allocation factors for every major class is insignificant. Thus, I support the Company's production capacity allocation factor.

6. The Company's allocation of transmission costs reflects a 12CP demand approach. While a 4CP allocator could be justified based on the utility's load characteristics, the 12CP approach aligns with the way AMO incurs transmission costs from the Midcontinent Independent System Operator ("MISO").

7. The Company classifies a portion of distribution costs in Federal Energy Regulatory Commission ("FERC") accounts 364 through 368 as customer-related based on a Minimum-Size study. This approach reflects cost-causation and should be adopted.

8. The Company recognizes that adjustments would need to take place (before factoring in any potential overall AMO rate change) to move each customer class to cost of service, because AMO's rates are significantly out of line with cost of service. In particular, the Large Primary Service ("LPS" or Rate 11M) class is so over-priced that it would require a 16.9% decrease just to bring it to cost of service under current rates, as shown on Schedule JAY-COS-1. It is very unusual to find this kind of a departure from cost of service for LPS customers who are the least expensive to serve. There is no justification for not taking steps, now in this case, to begin to correct this significant disparity which unnecessarily burdens the LPS customer class.

   On the other hand, the Residential class would require a revenue neutral increase of 9.5%. All other major classes would need to receive a rate decrease to move toward cost of service.

9. Table JAY-3 shows class revenue adjustments required to move 33% toward cost of service, and Table JAY-4 shows class revenue adjustments requirement to move 25% toward cost of service. I recommend that the adjustment for all major classes be 33% of the amount needed to move to cost of service (the customer-owned lighting class may require some moderation for impact reasons.) Any overall change in revenue should be applied as an equal percent to the base rate revenues of all classes after making the interclass adjustments.

10. For purposes of implementing the final rates in this case, the Company's proposal to apply approximately the same percentage change to all rate elements, except the Low-Income Pilot Program Charge, of the LPS rate is generally reasonable. However, I would not oppose increasing the demand rates to move them closer to cost of service with a corresponding reduction in the energy rates.

II. AMO'S CCOSS

Q PLEASE DISCUSS THE COMPANY'S CCOSS.

A The Company's CCOSS is sponsored by Thomas Hickman. As described in Mr. Hickman's direct testimony, AMO has allocated demand-related production costs on the basis of the 4 NCP A&E Demand method.[1]

Transmission and substation costs have been allocated to customer classes on a 12 CP demand basis.[2]

[1] Direct Testimony of Thomas Hickman at page 16, lines 3-5.
[2] *Id.* at lines 15-17.

Distribution plant has been classified as a combination of demand- and customer-related and allocated on the basis of NCP demand and the number of customers in each class, respectively. The portion of distribution plant in FERC Accounts 364 -368 classified as customer-related was derived using the Minimum-Size Method.[3] Demand-related distribution costs have been further distinguished by voltage level.

Production Capacity Cost Allocation

Q DO YOU AGREE WITH THE USE OF THE A&E METHOD FOR ALLOCATING PRODUCTION CAPACITY COSTS?

A Yes, this is a reasonable approach for AMO. The A&E method is one of two predominant methods of production capacity cost allocation in the industry. The other is the coincident peak method, which utilizes the demands of customer classes occurring at the time of the system peak or peaks selected for allocation. In the case of AMO, this would be one or more peaks occurring during the summer.

Unlike the coincident peak method which relies strictly on a class' relative contribution to one or more utility peaks, the A&E method is one of a family of methods that incorporates a consideration of both the maximum rate of use (demand) and the duration of use (energy). A&E makes a conceptual split of the system into an "average" component and an "excess" component. The "average" demand is simply the total kWh usage divided by the total number of hours in the year. This is the amount of capacity that would be required to produce the energy if it were taken at the same

[3] *Id.* at page 17, lines 1-4 and 8-9.

demand rate each hour. The system "excess" demand is the difference between the system peak demand and the system average demand.

Under the A&E method, the average demand is allocated to classes in proportion to their average demand (energy usage). The difference between the system average demand and the system peak(s) is then allocated to customer classes on the basis of a measure that represents their "peaking" or variability in usage.[4] The concept of variability in usage is discussed in detail in Mr. Brubaker's direct testimony.

Q WHY IS IT REASONABLE TO CALCULATE THE EXCESS DEMAND COMPONENT OF THE A&E ALLOCATOR ON A 4 NCP BASIS?

A Utility system load characteristics are an important factor in determining the specific method which should be employed to allocate fixed or demand-related costs on a utility system. The most important characteristic is the annual load pattern of the utility.

The annual load pattern of AMO, presented in Figure 4 of MIEC witness Mr. Brubaker's direct testimony, shows that summer peaks dominate the AMO system, followed by one winter peak in the test year. Specifically, the system peak occurred in June, with just slightly lower peak demands in July and August. The January peak was just under 92% of the annual peak. The monthly peaks occurring in the other months were substantially lower.

As discussed by Mr. Brubaker, the specific production capacity cost allocation method should be consistent with the principle of cost-causation. As such, either a 4CP A&E approach, or a version of an A&E allocation that uses class non-coincident peak loads from those months would be most appropriate to reflect these

[4] NARUC Electric Utility Cost Allocation Manual, 1992, page 81.

characteristics. The results of both methods are similar for all major rate classes as shown in Table JAY-1.

TABLE JAY-1

Comparison of Production Capacity Allocators

Line	Rate Schedule	4 NCP A&E Allocator[1] (1)	4 CP A&E Allocator[2] (1)
1	Rate 1M	51.03%	52.93%
2	Rates 2M, MSD	11.26%	10.95%
3	Rates 3M, 4M	29.56%	28.61%
4	Rate 5M	0.18%	0.15%
5	Rate 6M	0.11%	0.09%
6	Rate 11M	7.85%	7.26%
7	Total	100.00%	100.00%

Sources:

[1] Thomas Hickmann's Workpaper "MO ECCOS_2024 Final", A.F.1-- 4ncp tab

[2] Derived from Thomas Hickmann's Workpaper "MO ECCOS_2024 Final", System_CP tab.

Transmission Cost Allocation

Q IS THE COMPANY'S ALLOCATION OF TRANSMISSION COSTS REASONABLE?

A As explained by Company witness Mr. Hickman, a 12 CP allocation of transmission costs is consistent with the way AMO incurs transmission costs from MISO.[5] Thus, I am not opposed to the Company's allocation of transmission costs. However, given the system load characteristics discussed above, it could be reasonable to allocate transmission costs on a 4 CP basis.

[5] Direct Testimony of Thomas Hickman at page 16, lines 20-22.

Distribution Cost Allocation

Q IS THE COMPANY'S CLASSIFICATION AND ALLOCATION OF DISTRIBUTION COSTS REASONABLE?

A Yes. It is reasonable to recognize that a portion of costs in Accounts 364 through 368 are customer-related, as the Company has done. This approach recognizes that there is a utility cost simply to connect each customer to the grid and is supported by the National Association of Regulatory Utility Commissioners ("NARUC") Manual.

Chapter 6 of the NARUC Manual discusses the classification and allocation of distribution costs. In this chapter, the NARUC Manual describes methods for classifying distribution in Accounts 364 through 368 and classification methods containing both customer and demand components. None are shown as demand only. Multiple methods for determining the demand and energy classification are discussed, such as Minimum-Size Method and Zero Intercept Method, yet none yield results of zero cost being classified as customer-related for these accounts.

In addition to the wide acceptance in the industry and inclusion in the NARUC Manual, it requires little more than common sense to understand that some portion of the installation of poles, conductors, underground conduit and conductors, and line transformers are undertaken simply to connect customers to the grid, even though their demands may be very small, well below the capacity of the minimum sized facilities needed to serve them. The aggregate demand level of customers certainly affects the sizing of these distribution facilities (over and above the minimum levels), but that does not in any way nullify the fact that a portion of the investment is in the minimum system and caused by the existence of the customers.

Q PLEASE SUMMARIZE YOUR CONCLUSIONS RECOMMENDATIONS REGARDING THE CCOSS.

A The Company's CCOSS methods are generally reasonable and should be used as the basis for class revenue apportionment in this case.

III. REVENUE APPORTIONMENT

Q HAVE YOU REVIEWED THE COMPANY'S PROPOSED REVENUE APPORTIONMENT?

A Yes. Table JAY-2 compares the results of the Company's CCOSS to its proposed revenue apportionment.

TABLE JAY-2

Class Cost of Service Study Results vs.
Proposed Revenue Allocation ($000)

Line	Rate Schedule	Revenues at Current Rates[1] (1)	CCOSS Indicated Revenue Change[2] Amount (2)	Percent (3)	Company Proposed Revenue Change[3] Amount (4)	Percent (5)
1	Rate 1M	$ 1,458,541	$ 351,012	24.1%	$ 230,125	15.8%
2	Rates 2M, MSD	330,526	42,453	12.8%	51,204	15.5%
3	Rates 3M, 4M	835,778	38,298	4.6%	127,812	15.3%
4	Rate 5M	39,182	14,499	37.0%	6,078	15.5%
5	Rate 6M	2,950	1,678	56.9%	457	15.5%
6	Rate 11M	219,758	(1,741)	-0.8%	30,434	13.8%
7	Total[4]	$ 2,886,734	$ 446,198	15.5%	$ 446,110	15.5%

Sources:
[1] Schedule TH-D1
[2] Schedule TH-D2
[3] Direct Testimony of Nicholas Bowden, Table 8.
[4] The difference between column (2) and column (4) is due to rounding, per the Direct Testimony of Nicholas Bowden, footnote 9.

The Company's CCOSS results indicate that the Small General Service class ("Rate 2M") and Large General Service/Small Primary Service[6] classes ("Rate 3M" and "Rate 4M") are closest to their allocated cost of service. The LPS class, Rate 11M, would require a rate decrease of 0.8% to reach cost of service at the Company's claimed revenue deficiency. Despite the CCOSS results, the Company proposes nearly an across-the-board increase.

However, the Company does recognize that Rate 4M and Rate 11M customers are subsidizing other classes and attempts to slightly reduce the amount of the subsidy with a revenue neutral adjustment to current normal base rate revenues. As described by Company witness Mr. Bowden, the Company makes revenue neutral adjustments to increase the Rate 1M current normal base rate revenues by 0.25%, with reductions to the current normal base rate revenues of 0.49% and 1.11% for Rates 4M and 11M, respectively.[7]

Q IS THE COMPANY'S PROPOSED REVENUE APPORTIONMENT REASONABLE?

A No. Cost of service should be the primary factor used to establish class revenue requirements and to design rates. However, the Company's proposed revenue apportionment does not make meaningful movement toward cost of service, as it effectively maintains the status quo in which the Residential (Rate 1M) class would continue to be priced significantly below cost of service, while other major rate classes would be above cost of service, with Rate 11M (LPS) significantly above cost of service.

There is no justification for overpricing the LPS class to such a large extent. Fundamentally, there is no justification at all, but the amount of overpricing here is

[6] Although separate rate classes, the Large General Service and Small Primary rate classes are lumped together for the purpose of conducting the class cost of service study.

[7] Direct Testimony of Nicholas Bowden at page 30, Table 7.

extreme, and AMO has provided absolutely no justification for not taking more significant steps to correct this unreasonable circumstance.

Q ARE YOU RECOMMENDING AN ALTERNATIVE REVENUE ALLOCATION?

A Yes. My primary recommendation will focus on adjustments to be made on a revenue neutral basis at present rates. After having made my recommended revenue neutral adjustments at present rates, any overall change in revenues allowed to AMO can then be applied on an across-the-board basis.

Q PLEASE EXPLAIN YOUR SPECIFIC PROPOSAL.

A First, I reviewed the revenue-neutral adjustments to current rate revenues that would be required to move each class 33% toward cost of service and 25% toward cost of service. The resulting revenue-neutral adjustments are shown in Table JAY-3 and JAY-4, respectively.

TABLE JAY-3

Adjustments for 33% Movement Toward Cost of Service at Present Rates ($000)

Line	Rate Schedule	Revenues at Current Rates[1] (1)	CCOSS Indicated Revenue Change[1] Amount (2)	Percent (3)	Move 33% Toward Cost of Service (4)	Adjusted Current Revenue (5)	Revenue-Neutral Percent Change (6)
1	Rate 1M	$1,458,541	$ 138,852	9.5%	$ 46,284	$1,504,825	3.2%
2	Rates 2M, MSD	330,526	(11,197)	-3.4%	(3,732)	326,794	-1.1%
3	Rates 3M, 4M	835,778	(99,936)	-12.0%	(33,312)	802,466	-4.0%
4	Rate 5M	39,182	8,086	20.6%	2,695	41,877	6.9%
5	Rate 6M	2,950	1,411	47.8%	470	3,420	15.9%
6	Rate 11M	219,758	(37,215)	-16.9%	(12,405)	207,353	-5.6%
7	Total	$2,886,734	$ (0)	0.0%	$ (0)	$2,886,734	0.0%

Sources:
[1] Schedule JAY-COS-1.

TABLE JAY-4

Adjustments for 25% Movement Toward Cost of Service at Present Rates ($000)

Line	Rate Schedule	Revenues at Current Rates[1] (1)	CCOSS Indicated Revenue Change[1] Amount (2)	Percent (3)	Move 25% Toward Cost of Service (4)	Adjusted Current Revenue (5)	Revenue-Neutral Percent Change (6)
1	Rate 1M	$1,458,541	$ 138,852	9.5%	$ 34,713	$1,493,254	2.4%
2	Rates 2M, MSD	330,526	(11,197)	-3.4%	(2,799)	327,727	-0.8%
3	Rates 3M, 4M	835,778	(99,936)	-12.0%	(24,984)	810,794	-3.0%
4	Rate 5M	39,182	8,086	20.6%	2,021	41,203	5.2%
5	Rate 6M	2,950	1,411	47.8%	353	3,302	12.0%
6	Rate 11M	219,758	(37,215)	-16.9%	(9,304)	210,454	-4.2%
7	Total	$2,886,734	$ (0)	0.0%	$ (0)	$2,886,734	0.0%

Sources:
[1] Schedule JAY-COS-1.

Column 1 of each table shows class revenues at current rates. Column 2 shows the total revenue neutral adjustment that would be required for each class to reach cost of service at present rates. Column 4 shows the revenue neutral adjustments that would be required to move each class one-fourth or one-third of the way toward cost of service.

As shown in Table JAY-3, moving 33% of the way toward cost of service would require a Residential class revenue-neutral adjustment of only 3.2% (as compared to the 9.5% increase required to move all the way to cost of service). As shown in Table JAY-4, moving 25% of the way toward cost of service would require a Residential class revenue-neutral adjustment of 2.4%. In both cases, these revenue-neutral increases would be relatively minimal and must be considered in light of the fact that other classes are being asked to continue to bear part of the revenue responsibility that rightly should be shouldered by the Residential class.

An even larger movement would not be unreasonable, particularly if the Commission approves a revenue requirement increase less than the amount proposed

by AMO. Indeed, given the many years that the Residential class has been underpriced, a failure to make a significant move toward cost-based rates would be unreasonable.

While some will want to emphasize the impact on the Residential class of this approach, it is also important not to lose sight of the fact that by not moving all the way to cost of service, the other customer classes are continuing to unfairly benefit the Residential class by bearing more of the burden of the revenue responsibility than they should.

Q CAN YOU ILLUSTRATE YOUR FINAL PROPOSED REVENUE ALLOCATION?

A Yes. This is shown in Table JAY-5.

TABLE JAY-5

MIEC Proposed Revenue Allocation ($000)

Line	Rate Schedule	Revenues at Current Rates[1] (1)	CCOSS Indicated Revenue Change[2] Amount (2)	CCOSS Indicated Revenue Change[2] Percent (3)	Company Proposed Revenue Change[3] Amount (4)	Company Proposed Revenue Change[3] Percent (5)	MIEC Proposed Revenue Change[4] Amount (6)	MIEC Proposed Revenue Change[4] Percent (7)
1	Rate 1M	$ 1,458,541	$ 351,012	24.1%	$ 230,125	15.8%	$ 271,684	18.6%
2	Rates 2M, MSD	330,526	42,453	12.8%	51,204	15.5%	47,346	14.3%
3	Rates 3M, 4M	835,778	38,298	4.6%	127,812	15.3%	95,847	11.5%
4	Rate 5M	39,182	14,499	37.0%	6,078	15.5%	8,750	22.3%
5	Rate 6M	2,950	1,678	56.9%	457	15.5%	926	31.4%
6	Rate 11M	219,758	(1,741)	-0.8%	30,434	13.8%	21,556	9.8%
7	Total[5]	$ 2,886,734	$ 446,198	15.5%	$ 446,110	15.5%	$ 446,110	15.5%

Sources:
[1] Schedule TH-D1
[2] Schedule TH-D2
[3] Direct Testimony of Nicholas Bowden, Table 8.
[4] Reflects revenue-neutral adjustment shown in Table JAY-3, followed by an across-the-board increase of the Company's claimed revenue deficiency.
[5] The difference between column (2) and column (4) is due to rounding, per the Direct Testimony of Nicholas Bowden, footnote 9.

My recommended revenue allocation reflects the revenue-neutral adjustment to current rates to move each class 33% of the way toward cost of service, followed by an equal

percent increase across classes based on the Company's claimed revenue deficiency. While a greater movement toward cost of service at current rates is justified, I am recommending a 33% movement toward cost of service to mitigate the impact on classes that would require the most significant increases to reach cost of service.

My recommended revenue apportionment makes a more meaningful movement toward cost of service for all rate classes than the Company's proposal, while still reflecting the need for gradualism. To the extent the Commission approves a revenue requirement increase less than the amount requested by the Company, my recommended revenue allocation should be scaled accordingly.

Q WHAT IS THE IMPACT OF YOUR PROPOSED REVENUE ALLOCATION ON THE RESIDENTIAL CLASS, RELATIVE TO THE COMPANY'S PROPOSAL?

A As shown in Table JAY-5, my proposal would produce an increase of 18.6% for the Residential class, instead of the 15.8% proposed by the Company, at the Company's claimed revenue deficiency. This equates to approximately an additional $3.15[8] per Residential customer per month at the Company's claimed revenue deficiency. To the extent the Commission approves an increase less than the amount proposed the Company, the impact would be less. For example, if the Commission approves 89% of the Company's requested revenue increase as recommended by Staff, the impact would be reduced to about $2.81 per Residential customer per month.

[8] $41.559 million / 1,098,931 residential customers / 12 = $3.15.

Q IN THE EVENT THE COMMISSION DECLINES TO ADOPT YOUR PRIMARY REVENUE SPREAD RECOMMENDATION, ARE YOU RECOMMENDING AN ALTERNATIVE?

A Yes. If my primary revenue spread recommendation is not adopted, then as an alternative I recommend a revenue-neutral adjustment to current rates to move 25% toward cost of service for each class. Then, any overall change in revenues allowed to AMO can be applied on an across-the-board basis.

IV. RATE DESIGN

Q PLEASE DISCUSS THE COMPANY'S RATE DESIGN FOR THE LARGE PRIMARY SERVICE CLASS (RATE 11M).

A The Rate 11M rate structure consists of a monthly customer charge, along with demand and energy rates that are differentiated by season (e.g., summer and winter). The Company proposes to increase each rate element, except the Low-Income Pilot Program Charge, by approximately the class average increase to produce the target revenue requirement.

Q HOW DOES THE COMPANY'S PROPOSED RATE DESIGN COMPARE TO COST OF SERVICE FOR RATE 11M?

A Based on the Company's CCOSS, the demand-related revenue requirement for Rate 11M would be about $170.3 million,[9] but the Company's proposed rate design would only recover about $109.6 million through demand charges.[10] Thus, AMO's proposed demand rates would under-recover demand-related costs by approximately

[9] Thomas Hickman's workpaper labeled "MO ECCOS_2024 Final." Tab labeled "Unbundled," at cells BE59 through BE61.

[10] Schedule NSB-D3 for the LPS class.

$61 million, or 36%. As a result, it would be reasonable to increase the demand rates to be more in line with cost of service, and to apply a corresponding reduction to the energy rates.

Q PLEASE SUMMARIZE YOUR RECOMMENDATIONS REGARDING RATE DESIGN.

A The Company's proposed approach to rate design is generally reasonable as it treats all Rate 11M customers approximately the same. However, I would not oppose a larger increase to the demand rates to bring them more in line with cost of service along with a corresponding reduction in energy rates.

Q DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?

A Yes, it does.

Qualifications of Jessica A. York

Q PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A Jessica York. My business address is 16690 Swingley Ridge Road, Suite 140, Chesterfield, MO 63017.

Q PLEASE STATE YOUR OCCUPATION.

A I am a consultant in the field of public utility regulation and a Principal with the firm of Brubaker & Associates, Inc. ("BAI"), energy, economic and regulatory consultants.

Q PLEASE IDENTIFY THE JURISDICTIONS IN WHICH YOU HAVE PREVIOUSLY SPONSORED TESTIMONY.

A I have sponsored expert testimony in front of the Idaho Public Utilities Commission, the Illinois Commerce Commission, Indiana Utility Regulatory Commission, the Iowa Utilities Commission, the Kansas Corporation Commission, the Michigan Public Service Commission, the Minnesota Public Utilities Commission, the Missouri Public Service Commission, the Public Utilities Commission of Nevada, the Oklahoma Corporation Commission, the Virginia State Corporation Commission, and the Public Service Commission of Wisconsin.

Q **PLEASE STATE YOUR EDUCATIONAL BACKGROUND AND PROFESSIONAL EMPLOYMENT EXPERIENCE.**

A I graduated from Truman State University in 2008 where I received my Bachelor of Science Degree in Mathematics with minors in Statistics and Actuarial Science. I

earned my Master of Business Administration Degree with a concentration in Finance from the University of Missouri-St. Louis in 2014.

I joined BAI in 2011 as an analyst. Then, in March 2015, I joined the consulting team of BAI.

I have worked in various electric, natural gas and water and wastewater regulatory proceedings addressing cost of capital, sales revenue forecasts, revenue requirement assessments, class cost of service studies, rate design, and various policy issues. I have also conducted competitive power and natural gas solicitations on behalf of large electric and natural gas users, have assisted those large power and natural gas users in developing procurement plans and strategies, assisted in competitive contract negotiations, and power and natural gas contract supply administration. In the regulated arena, I have evaluated cost of service studies and rate designs proffered by other parties in cases for various utilities, including in Idaho, Illinois, Indiana, Kansas, Wisconsin, and others. I have conducted bill audits, rate forecasts and tariff rate optimization studies.

I have also provided support to clients with facilities in deregulated markets, including drafting supply requests for proposals, evaluating supply bids, and auditing competitive supply bills. I have also prepared and presented to clients reports that monitor the electric market and recommend strategic hedging transactions.

BAI was formed in April 1995. BAI and its predecessor firm have participated in more than 700 regulatory proceedings in forty states and Canada.

BAI provides consulting services in the economic, technical, accounting, and financial aspects of public utility rates and in the acquisition of utility and energy services through RFPs and negotiations, in both regulated and unregulated markets. Our clients include large industrial and institutional customers, some utilities and, on

occasion, state regulatory agencies. We also prepare special studies and reports, forecasts, surveys and siting studies, and present seminars on utility-related issues.

In general, we are engaged in energy and regulatory consulting, economic analysis, and contract negotiation.

In addition to our main office in St. Louis, the firm also has branch offices in Corpus Christi, Texas, Louisville, Kentucky and Phoenix, Arizona.

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AMEREN MISSOURI
Case No. ER-2024-0319

Class Cost of Service Study Results
and Revenue Adjustments to Move Each Class to Cost of Service
at Present Rates
(Dollars in Thousands)

Line	Rate Class	Base Revenues	Current Rate Base	Adjusted Operating Income	Earned ROR	Indexed ROR	Income @ Equal ROR	Difference in Income	Revenue Change	Percent Change
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	Residential	$ 1,458,541	$ 7,758,851	$ 284,942	3.672%	73	$ 389,081	$ 104,139	$ 138,852	9.5%
2	Small GS	330,526	1,598,165	88,541	5.540%	110	80,143	(8,398)	(11,197)	-3.4%
3	Large GS/Primary	835,778	3,559,273	253,438	7.120%	142	178,486	(74,952)	(99,936)	-12.0%
4	Large Primary	219,758	822,510	69,157	8.408%	168	41,246	(27,911)	(37,215)	-16.9%
5	Company Owned Lighting	39,182	265,091	7,229	2.727%	54	13,293	6,064	8,086	20.6%
6	Customer Owned Lighting	2,950	19,465	(82)	-0.422%	-8	976	1,058	1,411	47.8%
7	Total	$ 2,886,734	$ 14,023,355	$ 703,225	5.015%	100	$ 703,225	$ -	$ -	0.0%