Case No ER-2008-0318

Exhibit No 557
Issues Updated Weather Normalization Witness Steven M Wills Sponsoring Party Union Electric Company Type of Exhibit Supplemental Direct Testimony

Date Testimony Prepared June 16, 2008

MISSOURI PUBLIC SERVICE COMMISSION

79

CASE NO. ER-2008-0318

SUPPLEMENTAL DIRECT TESTIMONY

OF

STEVEN M WILLS

ON

BEHALF OF

UNION ELECTRIC COMPANY d/b/a AmerenUE

> St Louis, Missouri June, 2008

> > AmerenuE Exhibit No. 57
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1		SUPPLEMENTAL DIRECT TESTIMONY
2		OF
3		STEVEN M. WILLS
4		CASE NO. ER-2008-0318
5		I. <u>INTRODUCTION</u>
6	Q.	Please state your name and business address.
7	Α	Steven M Wills, Ameren Services Company ("Ameren Services"), One
8	Ameren Plaza	a, 1901 Chouteau Avenue, St Louis, Missouri 63103
9	Q.	Are you the same Steven M. Wills who previously filed testimony in
10	this case?	
11	A	Yes
12		II. <u>PURPOSE OF TESTIMONY</u>
13	Q.	What is the purpose of your supplemental direct testimony?
14	Α	AmerenUE filed this case based upon a test year consisting of the 12
15	months endir	ng March 30, 2008, using nine months of actual data and three months of
16	budgeted dat	a (for the months of January, February, and March 2008) This
17	supplementa	direct testimony provides the results of the weather normalization analysis
18	using actual	data for the first three months of 2008 I am submitting this updated analysis
19	ın accordanc	e with the Commission's Order Adopting Procedural Schedule and Test
20	Year issued	on May 29, 2008
21	Q.	Did you use the same methodology to calculate the additional three
22	months of w	eather normalized sales that you described in your direct testimony?

1	A	Yes The methodology used to calculate weather normalized sales for
2	January throu	gh March of 2008 was the same as that used to calculate the period of April
3	through Dece	mber 2007, as described in my direct testimony
4	Q.	In your direct testimony, you discuss the development of Weather
5	Response Fu	nctions using the Hourly Electric Load Model (HELM). Did you
6	update the w	eather response functions before calculating the weather normalized
7	sales for Jan	uary through March of 2008?
8	A	No, I did not The weather response functions describe the relationship of
9	load to tempe	rature That relationship is quite stable over time. The weather response
10	functions dev	eloped using load research data and temperature data over the 2007 calendar
11	year are still a	applicable to the first three months of 2008. The process of developing new
12	Weather Resp	onse Functions is fairly time consuming and there was little to be gained by
13	creating new	HELM models
14	Q.	If you did not update the HELM models, what was involved in the
15	development	of weather normalized sales for the first three months of 2008?
16	Α	I obtained actual sales for January through March, by rate class and billing
17	cycle, and ob	tained actual Two-Day Weighted Mean Temperatures for this same period
18	I then perform	ned the calculation of weather normalized sales for this period, using the
19	methodology	described in my direct testimony
20		III. <u>CONCLUSIONS</u>
21	Q.	Please summarize the results of your analysis.
22	A	January was warmer than normal on both a calendar and billing basis
23	Therefore, Ja-	nuary sales were increased to reflect normal sales that would occur in a

colder winter due to increased use of space heating equipment February was colder than 1 2 normal on a calendar month basis, but warmer than normal on a billing month basis Therefore, February billed sales were increased to normal levels and calendar month 3 4 sales were decreased to reflect the level of sales that would have been experienced under normal conditions March weather was very close to normal on a calendar basis, but was 5 colder than normal on a billing month basis Calendar month March weather normalized 6 sales were very close to actual March sales, whereas billed sales for March had to be 7 8 decreased to reflect the level of sales that would be expected under normal winter 9 conditions Full results by rate class are attached as Schedules SMW-E4 and SMW-E5 10 0 Please clarify the distinction between calendar and billing month 11 sales. 12 Α As described in my direct testimony, calendar month sales are the sales 13 that reflect the amount of energy consumed by the Company's customers within the 14 actual calendar days of the month in question Billing month sales are those sales that are 15 billed to the Company's customers within a month Because of the nature of the meter 16 reading schedule, some sales will relate to energy consumed in one month but billed in 17 another As an example, a customer may have his meter read on January 11, then read 18 again on February 11 The usage recorded by the meter for that period would all be 19 considered February usage for billing proposes, but would be allocated between January 20 and February for calendar month purposes 21 Does this conclude your supplemental direct testimony? Q. 22 Yes, it does Α

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In the Matter of Union E d/b/a AmerenUE for Aut Lauffs Increasing Rates Service Provided to Cust Company's Missouri Set	hority to File for Electric omers in the))))	Case No FR-2008-0318
	AFFIDAVIT OI	F STEVEN M	1. WILLS
STATE OF MISSOUR	l))ss		
CITY OF ST. LOUIS)		
Steven M. Wills being f	irst duly swom on	his oath state	\$
1 My name	is Steven M. Wills	s I work in th	ne City of St. Louis, Missouri, and I
ani employed by Amerer	1 Services Compan	y as Managin	g Supervisor Quantitative Analytics
in the Corporate Planiin	g Department		
2 Attached	hereto and made a	part hereof fo	or all purposes is my Supplemental
Direct Testimony on beh	alf of Union Electr	ne Company o	d/b/a AmerenUE consisting of 3
pages, and Schedules SM	4W-E4 through SM	IW-E5, all of	which have been prepared in writte
form for introduction into	o evidence in the al	bove-referenc	ed docket
3 I hereby s	wear and affirm th	at my answer:	s contained in the attached testimon
to the questions therein p	propounded are true	and correct	
		Steven M V	
Subscribed and sworn to	before me this 10°	day of June	(le R. Molary Public
My commission expires			. , 1
Му	Danielle R Mosko Notary Public - Notary STATE OF MISSOL St Louis County Commission Expires Ju Commission # 05745	Seal JRI Iv 21, 2009	

Schedule SMW-E4 - Test Year Actual and Normal Calendar Month Sales (kWh)

Ameren UE - Residential Sales - Calendar Month - 2008				
Month	Actual	Normal	Ratio	
1	1,426,916,109	1,522,845,927	106 7%	
2	1,324,687,158	1,292,984,865	97 6%	
3	1,119,943,930	1,117,067,073	99 7%	

Ameren UE - LGS Sales - Calendar Month - Test Year Update Period			
Month	Actual	Normal	Ratio
1	698,798,768	722,865,947	103 4%
2	661,248,846	652,666,503	98 7%
3 (624,735,870	626,557,111	100 3%

Ameren UE - LPS Sales - Calendar Month - Test Year Update Period				
Month	Actual	Normal	Ratio	
1	320,735,547	321,966,950	100 4%	
2	321,693,139	321,400,945	99 9%	
3	322,677,045	323,200,410	100 2%	

Ameren UE - SGS Sales - Calendar Month - Test Year Update Period				
Month	Actual	Normal	Ratio	
1	341,502,521	355,487,391	104 1%	
2	319,288,608	314,336,337	98 4%	
3	292,427,464	293,880,412	100 5%	

Ameren UE - SPS Sales - Calendar Month - Test Year Update Period				
Month	Actual	Normal	Ratio	
1	329,160,045	332,295,137	101 0%	
2	310,009,668	308,896,339	99 6%	
3	314,874,164	315,600,505	100 2%	

Ameren UE - Wholesale Sales - Calendar Month - Test Year Update Period			
Month	Actual	Normal	Ratio
1	56,953,020	58,781,675	103 2%
2	53,841,665	53,347,911	99 1%
3	50,947,294	50,899,835	99 9%

Schedule SMW-E5 - Test Year Actual and Normal Billing Month Sales (kWh)

Ameren UE - Residential Sales - Billing Month - 2008				
Month	Actual	Normal	Ratio	
1	1,501,988,221	1,582,046,679	105 3%	
2	1,407,968,124	1,440,668,081	102 3%	
3	1,250,237,886	1,229,501,143	98 3%	

Ameren UE - LGS Sales - Billing Month - 2008				
Month	Actual	Normal	Ratio	
1	720,647,977	740,680,771	102 8%	
2	697,987,736	707,119,084	101 3%	
3	650,450,700	645,789,582	99 3%	

Ameren UE - LPS Sales - Billing Month - 2008					
Month	Actual	Normal	Ratio		
1	343,542,843	345,568,643	100 6%		
2	329,469,794	330,380,202	100 3%		
3	312,442,645	312,318,007	100 0%		

Ameren UE - SGS Sales - Billing Month - 2008					
Month	Actual	Normal	Ratio		
1	350,777,333	362,595,466	103 4%		
2	336,417,882	341,706,017	101 6%		
3	310,706,588	308,223,829	99 2%		

Ameren UE - SPS Sales - Billing Month - 2008					
Month	Actual	Normal	Ratio		
1	332,257,386	334,906,959	100 8%		
2	329,272,410	330,842,040	100 5%		
3	313,037,526	312,511,722	99 8%		

Ameren UE - Wholesale Sales - Billing Month - 2008					
Month	Actual	Normal	Ratio		
1	50,291,722	51,735,474	102 9%		
2	57,471,128	58,951,227	102 6%		
_ 3 _	54,339,921	_ 53,957,126	99 3%		