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Exhibit No.:
Issues: Rate Design
Class Cost-of-Service
Witness: John A. Rogers
Sponsoring Party: MO PSC Staff
Type of Exhibit: Surrebuttal Testimony
Case No.: ER-2010-0036
Date Testimony Prepared: March 5, 2010

MISSOURI PUBLIC SERVICE COMMISSION

UTILITY OPERATIONS DIVISION

SURREBUTTAL TESTIMONY

OF

JOHN A. ROGERS

UNION ELECTRIC COMPANY

d/b/a

AMERENUE

CASE NO. ER-2010-0036

**Jefferson City, Missouri
March 2010**

STAFF Exhibit No. 215
Date 3-5-10 Reporter XF
File No. ER-2010-0036

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

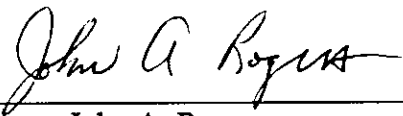
In the Matter of Union Electric Company)
d/b/a AmerenUE's Tariffs to Increase its)
Annual Revenues for Electric Service.)

Case No. ER-2010-0036

AFFIDAVIT OF JOHN A. ROGERS

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

John A. Rogers, of lawful age, on his oath states: that he has participated in the preparation of the following Surrebuttal Testimony in question and answer form, consisting of 4 pages of Surrebuttal Testimony to be presented in the above case, that the answers in the following Surrebuttal Testimony were given by him; that he has knowledge of the matters set forth in such answers; and that such matters are true to the best of his knowledge and belief.

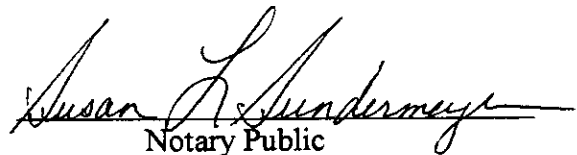


John A. Rogers

Subscribed and sworn to before me this 5th day of March, 2010.



SUSAN L. SUNDERMEYER
My Commission Expires
September 21, 2010
Callaway County
Commission #06942086



Notary Public

Surrebuttal Testimony of
John A. Rogers

1 in customer charge would allow AmerenUE a more reasonable opportunity to earn its
2 authorized rate of return. Do you agree with Mr. Cooper's reasoning?

3 A. Mr. Cooper would be correct that a higher customer charge would mitigate the
4 erosion of earnings if AmerenUE was successfully implementing aggressive energy efficiency
5 and demand response programs. However, as presented in the Staff Report on pages 40 – 42,
6 AmerenUE is far from meeting the implementation schedule that it laid out in its preferred
7 resource plan, which means AmerenUE has not been aggressively implementing energy
8 efficiency and demand response programs. On page 25, lines 22 – 23 of his rebuttal
9 testimony, AmerenUE witness Stephen M. Kidwell, states that AmerenUE's demand-side
10 programs have been implemented later than originally expected. On page 28, lines 20 – 23,
11 Mr. Kidwell goes on to say: "The primary reason [for the delay in implementing programs]
12 was that Ameren senior management placed a hold on most ongoing projects during the
13 fourth quarter of 2008, due to financial pressures. While we continued program design and
14 tariff development, offering the programs to customers was delayed until the first quarter of
15 2009."

16 Q. When were programs first offered to customers by AmerenUE?

17 A. Although the "launch window" for AmerenUE's programs was generally the
18 fourth quarter of 2008, the first business program was offered on February 11, 2009, and the
19 first residential program was offered on April 24, 2009.

20 Q. Have the programs achieved the expected levels of expenditures and energy
21 and demand savings?

22 A. No. Although AmerenUE has not yet received evaluation reports from its
23 evaluation, measurement and verification contractors for the first program year ending

Surrebuttal Testimony of
John A. Rogers

1 | September 30, 2009, AmerenUE did provide a preliminary programs performance summary
2 | to stakeholders at its February 4, 2010 DSM stakeholder quarterly update meeting. The
3 | following table includes the planned levels of expenditures and energy and demand savings
4 | for the three program years (ending in September 2009, 2010 and 2011, respectively) for all
5 | demand-side management programs in the AmerenUE preferred resource plan (PRP) and the
6 | actual levels of expenditures and energy and demand savings through December 31, 2009.

	Cumulative MWh			Cumulative MW			Annual Costs (\$000)		
	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3
PRP	123,836	269,186	429,435	106	131	161	\$ 25,021	\$ 32,124	\$ 39,669
Actual	16,675	36,636	0	10	13	0	\$ 9,865	\$ 3,773	\$ -
Variance	(107,161)	(232,550)	(429,435)	(96)	(118)	(161)	\$ (15,155)	\$ (28,350)	\$ (39,669)

7 |
8 | Q. What do you conclude from your last answer?

9 | A. Although it may be AmerenUE's desire to have aggressive energy efficiency
10 | and demand response programs, the expenditures and energy and demand savings for the
11 | programs experienced to date are all lagging well behind those planned for in the preferred
12 | resource plan.

13 | Q. Do you expect AmerenUE to attempt to accelerate its implementation of
14 | programs to catch up to the expenditure and energy and demand savings levels in the
15 | preferred resource plan?

16 | A. It is uncertain what AmerenUE's plans are for implementing energy efficiency
17 | and demand response programs. Mr. Kidwell states on page 29, lines 3 – 5, of his rebuttal
18 | testimony that "AmerenUE's plans for the existing and any additional DSM programs are
19 | dependent upon the outcome of the Commission's decision on DSM cost recovery in this rate
20 | case." Since the stipulation and agreement reached on DSM does not give AmerenUE the
21 | cost recovery that it requested, Staff is unsure how AmerenUE will proceed regarding the
22 | implementation of energy efficiency and demand response programs.

Surrebuttal Testimony of
John A. Rogers

- 1 | Q. Does that conclude your surrebuttal testimony?
- 2 | A. Yes, it does.