

Exhibit No. 3

Commission – Exhibit 3
Glenn Koenen Statement
Local Public Hearing Exhibit-Sunset Hills
File No. ER-2024-0319

Concerns About Ameren Missouri's Proposed Rate Increase

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I live in a single family three bedroom home in Oakville. I am a retired charity executive. I would like to add to the record my concerns about the proposed massive *Ameren Missouri* rate increase.

Stretching Every Penny

A century ago electric lines fanned-out to most every small town and farm house in Missouri. Back then the utility endured tremendous costs in establishing a system, and, a high return on equity seemed necessary to attract investors. In recent years *Ameren Missouri* has received about a 10% annual ROE.

Thanks in large part to the forced generosity of Missouri ratepayers, *Ameren* has been able to acquire other utilities and return a great deal of money to stockholders and executives.

I suggest that Ameren could be just as effective if it stretched every penny of overhead a bit more and dropped to an ROE around 6%. This could shave a great deal of money off the proposed increase.

Electricity For Everyone?

At the grocery store this weekend I paid \$3.89 for a gallon of milk. Yes, unfortunately the cost of most everything is increasing. Still, despite spikes, such as in milk, overall inflation is presently running at 2.9% [<https://www.usinflationcalculator.com/inflation/current-inflation-rates/>].

Ameren's rate increase is five times that rate of inflation.

And, let's note that a gallon of milk costs the same when a retiree buys it or a multi-billionaire. Likewise, the cost of a kilowatt of electricity does not differ based on the buyer's income.

As a retiree, my wife and I will notice such a steep jump, just as we have felt the sting of increases in our *Metropolitan Sewer District*, water and other utility bills. We will be forced to trim the fun parts of our budget to maintain a safe and warm home.

In my career running street-level charities I met a tide of folks who – despite having jobs and trying as hard as they could to pay their bills – came to me for help with their electric bill.

The *Ameren* staff my volunteers and I dealt with were always kind and helpful, as much as they could be. Despite the need for it, electricity is not guaranteed to any of us.

Remember that half of all households have an income below the median. That means that in 2023 (per the *American Community Survey*) half of St. Louis County households had an income less than half the country's \$81,442: that's less than \$40,700.

In Pemiscot County, Missouri the 2023 household median income was \$40,748: half that was \$20,374, or, about \$1,700 a month.

A family struggling to survive at that level may already lack electricity for months at a time.

For the record, I know from my experience that the majority of those seeking outside help with electric bills don't get help.

Government utility assistance programs are shells of what they were in the 1980's. Church based groups such as the area's *St. Vincent DePaul Councils* and independent charities such as *Circle Of Concern* and *Feed My People* do not have the resources to help all who deserve assistance. That's just reality.

Allow me to suggest that ratepayers would be better served – and *Ameren Missouri* can successfully operate – with a much smaller rate increase. They are a well-run company. They can adjust to the conditions you impose, just as they successfully responded to COVID and other challenges. A **6%** bump would cover a couple of years of inflation, enough until the next rate increase cycle.

Thank you for your attention.