

**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) File No. ER-2024-0319
Revenues for Electric Service.)

AMEREN MISSOURI'S POSITION STATEMENTS

COMES NOW Union Electric Company d/b/a Ameren Missouri (“Company” or “Ameren Missouri”), and in compliance with the Commission's *Order Granting Motion to Modify Order Setting Procedural Schedule*, submits its Position Statements in this case.

1. How should any rate increase be allocated to the customer classes?

The ordered rate increase should be allocated using the process detailed in Company Witness Nicholas Bowden's direct testimony.¹ Although the process has multiple steps, the two before the Commission include the revenue neutral adjustment,² followed by an equal percentage increase in the revenue requirement allocations. The revenue neutral adjustment is appropriate given it is supported by the reasonable Class Cost of Service ("CCOS") Study presented by Company Witness Thomas Hickman.³ The reasonableness of Company Witness Hickman's CCOS study is affirmed by the testimony of the expert witnesses from Missouri Industrial Energy Consumers ("MIEC") witness Jessica York and Missouri Energy Consumers Group ("MECG") witness Kavita Maini.⁴ Even Consumers Council of Missouri ("CCM"), an entity dedicated to consumer interests,⁵ agrees. Despite having some disagreements on certain issues underlying the Company's CCOS, CCM supports the Company's revenue requirement allocation.⁶ These three witnesses have extensive industry experience across various jurisdictions. The preponderance of the testimony in this case is supportive of Ameren Missouri's approach.

In addition, the Company was willing to accept some but not all of Staff's criticisms.⁷ Staff's valid criticisms had an extremely minor impact on the overall CCOS results and therefore, no impact on the Company's direct proposal.⁸ Finally, Company Witness Steven Wills provides perspective through an analysis of Edison Electric Institute's average rate data. Company Witness Wills' analysis suggests that the Company's residential rates are lower than the national average to a far greater extent than are the Company's industrial

¹ File No. ER-2024-0319, Nicholas Bowden Direct Testimony, p. 27, l. 6 through p. 28, l. 7.

² File No. ER-2024-0319, Nicholas Bowden Direct Testimony, p. 30, l. 1 through p. 31, l. 6.

³ File No. ER-2024-0319, Thomas Hickman Direct Testimony

⁴ File No. ER-2024-0319, Jessica York Direct Testimony, p. 8, ll. 1-4; File No. ER-2024-0319, Kavita Maini Direct Testimony, p. 20, ll. 11-12.

⁵ File No. ER-2024-0319, Application to Intervene by the Consumers Council of Missouri, p. 1.

⁶ File No. ER-2024-0319, Caroline Palmer Surrebuttal Testimony, p. 2, ll. 12-16.

⁷ File No. ER-2024-0319, Thomas Hickman Surrebuttal Testimony, p. 8, l. 8 through p.12, l. 16.

⁸ File No. ER-2024-0319, Thomas Hickman Surrebuttal Testimony, p. 13, ll. 7-12.

rates.⁹ The Company's proposal, which would move residential rates up slightly more than industrial rates, would help create more consistency between the rate relationships of these classes to the national averages, and therefore directionally supports the conclusions in the Company's CCOS. The alternative CCOS study offered by Staff in its direct testimony is inconsistent with that analysis in that it would exacerbate the disparities that exist between the Company's class level rates and the national averages for those classes.

As this case progressed, Staff's position changed from an alternative (and, in Ameren Missouri's viewpoint, inappropriately based) revenue neutral adjustment in direct¹⁰ to a position of equal percentage adjustment in surrebuttal.¹¹ The Company notes, however, that were the Commission to rule in favor of an equal percentage adjustment, it should be done on the basis of policy and not based on the results of the CCOS study performed by Staff. As Company Witness Nicholas Phillips described in his surrebuttal testimony, there are obvious statutory questions as to whether the Staff CCOS model is eligible for consideration in this case or whether Missouri law would prohibit its consideration in the outcome of revenue allocations in this case.¹² The Company believes Staff's direct testimony approach is not eligible for consideration. Further, even if the Commission were to believe Staff's CCOS model is eligible for consideration in this case, expert witnesses representing the Company, MIEC, and MECG have all concluded Staff's CCOS *model is not reasonable or cost-causative in this case.*¹³

2. How should the rate increase be implemented within certain classes? To resolve that issue, the following issues should be addressed:

A. Should the demand rates of the 3M and 4M classes be increased by a greater amount with a corresponding decrease to the energy charges, as proposed by MECG?

No. The Company recommends all rate elements be adjusted by equal percentages.¹⁴ Further, the Company is reluctant to support this rate design change without analysis of customer bill impacts. No bill impact analysis was submitted by MECG as evidence in this case. This recommendation has come up before. The result of this recommendation was that the Commission ordered the initiation of File No. EW-2023-0031 and explicitly asked the parties to address MECG's demand and energy rate design proposal in that workshop. MECG was provided with an opportunity to work collaboratively with the Company and other parties to examine this proposal but provided no input when the workshop was held. The bill impact analysis which could have led to the Company's support would have been a feasible outcome of EW-2023-

⁹ File No. ER-2024-0319, Steven Wills Rebuttal Testimony, p. 15, l. 13 through p. 21, l. 9.

¹⁰ File No. ER-2024-0319, Sarah Lange Direct Testimony, p. 44, l. 7 through p. 45, l. 12.

¹¹ File No. ER-2024-0319, Sarah Lange Surrebuttal Testimony, p. 62, ll. 6-9.

¹² File No. ER-2024-0319, Nicholas Phillips Surrebuttal Testimony, p. 4, l. 9 through p.7, l. 7.

¹³ File No. ER-2024-0319, Nicholas Phillips Rebuttal Testimony p. 7, l. 17 through p. 21, l. 2; Nicholas Phillips Surrebuttal Testimony, p. 3, l. 11 through p. 21, l. 22; File No. ER-2024-0319, Kavita Maini Rebuttal Testimony, p. 14, ll. 9-17, and Surrebuttal Testimony p. 6, ll. 1-12; File No. ER-2024-0319, Jennifer York Rebuttal Testimony, p. 23, l. 20 through p. 24, l. 22.

¹⁴ File No. ER-2024-0319, Nicholas Bowden Direct Testimony, p. 32, l. 18 through p. 33, l. 15.

0031.¹⁵ But MECG chose not to use the workshop opportunity to explore the outcome of its recommendation, and its proposal offered now, in this case, should not be given any weight.

B. Should the Rider B rates be adjusted?

Yes. Rider B should be adjusted by a percentage equal to the total revenue requirement increase ordered in this case.¹⁶ In File No. ER-2022-0337, the Company demonstrated that its Rider B rates were reasonable, because these rates were nearly identical to embedded substation costs.¹⁷ It is reasonable to assume substation costs are increasing along with other costs, so it is reasonable to increase Rider B rates by a percentage equal to the total revenue requirement increase.¹⁸

C. Should the time-of-day adjustments for non-residential customers in classes 3M, 4M and 11M be modified or held constant?

Yes, revenue neutral adjustments should be made to time-of-day rate adjustments in the 3M, 4M, and 11M classes.¹⁹ Staff agreed that the proposed changes were not unreasonable and conditionally agreed to the proposed changes.²⁰ The Company provided empirical evidence to contextualize the one concern Staff expressed and which presumptively underlies its conditional acceptance of the proposal.²¹

3. Should the Commission authorize a new end-use rate schedule for EV charging as proposed by MECG?

No. The Commission explicitly ordered File No. EW-2023-0031 as a venue for examining MECG's EV charging rate proposals. MECG was provided an opportunity to work collaboratively with the Company and other parties to examine an EV charging rate but as described above, failed to do so when the opportunity was explicitly presented by the Company.²²

4. Should the Commission order a progress report on the non-residential rate design working docket File No. EW-2023-0031 as proposed by MECG?

No. The working docket was ordered, in large part, to address proposals made by MECG in previous rate cases. The workshops were designed to facilitate collaborative work on those issues. MECG was present but provided limited input when it was actively solicited.

¹⁵ File No. ER-2024-0319, Nicholas Bowden Rebuttal Testimony, p. 67, l. 17 through p. 69, l. 10.

¹⁶ File No. ER-2024-0319, Nicholas Bowden Direct Testimony, p. 33, ll. 12-15.

¹⁷ File No. ER-2024-0319, Nicholas Bowden Rebuttal Testimony, p. 67, ll. 3-10.

¹⁸ File No. ER-2024-0319, Nicholas Bowden Rebuttal Testimony, p. 67, ll. 10-16.

¹⁹ File No. ER-2024-0319, Nicholas Bowden Direct Testimony, p. 33, ll. 2-4.

²⁰ File No. ER-2024-0319, Sarah Lange Rebuttal Testimony, p. 54, l. 17 through p. 55 l. 13.

²¹ File No. ER-2024-0319, Nicholas Bowden Surrebuttal Testimony, p. 30, l. 4 through p. 31, l. 7.

²² File No. ER-2024-0319, Nicholas Bowden Rebuttal Testimony, p. 69, ll. 5-10.

Limited to no progress was made on MECGs issues specifically, because limited to no input was provided by MECG.²³

WHEREFORE, Ameren Missouri requests the Missouri Public Service Commission accepts its Position Statements in satisfaction of the Commission's *Order Granting Motion to Modify Order Setting Procedural Schedule*, issued on February 27, 2025.

Respectfully submitted,

/s/ Wendy K. Tatro

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²³ File No. ER-2024-0319, Nicholas Bowden Rebuttal Testimony, p. 67, l. 17, through p. 68, l. 18.

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to counsel of record as reflected on the certified service list maintained by the Commission in its Electronic Filing Information System on this 10th day of March 2025.

/s/ Wendy K. Tatro