

For ALL TERRITORY

DEMAND-SIDE INVESTMENT MECHANISM RIDER
SCHEDULE DSIM
For MEEIA Cycle 2 Plan

APPLICABILITY

This rider is applicable to all non-lighting kilowatt-hours (kWh) of energy supplied to customers under the Company's retail rate schedules, excluding kWh of energy supplied to "opt-out" customers. The Demand Side Investment Mechanism (DSIM) Rider will be calculated and applied separately to the following rate classes: (1) Residential Service (NS-RG, TC-RG, TP-RG) and (2) non-Residential Service, which includes: (a) Small General Service (NS-GS, TC-GS and TP-GS), (b) Large General Service (NS-LG and TC-LG), (c) Small Primary Service (NS-SP and TC-SP), (d) Large Power Service (LP) and (e) Transmission Service (TS).

Charges in this DSIM Rider reflect costs associated with implementation of the Missouri Energy Efficiency Investment Act (MEEIA) Cycle 2 Plan and any remaining unrecovered costs from prior MEEIA Cycle Plans or other approved energy efficiency plans. Those costs include:

- 1) Program Costs, Throughput Disincentive (TD), and Earnings Opportunity Award (EO) (if any) for the MEEIA Cycle 2 Plan, as well as Program Costs, TD and EO for commission approved business program projects completed for prior MEEIA Cycle Plans and any earned Earnings Opportunity earned (and ordered) attributable to prior MEEIA Cycle Plans.
- 2) Reconciliations, with interest, to true-up for differences between the revenues billed under this DSIM Rider and total actual monthly amounts for:
 - i. Program Costs incurred in Cycle 2 and/or remaining unrecovered amounts for prior MEEIA Cycle Plans or other approved energy efficiency plans.
 - ii. TD incurred in Cycle 2, and/or remaining unrecovered amounts for prior MEEIA Cycle Plans.
 - iii. Amortization of any Earnings Opportunity Award (EO) ordered by the Missouri Public Service Commission (Commission), and/or remaining true-ups or unrecovered amounts for prior MEEIA Cycle Plans.
- 3) Any Ordered Adjustments. Charges under this DSIM Rider shall continue after the anticipated plan period of MEEIA Cycle 2 until such time as the costs described in items 1) and 2) above have been billed.

Charges arising from the MEEIA Cycle 2 Plan that are the subject of this DSIM Rider shall be reflected in one "DSIM Charge" on customers' bills in combination with any charges arising from a rider that is applicable to post-MEEIA Cycle 2 Plan demand-side management programs approved under the MEEIA. This will include any unrecovered amounts for Program Costs, unrecovered TD from prior MEEIA Cycle Plans, and any Earnings Opportunity, etc. earned / remaining from prior MEEIA Cycle Plans.

DEFINITIONS

As used in this DSIM Rider, the following definitions shall apply:

"Cycle 2 Earnings Opportunity" (EO) means the annual incentive ordered by the Commission based on actual incentive spending in the EO table, Application Appendix H in Case No. EO-2025-0124. The Company's EO for Cycle 2 will be \$952,238 if 100% achievement of the planned targets are met. EO is capped at \$ 1,025,691. Potential Earnings Opportunity is described on Sheet No. 1. The Earnings Opportunity outlining the payout rates, weightings, and caps can be found at Sheet No. 1.

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"Deemed Savings Table" means a list of Measures derived from the Company's TRM or cost effectiveness analysis that quantifies gross energy and demand savings associated with Company-specific Measure parameters where available, as outlined in Application Appendix C to the MEEIA Cycle 2 Plan in Case No. EO-2025-0124.

"Effective Period" (EP) means the billing months for which the approved DSIM is to be effective, i.e., the 21 billing months beginning with the April billing month of 2025 and ending with the December billing month of 2027.

"Evaluation Measurement & Verification" (EM&V) means the performance of studies and activities intended to evaluate the process of the Company's Program delivery and oversight and to estimate and/or verify the estimated actual energy and demand savings, cost effectiveness, and other effects from demand-side Programs

"Incentive" means any consideration provided by the Company, including, but not limited to, buy downs, markdowns, rebates, bill credits, payments to third parties, direct installation, giveaways, and education, which encourages the adoption of Program Measures.

"Measure" means the Energy Efficiency measures described for each program in the Application Appendix C to the MEEIA Cycle 2 Plan in Case No. EO-2025-0124.

"MEEIA Cycle 2 Plan" consists of the demand-side programs and the DSIM described in the MEEIA Cycle 2 Filing, which became effective following Commission order and approval of the MEEIA Cycle 2 Plan under EO-2025-0124.

"Programs" means MEEIA Cycle 2 programs listed in Tariff Sheet Nos. 29 through 29I and added in accordance with the Commission's rule 20 CSR 4240-20.094(4).

"Program Costs" means any prudently incurred program expenditures, including such items as program planning, program design; administration; delivery; end-use measures and incentive payments; advertising expense; evaluation, measurement, and verification; market potential studies; and work on a statewide initiatives.

"Short-Term Borrowing Rate" means a rate equal to the weighted average interest paid on the Company's short-term debt during the month.

"Throughput Disincentive" (TD) means the utility's lost margins associated with the successful implementation of the MEEIA programs. The detailed methodology for calculating the TD is described beginning in Tariff Sheet No.21c.

"TRM" means the Technical Resource Manuals utilized to estimate the savings for the measures included in the DSM portfolio.

DETERMINATION OF DSIM RATES

The DSIM during the applicable EP is a dollar per kWh rate for each applicable Service Classification calculated as follows:

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EARNINGS OPPORTUNITY AWARD DETERMINATION

The MEEIA Cycle 2 EO Award shall be calculated using the matrix in the MEEIA Cycle 2 Plan. The cumulative EO will not go below \$0. The EO target at 100% is \$ \$952,238. The EO cannot go above \$1,025,691. The cap is based on current program levels. If Commission-approved new programs are added during the EP and any program plan modifications through 2027, the Company may seek Commission approval to have the targets for the cap of the EO scale proportionately to the spending and participation targets.

FILING

After the initial DSIM Rider rate adjustment filing, the Company shall make a DSIM Rider rate adjustment filing at least annually under the Term of this MEEIA Rider. DSIM Rider rate adjustment filings shall be made at least sixty (60) days prior to their effective dates.

PRUDENCE REVIEWS

A prudence review shall be conducted no less frequently than at twenty-four (24) month intervals in accordance with 20 CSR 4240-20.093(11). Any costs, which are determined by the Commission to have been imprudently incurred or incurred in violation of the terms of this DSIM Rider, shall be returned to customers through an adjustment in the next DSIM Rider rate adjustment filing and reflected in factor OA above.

DISCONTINUING THE DSIM

The Company reserves the right to discontinue the entire MEEIA Cycle 2 portfolio, if the Company determines that implementation of such programs is no longer reasonable due to changed factors or circumstances that have materially and negatively impacted the economic viability of such programs as determined by the Company, upon no less than thirty days' notice to the Commission. As a result of these changes, the Company may file to discontinue this DSIM. Similar to Program discontinuance, the Company would file a notice indicating that it is discontinuing the DSIM Rider. This notice would include a methodology for recovery of any unrecovered Program Costs, TD and EO.