BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of a Working Case to	)	
Consider Policies to Improve Electric Utility	)	**File No. EW-2016-0313**
Regulation	)	

THE MISSOURI INDUSTRIAL ENERGY CONSUMERS' COMMENTS SUPPORTING STAFF'S PROPOSALS AND RESPONDING TO THE UTILITIES' ANSWERS TO COMMISSION QUESTIONS

COMES NOW the Missouri Industrial Energy Consumers ("MIEC") and for its *Comments Supporting Staff's Proposals and Comments Responding to the Electric Utilities' Answers to Commission Questions* states as follows:

I. INTRODUCTION

1. The Commission established this case to explore whether the current regulatory paradigm for electric utilities can be "improved." The Commission opened the case at least in part due to the electric utilities' efforts to pass legislation that would accelerate and increase the collection of profits for the utilities and correspondingly increase electric rates for consumers. The utilities seek this legislation on the asserted basis that Missouri regulation must be overhauled because it has too much regulatory lag, and therefore fails to provide them with sufficient incentive for them to invest adequately in infrastructure. The utilities claim that such legislation would benefit ratepayers by providing utilities the incentive they claim is currently lacking to "enable" investments that are not currently "enabled," notwithstanding the strong ratepayer opposition to such an overhaul.

2. Contrary to the electric utilities' assertions, regulatory lag has a minor impact on their overwhelming financial incentive to continue making all appropriate capital investments. In fact, the legal changes proposed by the utilities would change Missouri's well-balanced regulatory framework to prevent reasonable review of utility costs and profits. As a result, the electric utilities' natural financial incentive to engage in excessive capital spending would be unchecked, and will lead to capital spending far beyond what is needed or desirable to provide safe, adequate and reliable service. Excessive capital spending would unnecessarily increase electric rates, which would in turn harm ratepayers and cause statewide net job losses across economic sectors to the detriment of Missouri's entire economy.[1]

II. COMMENTS IN SUPPORT OF THE STAFF'S PROPOSAL

1. Pursuant to the Commission's order, a workshop was held in this case in Jefferson City on September 13, 2016. At the workshop, Staff presenters Mark Oligschlaeger and Bob Schallenberg discussed regulatory lag, and Mr. Schallenberg proposed a specific procedure for increased surveillance/monitoring reporting by electric utilities to make the regulatory process more efficient and transparent for all stakeholders. The MIEC agrees with and supports the Staff's comments and proposal, as explained further below.

[1]Electricity rate increases in Missouri are associated with net job losses across the state's economy. An electric rate increase of ten percent is likely to result in the loss of over 61,000 jobs, or approximately 1.8 percent of Missouri's workforce. See Appendix A, Metcalf, Gilbert E., "The Relationship Between Electricity Prices and Jobs in Missouri," February 27, 2013.

2. During the workshop presentation, Mr. Oligschlaeger noted that based upon the available data, the Staff does not believe that Missouri utilities have systematically under-earned in recent years due to regulatory lag. Mr. Oligschlaeger also stated:

> "Due to its incentive impacts, allowing for the potential for some amount of regulatory lag within a ratemaking structure is better than employing a ratemaking approach that seeks to eliminate regulatory lag in entirety or almost in entirety."

3. The MIEC supports the Staff's findings and agrees with Mr. Oligschlaeger that, contrary to the electric utilities' assertions, regulatory lag has not prevented them from being "enabled" to make appropriate investments in infrastructure. As discussed further below, all data, including the electric utilities' responses to the Commission's questions in this case as well and their public disclosures to investors, shows that current Missouri regulation enables and greatly incentivizes the electric utilities to make all capital investments needed for safe, adequate and reliable service both now and in the long-term.

4. Also at the workshop, Mr. Schallenberg presented the Staff's proposal for a new procedure for surveillance/monitoring that would address a number of the issues raised by the parties in this case. Pursuant to this proposal, a utility surveillance/monitoring report would be used to track the current operations and costs of the utility, compared to the cost used to establish its customer rates, in order to provide a current snapshot of the unadjusted earnings of the utility. The monitoring aspect of the report would be used to identify the increases/decreases in the utility's cost of service compared to its last rate case. This would allow parties to know on a timely basis what

aspects of the utility's operations will need to be addressed in its next rate case. This aspect of the surveillance/monitoring report would be beneficial to the Commission and to all parties in the rate case to potentially address and resolve issues more efficiently. The surveillance report would also show the current unadjusted earnings of the utility. This analysis would assist the public interest by allowing the utility's customers to be aware of the utility's current earnings so they can make informed decisions regarding whether to exercise their right to seek rate relief provided by Missouri statutes.

5. The MIEC supports Staff's proposed surveillance/monitoring report. This report can be used to reduce the time needed to process rate cases and thus would lessen regulatory lag, assuming the Commission determined that was a desirable outcome. Moreover, a robust monitoring/surveillance program available to all parties would be a substantial move towards the transparency that is essential to the efficient resolution of issues in the Commission's regulatory process.

III. RESPONSE TO ELECTRIC UTILITIES' ANSWERS TO COMMISSION QUESTIONS

1. On August 31, 2016, at the request of Staff and with support from consumer representatives, the Commission issued its Order directing the utilities to answer two key questions: (1) "What investments are you not able to make under the current regulatory environment that you would be able to make if there was a change in ratemaking practices?"; and (2) "If the decision to make investment depends on the extent of the regulatory change, please provide information as the investments that will be made under various regulatory environments (e.g., performance-based rates, shortened

rate cases, an electric ISRS, construction accounting/plant-in-service, trackers/riders, projected/partially projected test year, interim rates, CWIP in rate base, etc.)."

2. On September 23, 2016, Empire, KCP&L/GMO, and Ameren Missouri filed their responses to the Commission Order requiring them to provide answers to two questions. None of the utilities identified any investments needed for reliability, service quality or public safety that are not both enabled and incentivized by current Missouri regulation.

3. The MIEC believes that the electric utilities' responses show that their proposed overhaul of the Commission statutes is both unnecessary and detrimental. Additionally, their proposals to eliminate regulatory lag would harm the public interest both by reducing the electric utilities' incentive to manage capital spending and by restricting the Commission's ability to review their costs and profits when setting rates.

4. The utilities frequently claim that regulatory lag discourages them from making appropriate infrastructure investments. Sometimes they imply that because of regulatory lag they will "lose money" on such investments. That is simply not the case. For example, <u>even allowing for a whole year of regulatory lag</u>, Ameren Missouri can expect to earn a <u>profit</u> (earnings on investment) of over $90 million on a $50 million equity investment ($100 million total investment) in plant having a life of 40 years (assuming current ROE, debt equity ratio, and cost of borrowing). In other words, a $50 million equity investment today yields a nominal profit stream of over $90 million over the course of 40 years. This example demonstrates the compelling incentive provided to the utilities for capital spending -- <u>Ameren Missouri makes no profit if it makes no</u>

investment. A profit of over $90 million is certainly incentive to invest $50 million of equity capital into appropriate infrastructure. To be sure, without the one year of regulatory lag, the electric utilities' profits on investment would be even higher (as would customer rates), all other things equal. But, as demonstrated above, electric utilities are already amply incented to make all appropriate, prudent and necessary infrastructure investments. There is no need to weaken the regulatory process by accelerating rate increases merely to provide utilities with higher profits (and burden their customers with higher rates).

5. Although the electric utilities complain they "lose" return on specific investments during the period of regulatory lag, they are silent about the profits that this oft-maligned regulatory lag affords them. The electric utilities seek to preserve regulatory lag in situations where it works to their advantage. For instance, the Commission established Ameren Missouri's current rates assuming its rate base as of December of 2014. But these rates did not actually take effect until six months later in June of 2015. By then, Ameren Missouri's rate base had actually decreased. As a result of this time lag between the evidence upon which the Commission determined the rates and the date those rates actually took effect, Ameren Missouri was able to charge customers for returns on a higher rate base than the actual rate base to serve those customers. Missouri electric utilities are large, mature businesses that generate large internal cash flows every year that must be reinvested in new plant. Without massive amounts of new investment, the utilities' revenue requirements will decline as their business shrinks whenever reduced levels of capital reinvestment do not fully reinvest

internally generated cash. Missouri's electric utilities are thus highly incentivized to make capital investments.

A. Empire Electric's Response

6. Empire filed a one and a half page response. As to the first question posed by the Commission, Empire states that "[u]tilizing the current regulatory environment, Empire has made all investments which Empire deemed reasonable and prudent and necessary for the provision of safe and adequate service." Thus, Empire recognizes that there were no needed investments that it was "not able to make." It notes that during periods of major capital expenditures it delayed replacing vehicles and "equipment" that it "would have ordinarily replaced." This is a normal and prudent course of action for any business -- regulated or unregulated -- that is in a period of unusually high capital investment. Empire simply acknowledges the obvious: that some investment decisions are discretionary in the short term and that Missouri regulation in its present form is adequately supportive of all needed investments.

7. As to the Commission's second question, Empire states that "[a]lthough the current regulatory environment is not preventing Empire from making required investments at this time … Empire believes new regulatory approaches that lessen the impact of regulatory lag could allow utilities to better accommodate changing customer needs and expectations, and could enhance the provision of clean, safe, and reliable electric service in Missouri." Empire's response to the Commission's questions identified no necessary or appropriate investments that it is currently unable to make under current Missouri's current regulatory paradigm. Indeed, Empire's response

identified only one specific investment -- the replacement of its vehicle fleet - that it even made the decision to delay.

B. KCP&L/GMO's Response

8. KCP&L/GMO filed a three and a half page response. As to the first question posed by the Commission, KCP&L/GMO states that "for the period of 2006-2015, KCP&L and GMO operated under a proactive capital expenditure policy and did not curtail capital projects due to the ratemaking practices in Missouri[.]" At the workshop on September 13, 2016, KCP&L displayed a table that depicted that it had not earned its authorized ROE for several years. However, as a condition of the Comprehensive Energy Plan ("CEP"), KCP&L agreed not to seek a fuel adjustment clause (FAC) until June 2015. This would have had a dramatic effect on KCP&L's reported earnings. In fact, Mr. Oligschlaeger commented that the actual ROEs of the other electric utilities, those having FACs, showed very different (positive) results over the same period of time. As to the second question, KCP&L/GMO's answer focused on the effect that regulatory lag has on its level of profit. KCP&L/GMO has categorically identified its concern -- it is not that it currently earns inadequate levels of profit on investment and is thus disincented to invest. Rather, it claims that regulatory lag inhibits its profit. KCP&L/GMO says that it cannot "honor their fiduciary obligation to [their] shareholders" and "continue to operate under the proactive capital expenditure philosophy in place during the CEP[.]"[2] Like Empire, KCP&L/GMO says it might delay

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[2]KCP&L's mention of the CEP is interesting, because the CEP embodies the kind of proactive approach that can benefit a utility and its customers when there is a need to alter the regulatory paradigm. Indeed, the whole point of the CEP was to allow KCP&L to invest heavily in capital projects because KCP&L

some discretionary capital projects if its profits are not increased by removal of regulatory lag, but there is no indication that it will not make all investments appropriate for it to provide reliable, quality electric service. KCP&L/GMO identifies 12 projects that "could be pursued under a proactive capital expenditure policy that could be delayed under a more tightly restricted capital expenditure regime." In essence, KCP&L/GMO maintains that unless its profit on particular investments always gets it up to the limit of its authorized ROE it "could delay" some investment.

C. Ameren Missouri's Response

9. The majority of Ameren Missouri's response to the Commission's questions, set forth on the first seven pages of its filing, argues that Missouri's infrastructure is aging, that the grid must evolve, that investment is needed to build a "smarter, cleaner, and more efficient grid," that investment in infrastructure "yields long-term customer and statewide benefits," that "sound energy policy is needed to support infrastructure investments," that "rate-setting policy in Missouri is not keeping pace with needed investment," and that "Missouri's policies must keep pace." Finally, on page 8, Ameren Missouri discusses "investments that would be enabled," including $1 billion of "additional" projects that it "could undertake" "if regulatory lag were appropriately mitigated." It indicates that some of these projects are "accelerat[ions,]" meaning that they will simply be built sooner. Other projects, like implementation of the smart grid, or

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demonstrated that those projects were necessary and would offer benefits to customers. Offered the opportunity to make a similar demonstration in this workshop in response to the Commission's questions, KCP&L and all the other utilities simply responded with platitudes and generalities. The utilities could have pointed to particular projects and done cost-benefit analyses to show that customers would be better off by accelerating those projects, but they were unable or unwilling to do so.

an experimental solar project or electric vehicle charging station projects may or may not be deemed necessary. Notably, Ameren makes no showing that the acceleration of capital projects is needed in order to provide safe and adequate service to ratepayers, nor does it show that acceleration of capital projects would produce any benefit that would exceed the cost.

10. Ameren Missouri did not answer the Commission's question, "What investments are you not able to make under the current regulatory environment that you would be able to make if there was a change in ratemaking practices?" Instead of identifying any investments it is unable to make under current regulation, Ameren Missouri decided it would rather give the Commission a list of projects that it "*could* accelerate" or that it *could* build. Ameren Missouri thus apparently disregarded the Commission's specific request for Ameren Missouri to state what investments it is "*not able* to make." Ameren Missouri makes no claim that it has inadequate capital to make any needed investment, including the projects that it has listed. Indeed, it notes that "it is true that Ameren Missouri has access to the capital markets to finance these important projects." But it claims that "it is also true that the regulatory lag built into Missouri's decades-old rate setting process prevents full recovery of the cost of these investments and other elements of Ameren Missouri's costs to serve its customers." Ameren Missouri's claim that it will not get "full recovery of the costs of these investments" is not true in any real sense. This is shown by the example set forth in Paragraph 4 above (where, due to a six month delay between the period used by the Commission as evidence to establish rates and the date those rates actually went into effect, Ameren Missouri was

able to gain substantial profits by charging customers for returns on a higher level of investment than actually used to serve them). Ameren Missouri has been in fact able to recover the full cost of its investments -- as well as a very healthy return on those investments. Ameren Missouri's claimed "loss" of one year of depreciation expense is far outweighed by the substantial profit that it earns from its investment. Of course, there are cost recovery methods that Ameren Missouri would prefer to current Missouri regulation that would allow electric utilities even greater profits, but it is simply invalid for Ameren Missouri to claim that it won't obtain full recovery of the costs of investments under current Commission regulation. To the contrary, Ameren Missouri and the other electric utilities are already significantly incented to invest in infrastructure. Ameren Missouri's chief complaint, similar to KCP&L/GMO's complaint, stems from its desire to obtain higher levels of profit by accelerating capital projects (although Ameren Missouri's earnings calls with investors indicate that it actually is earning more than its authorized ROE). Regulatory lag, like other relevant factors in the regulatory process, is taken into account by the Commission in setting the authorized return for electric utilities. Notably, the Commission has authorized a 9.53% ROE for Ameren Missouri, while Ameren Illinois has an 8.64% authorized ROE. Any project that Ameren Missouri has listed in its filing is a project that it is already incented to build; it simply wants to earn more profit to build it.[3]

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[3]Electric utility stocks have strong access to low-cost capital and earn much higher returns than the broader market despite their lower risk; "When allowed equity returns exceed the true cost of equity, utilities have an artificial incentive to expand utility facilities upon which they can earn that extra return." APPENDIX B, Steve Huntoon, "Nice Work If You Can Get It: Rate of Return for Fun and Profit," PUBLIC

11. Ameren Missouri and the other electric utilities in Missouri are large, mature businesses that routinely invest hundreds of millions of dollars of new capital each year in order to replace aging infrastructure and maintain high quality service. A review of Ameren Missouri's Statement of Cash Flows filed with the Securities and Exchange Commission in Form 10-K reports show that "Net cash provided by operating activities" in 2015, 2014, and 2013 was $1.2 billion, $1.0 billion and $1.1 billion, respectively. This internally generated cash flow can be used to pay dividends to Ameren Corporation and its shareholders, but is also available as an internal source of capital for construction. Internally generated cash can be reinvested each year before Ameren Missouri is required to access any new capital in the financial markets. Indeed, Ameren Missouri's recent levels of Capital Expenditures of about $700 million per year were mostly funded internally, by recovery from ratepayers' of depreciation and amortization of the Company's *existing* rate base assets as well as the income tax deferrals arising from bonus depreciation on such new capital investment. These internal funding sources annually contribute more than $600 million per year that *must* be reinvested, in order to prevent Ameren Missouri from experiencing declining rate base and revenue requirements.[4] Ameren Missouri, like other investor-owned regulated electric utilities, is able to rely upon persistently large amounts of internally generated funding for most or all of annual capital investments that are actually needed to provide safe and adequate

UTILITIES FORTNIGHTLY (August 2016); *see also* L. Hyman and W. Tilles, "Don't Cry for Utility Shareholders," PUBLIC UTILITIES FORTNIGHTLY (October 2016).

[4]Ameren Corporation SEC Form 10-K, filed February 26, 2016, at page 75. Available at: http://phx.corporate-ir.net/phoenix.zhtml?c=91845&p=irol-sec.

service to consumers, and all Missouri utilities have ready access to the capital markets at attractive rates if large capital projects would exceed the internally generated funding.

12. The electric utilities' public statements to investors in their quarterly earnings calls and presentations show that Missouri regulation presents no impediment to appropriate infrastructure investments either now or in the long-term. In its third quarter 2015 earnings presentation, Empire highlighted its expected 4% compound annual growth rate in rate base from 2014 through 2020 and attractive return on equity through constructive regulation.[5] In its fourth quarter 2015 earnings call, it noted improved service in 2015 from a continued focus on system reliability. Empire reduced the average number of outage occurrences and the duration of outages affecting customers by 7% and 13% respectively.[6] KCP&L/GMO's long-term growth outlook targets growth in rate base by at least 2 to 3 percent from 2016 through 2020 citing "targeted investments to empower customers and optimize our grid." At the same time, KCP&L/GMO targets annualized earnings per share growth of 4 to 5 percent "driven by investments in regulated utility infrastructure, disciplined cost management and national transmission opportunities," and dividend growth of 5 to 7 percent during the period 2016 through 2020.[7] Ameren states to investors that its goal is to earn at or close to its allowed ROE in

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[5]APPENDIX C, Empire District Electric Company Third Quarter 2015 Earnings Presentation. Available at: https://www.snl.com/Cache/1500077704.PDF?Y=&O=PDF&D=&FID=1500077704&T=&IID=3005475.

[6]APPENDIX C, The Empire District Electric Company, Transcript of Q4 2015 Earnings Call, Capital IQ (Feb 05, 2016). Available at: https://www.capitaliq.com/CIQDotNet/Transcripts/Detail.aspx?keyDevId=323131805&companyId=269306.

[7]APPENDIX D, Great Plains Energy First Quarter 2016 Earnings Presentation. Available at: http://phx.corporate-ir.net/phoenix.zhtml?c=96211&p=quarterlyEarnings.

all jurisdictions, including Missouri, and also specifically states that it expects Ameren Missouri to earn within 50 basis points of its allowed Missouri ROE of 9.53 percent. Ameren estimates that its Missouri operations and maintenance expenses "not subject to riders or tracking mechanisms" will decline. Ameren states that it will continue to make prudent investments to provide safe and adequate service. Ameren's guidance to investors is for Missouri rate base growth of 2 percent annually from 2016 through 2020, and that its expected rate base growth and earnings growth is not dependent on any change in the regulatory framework in Missouri.[8] If regulatory lag was truly a problem, these statements would not be possible.

13. Missouri's regulatory system has yielded higher reliability for Ameren's Missouri customers than its customers in Illinois, despite Ameren Illinois' massive capital spending and the elimination of regulatory lag provided to Ameren by Illinois' formula rate legislation. During Ameren's most recent earnings call, in response to an analyst question regarding comparison of Illinois and Missouri reliability, Ameren's CEO stated:

> [B]y and large Illinois has clearly made progress in improving the reliability as well as responding to outage duration as a result of the grid modernization project. By and large, what you are seeing between the two jurisdictions is that they are moving closer in terms of what their overall reliability and ultimate responsiveness to outages are. And so Illinois will

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[8] APPENDIX E, Ameren Corporation, Transcript of Q1 2016 Earnings Call, Capital IQ (May 11, 2016). Available at: https://www.capitaliq.com/CIQDotNet/Transcripts/Detail.aspx?keyDevId=333359150&companyId=373264.

> continue to have specific metrics that they have to hit as part of the grid modernization act and will continue to pursue that.[9]

Ameren Corporation's public statements to investors show that although Ameren holds out Illinois as a model for Missouri regulation when it is urging the General Assembly to overhaul the statutes governing the Commission's process, it is actually Missouri and not Illinois that has the best regulatory framework to serve the public interest.

14. Utilities increase profits by increasing capital investment, since they earn a return on investment. Those increased profits come at the expense of ratepayers through the burden of increased rates. So long as Missouri ratepayers continue to receive safe, reliable and adequate service, and so long as utilities are financially healthy with strong access to capital, the utilities are merely seeking solutions to a problem that does not exist. The utilities' responses to the Commission questions, their public statements to investors, and the other data brought forward in this case show that both currently and for the foreseeable future (through 2020 and far beyond) the utilities will continue to have strong access to capital and ample incentive to invest in infrastructure. Inexorably, electric utilities and their investors seek increase their profits by strategically eliminating regulatory lag for specific costs where it suits their financial interest. Of course, the utilities will always seek to "manage their regulatory environment" in the way that will allow them to obtain the highest profits possible, as required by their fiduciary duty to their investors. But the Commission should resist accepting or supporting such

[9] APPENDIX E, Ameren Corporation, Transcript of Q2 2016 Earnings Call, Capital IQ (Aug 05, 2016). Available at: https://www.capitaliq.com/CIQDotNet/Transcripts/Detail.aspx?keyDevId=377716329&companyId=373264.

proposals. Regulatory lag is not a "problem" from the perspective of the public interest. The Commission fulfills the public interest when it ensures reliable service at just and reasonable rates that are set at a level sufficient for the utility to have access to capital at reasonable terms so it can make all necessary and appropriate investments for reliable, safe and adequate service. The utilities' proposals to accelerate and increase their profits are perhaps inevitable and their efforts to eliminate regulatory lag will continue, as they have for decades. Notwithstanding, the Commission should view regulatory lag as an inherent and beneficial part of proper regulation that is essential both to enable Commission review of utility costs and profits and to incentivize the utility to manage costs efficiently. As many expert witnesses have testified throughout the years, and as Mr. Oligschlaeger explained at the workshop in this case, regulatory lag serves as a balance to prevent profligate spending by utilities and thus serves an essential role in the Commission's balanced regulatory framework to the benefit of utilities, ratepayers and Missouri's economy as a whole. To the extent that the Commission finds it desirable to make the rate case process more efficient so that rate increases would take less time, that can be well accomplished with the Staff's surveillance/monitoring proposal and the process revisions recommended in the filed comments of the MIEC and other consumer parties.

SUMMARY

Missouri's electric utilities have large amounts of internally generated cash flows to fund needed capital investments and also have unfettered access to capital markets if there is any need to increase their capital spending, if that is really needed. However,

because of an alleged disincentive in the form of regulatory lag, these utilities are claiming that some acceleration of some capital projects might not occur. This claim is not persuasive for the simple reason that the utilities would forgo large profits by delaying or avoiding the investments.

The data in this case shows that the utilities seek to solve a "problem" that does not exist. The utilities have not shown need for *any* acceleration of capital investments. Service quality and reliability are good and as shown by the utilities' public statements to investors is projected to remain so in the long-term. All new investments that are not necessary for reliability and quality service would simply burden ratepayers with unreasonably higher rates. The utility has ample incentives to invest in infrastructure and would be unlikely to forgo the existing opportunity to earn quite adequate Commission-approved returns over the life of the new asset by delaying the investment. A reasonably prudent electric utility would not forgo $90 million of profit from an equity investment of $50 million (unless perhaps they are delaying capital investments in the hope of soon convincing legislators that this financial benefit is actually "problem" in order to obtain awards of even higher rates of profit). Missouri electric utilities have ready access to capital and cash flows to make all needed infrastructure investments now and far into the future. They are large, mature businesses with ample internally generated cash flow that is routinely re-invested with minimal dependence upon external capital markets, and there has been no showing of any need for regulatory sweeteners in order to secure ample access to capital on favorable terms.

It should be expected that Missouri's electric utilities will continue to zealously fulfill their fiduciary duty to maximize profits for their shareholders. Accordingly, we must also expect that their continued efforts to "improve the regulatory process" by selectively eliminating regulatory lag for particular costs where that is to their profit advantage. The MIEC respectfully submits that the Commission should view these proposals with some degree of skepticism, particularly in light of the information in this case. The Commission must remain empowered by Missouri statutes to protect ratepayers from the natural economic incentive of electric utilities to engage in excessive capital spending or "gold plating." Legislation proposed by the electric utilities' proposals would surely accelerate and increase the electric utilities' profits, but it would do so to the detriment of ratepayers and ultimately Missouri's economy.

Respectfully submitted,

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