

Exhibit No.:
Issues: Adjustment to RESRAM Rate –
Seventh Accumulation Period
Witness: Raysene Logan
Type of Exhibit: Direct Testimony
Sponsoring Party: Union Electric Co.
Case No.: ER-2026-
Date Testimony Prepared: September 23, 2025

MISSOURI PUBLIC SERVICE COMMISSION

DIRECT TESTIMONY

OF

RAYSENE LOGAN

St. Louis, Missouri
September, 2025

DIRECT TESTIMONY

OF

RAYSENE LOGAN

Case No. ER-2026-

1 **Q: Please state your name and business address.**

2 A: My name is Raysene Logan. My business address is One Ameren Plaza, 1901 Chouteau
3 Ave., St. Louis, Missouri.

4 **Q: By whom and in what capacity are you employed?**

5 A: I am employed by Ameren Services Company (“Ameren Services”) as Manager, Power &
6 Fuels Accounting. Ameren Services provides various corporate support services to Union
7 Electric Company d/b/a Ameren Missouri (“Company” or “Ameren Missouri”), including
8 settlement and accounting related to fuel, purchased power, off-system sales, and
9 Renewable Energy Standard (“RES”) compliance costs and benefits, including accounting
10 relating to renewable energy credits (“RECs”).

11 **Q: What is the purpose of your testimony?**

12 A: My testimony supports the 11th Revised Sheet No. 93.4 of Ameren Missouri’s Schedule
13 No. 6 – Schedule of Rates for Electric Service that is being filed by Ameren Missouri to
14 establish a rate that reflects RES compliance costs incurred by the Company during the
15 twelve-month Accumulation Period of August 2024 through July 2025.

16 **Q: Please explain why Ameren Missouri is making this filing at this time.**

17 A: The Commission’s rule governing RES cost recovery mechanisms for electric utilities –
18 specifically 20 CSR 4240-20.100(6) – and Ameren Missouri’s Rider RESRAM, require

Ameren Missouri to make periodic filings to adjust customer rates for changes in Ameren Missouri's Actual RES Costs (Factor "ARC") experienced during each Accumulation Period¹ as compared to the base level of RES Costs Recovered (Factor "RCR") included in base rates (Factors "MBA" and "RBA" as listed in the Rider RESRAM tariff sheets) applicable to that same Accumulation Period. Additionally, there is a True-Up included (Factor "T"), which reflects the difference between the actual revenues collected and revenues authorized for collection. These changes are then reflected in an adjustment to the RESRAM Rate. This adjustment can be positive (a RESRAM Rate of greater than zero, i.e., a charge) or negative (a RESRAM Rate of less than zero, i.e., a credit). The Commission's rule requires at least one such review and adjustment each year. Ameren Missouri's approved Rider RESRAM calls for one filing annually. As provided for in Rider RESRAM, the Recovery Period applicable to this filing will consist of the calendar months of February 2026 through January 2027.

Q: What adjustment is being made in this filing?

A: During the August 1, 2024 to July 31, 2025 Accumulation Period, Ameren Missouri's ARC was \$55,171,068. Subtracting the RCR of \$43,214,376 (derived from the RBA from the Accumulation Period 6 filing and the MBA from the File No. ER-2022-0337 and ER-2024-0319 rate review stipulations²) and adding the Interest (I) of \$2,388,908, produces a RES (over)/under recovery (Factor "ROUR") totaling \$14,345,600. Along with the RESRAM Revenue Requirement (Factor "RRR") of \$52,790,164 and the True-up of -\$2,839,788 results in Total RESRAM Recoveries (Factor "TRR") of \$64,295,975 which, as described further below, will produce the RESRAM Rate (in this case a charge) that will appear as a

¹ Capitalized terms not otherwise defined herein have the meaning given them in Rider RESRAM.

² EFIS Item No. 264, File No. ER-2022-0337 and EFIS Item No. 269, File No. ER-2024-0319.

1 separate line item to be applied to customers' bills during the 7th Recovery Period that starts
2 on the first day of February 2026.

3 **Q: Are there any adjustments related to the one percent retail rate impact limitation**
4 **included in the Commission's RES rules?**

5 A: No, the Company's RES compliance plan (see File No. EO-2023-0359) demonstrates that
6 the Company's RES compliance activities in total, of which the RES costs subject to Rider
7 RESRAM are a subset, do not exceed the 1% retail rate limitation as provided for in 20
8 CSR 4240-20.100(5).

9 **Q: What types of expenses are included in the Accumulation Period covered by this**
10 **filing?**

11 A: The ARC includes actual solar rebates paid under Rider SR (recorded in Account 908,
12 subaccount SR2³) and amortization expense and associated fees for RECs purchased in
13 contracts associated with wind (recorded in Accounts 557 and 509, subaccount RWD, and
14 Account 555.3⁴, subaccount 3RW), solar (recorded in Accounts 557 and 509, subaccount
15 RCS and Account 555.3, subaccount 3RC), and electricity produced using hydro as a fuel
16 (recorded in Accounts 557 and 509, subaccount RH2 and Account 555.3, subaccount
17 3RH). These purchases were made as the remaining vintage RECs "banked" in inventory
18 plus expected 2024 and 2025 additions would not allow the Company to retire sufficient
19 RECs to meet its 15% RES portfolio requirement applicable to 2024 and 2025. A request
20 for proposal (RFP) process was not utilized in making these REC purchases as it was more
21 cost effective and efficient to evaluate purchasing RECs for compliance through brokers

³ "Subaccount" references are to managerial accounting designations included in the Company's general ledger.

⁴ As a result of FERC Order 898, which became effective January 1, 2025, FERC account 555.3 is now used to track environmental credits.

1 and direct counterparty negotiations. These transactions were negotiated directly with the
2 counterparties at market pricing with beneficial commercial terms and delivery dates.

3 There were also RES compliance capital costs and benefits in the Accumulation Period
4 covered by this filing related to the High Prairie, Atchison, and Huck Finn Renewable
5 Energy Centers. Capital investments and associated O&M expenses are identified by using
6 the Location for the generation facilities: HP0 for the High Prairie Renewable Energy
7 Center, AW0 for the Atchison Renewable Energy Center and HF0 for the Huck Finn
8 Renewable Energy Center. The capital investments are recorded in 300-level FERC
9 accounts when assets are moved from construction work in progress and placed into
10 service, and O&M is in FERC accounts 546, 548 through 554, 558⁵, and 924 (excluding
11 labor-related Resource Types beginning with L, such as LI, LR, LU, etc.). Depreciation
12 and amortization expense is recorded in FERC accounts 403 & 404 using the same rates as
13 set in general electric rate reviews. Interconnection facility expense is recorded in FERC
14 account 565, Compliance Code IFAC0. Property tax accruals are recorded in FERC
15 account 236. The Production Tax Credits (PTCs) are recorded in FERC accounts 409
16 through 411, and ADIT is recorded in FERC account 190.

17 Also included in this filing is the Interest incurred on the remaining Accumulation Period
18 5 and 6 balances and the Accumulation Period 7 balance, as well as the RRR, which
19 contains the actual annual amount of REC amortization expense, Rider SR rebates, and
20 RES compliance capital costs incurred during Accumulation Period 7. Please refer to
21 Schedule RL-1 for details on the Interest and RRR calculations. The inclusion of an
22 ongoing RESRAM revenue requirement in Factor RRR will be reflected on Sheet 93.4 as

⁵ As a result of FERC Order 898, which became effective January 1, 2025, FERC account 558 is now used to track solar and wind facility O&M expenses.

1 the RESRAM Base Amount (RBA), and this RBA will be included in the calculation of
2 Factor RCR under Rider RESRAM during the months when the RESRAM Rate set by this
3 filing is in effect. The RBA would be reset as appropriate upon the conclusion of an electric
4 rate review to the extent that costs that were included in Factor RRR are included in the
5 revenue requirement used to set base rates in that case.

6 **Q: Please describe the weighted average cost of capital ("WACC") being applied to the**
7 **capital investments.**

8 A: The process for the WACC applied to fixed assets eligible for recovery in the RESRAM
9 was set forth in File No. EA-2018-0202, which indicates the elements of the WACC,
10 including capital structure ratios and return on equity, are primarily based on the
11 Commission's most recently approved in general rate proceedings. The Commission
12 approved WACC for purposes of the RESRAM in File No. ER-2022-0337, which
13 remained in effect for AP7 until the Commission most recently approved WACC for
14 purposes of the RESRAM in File No. ER-2024-0319, which became effective on June 1st,
15 2025 and remained in effect for AP7 through July 31, 2025. Also, as set forth in File No.
16 EA-2018-0202, the long-term debt return is based on the embedded cost of long-term debt
17 as of the most recent fiscal quarter before each RESRAM filing. The most recent
18 RESRAM filing prior to this one was made in September 2024, so the rate in effect for
19 most of AP7 (specifically August 1, 2024 through May 31, 2025) reflects the approved
20 values from ER-2022-0037 while the rate in effect for the remainder of AP7 (June 1, 2025
21 through July 31, 2025) reflects the most recently approved values from ER-2024-0319.
22 Please refer to Schedule RL-1 for details on the WACC applied.

1 **Q: Please describe the impact the inclusion of the RESRAM-eligible expense and**
2 **revenues in general electric base rates had on the RESRAM calculation.**

3 A: As noted above, the amount of RES-compliance costs included in the revenue requirement
4 used to set base rates, or the Base Amount, feed into Factor MBA. For Accumulation
5 Period 7, the base rates set in File No. ER-2022-0337 (MBA effective July 9, 2023 until
6 May 31, 2025) and ER-2024-0319 (MBA effective June 1 through July 31, 2025) included
7 100% of the costs and revenues associated with the High Prairie, Atchison, and Huck Finn
8 (effective with ER-2024-0319) Renewable Energy Centers, including depreciation, PTCs,
9 return, and off-system sales revenue, along with the REC expense and solar rebates
10 incurred during the test year and true-up period. Accordingly, the amounts included in
11 RESRAM rates for Factor RRR for Accumulation Period 7 were initially the RESRAM
12 rates contained in the September 2023 RESRAM filing which took effect in February 2024
13 followed by the rates contained in the September 2024 RESRAM filing which took effect
14 in February 2025, thus creating a monthly RBA for the period of August 2024 through May
15 2025. Upon finalization of ER-2024-0319, the RBA went to zero June 1, 2025 and
16 remained at zero through the end of the accumulation period.

17 **Q: Please further describe the impact of the RESRAM Rate being established by this**
18 **filing on the Company's customers.**

19 A: The \$64,295,975 in TRR for the 7th Accumulation Period was calculated in the manner
20 specified in the Rider RESRAM tariff sheets and is to be spread over all kilowatt-hour
21 ("kWh") sales of energy supplied to all customers served under all of the Company's
22 Service Classifications. That total, when using the projected kWh sales for the February
23 2026 to January 2027 Recovery Period, results in a RESRAM Rate for the Company's

1 customers of \$0.00207 per kWh, beginning with the calendar month of February 2026.
2 Filed concurrently with my direct testimony is the 11th Revised Sheet No. 93.4 of Ameren
3 Missouri's Schedule No. 6 – Schedule of Rates for Electric Service which contains the
4 formula that Ameren Missouri used to calculate the RESRAM Rate, as specified by its
5 Rider RESRAM. Also included in that tariff sheet are the values for each element of the
6 formula that were used to derive the RESRAM Rate. Assuming 1,007 kWh of usage per
7 month for the average residential customer, this will result in a charge under the RESRAM
8 of approximately \$2.08 per month.

9 **Q: What other information will customers have regarding this mechanism?**

10 A: Please refer to Schedules RL-2 and RL-3 for information that is posted on Ameren
11 Missouri's website and instructions for the Company's call center, respectively.

12 **Q: How did you develop the various values used to derive the proposed RESRAM Rate**
13 **shown on the filed tariff sheet?**

14 A: The data upon which Ameren Missouri based the values for each of the variables in the
15 approved RESRAM Rate formula is shown in Schedule RL-1. This schedule contains all
16 the information that is required by 20 CSR 4240-20.100(6) and includes the workpapers
17 that support the data contained in Schedule RL-1.

18 **Q: If the tariff sheet filed by Ameren Missouri is approved or allowed to go into effect,**
19 **what safeguards exist to ensure that the revenues the Company collects do not exceed**
20 **the RES compliance costs that Ameren Missouri actually incurred during the**
21 **Accumulation Period?**

22 A: Ameren Missouri's Rider RESRAM and the Commission's rules provide two mechanisms
23 to ensure that amounts collected from customers do not exceed Ameren Missouri's actual,

1 prudently-incurred RES compliance costs. First, Rider RESRAM and the Commission's
2 rules require a true-up of the amounts collected from customers through Rider RESRAM,
3 with any excess/unrecovered amounts to be refunded/billed to customers through
4 prospective adjustments to the RESRAM Rate calculation, with interest at Ameren
5 Missouri's short-term borrowing rate. Second, Ameren Missouri's RES compliance costs
6 are subject to periodic prudence reviews to ensure that only prudently-incurred costs are
7 collected from customers through Ameren Missouri's Rider RESRAM. These two
8 mechanisms serve as checks that ensure that the Company's customers pay only the
9 prudently-incurred RES compliance costs and no more.

10 **Q: What action is Ameren Missouri requesting from the Commission with respect to the**
11 **rate schedule that the Company has filed?**

12 A: As provided by 20 CSR 4240-20.100(6), the Commission Staff (the "Staff") has sixty (60)
13 days from the date the revised RESRAM rate schedule is filed to conduct a review and to
14 make a recommendation to the Commission as to whether the rate schedule complies with
15 the Commission's rules (subject to the variances granted to the Company in File No. EA-
16 2012-0202), the requirements of the RES, and Ameren Missouri's approved Rider
17 RESRAM. If the Commission finds the tariff sheet does comply, the RESRAM Rate will
18 take effect either pursuant to a Commission order approving the RESRAM Rate or by
19 operation of law, in either case within 120 days after the RESRAM Rate is filed, as
20 provided for in one of the variances granted to the Company in the above-referenced
21 docket. Because Ameren Missouri believes its filing satisfies all of the requirements of
22 applicable statutes, the Commission's rules and the applicable variances and Ameren
23 Missouri's approved Rider RESRAM, Ameren Missouri requests that after the Staff's

1 review, the Commission approve the RESRAM Rate or otherwise allow it to take effect by
2 operation of law to be effective on the first day of February 2026.

3 **Q: Does this conclude your direct testimony?**

4 A: Yes, it does.

In the Matter of the Adjustment of Union Electric Company)
d/b/a Ameren Missouri's RESRAM rate for the) File No. ER-2026-
Seventh Accumulation Period.)

STATE OF MISSOURI)
) ss
CITY OF ST. LOUIS)

3. Further, under the penalty of perjury I hereby swear and affirm that the information contained in the attached testimony to the questions therein propounded is true and correct.

Digitally signed by
Raysene Logan
Date: 2025.09.23
12:40:24 -05'00'

Sworn to me this 23 day of September, 2025.