Exhibit No.:	
Issues:	Demand-Side Investment Mechanism
Witness:	J. Neil Graser
Sponsoring Party:	Union Electric Company
Type of Exhibit:	Direct Testimony
Case No.:	ER-2026-____
Date Testimony Prepared:	December 1, 2025

MISSOURI PUBLIC SERVICE COMMISSION

DIRECT TESTIMONY

OF

J. NEIL GRASER

December 1, 2025
St. Louis, Missouri

DIRECT TESTIMONY

OF

J. NEIL GRASER

File No. ER-2026-____

Q. Please state your name and business address.

A. My name is J. Neil Graser. My business address is One Ameren Plaza, 1901 Chouteau Ave., St. Louis, Missouri.

Q. By whom and in what capacity are you employed?

A. I am the Manager, Energy Analytics, for Union Electric Company d/b/a Ameren Missouri ("Ameren Missouri" or "Company").

Q. What is the purpose of your testimony?

A. My testimony supports the revisions to Rider EEIC – Energy Efficiency Investment Charge of Ameren Missouri's Schedule No. 6 – Schedule of Rates for Electric Service, specifically 7th Revised Sheet 91.23. The proposed revisions represent an adjustment of customer rates to reflect the actual and forecasted costs of the Company's approved energy efficiency and demand response programs.

Q. Please explain why Ameren Missouri is filing a revision to its Rider EEIC at this time.

A. The terms of Rider EEIC require a filing at least once per calendar year to be effective on February 1st of the subsequent calendar year. The Missouri Public Service Commission's ("Commission") rules also require this filing to be made at least sixty (60) days in advance of when rates would become effective. The twelve-month period beginning February 1 and ending with the following January 31 is known as the Effective Period ("EP"). In this case, the

EP is for February 1, 2026, through January 31, 2027. This is applicable unless an additional filing is made, which would begin in either June or October and end with the subsequent January.

Q. Please describe the components of the Rider EEIC filing.

A. As defined in the Rider EEIC – Energy Efficiency Investment Charge Tariff,[1] the Energy Efficiency Investment Rate ("EEIR") is equal to the sum of the Net Program Costs ("NPC"), Net Throughput Disincentive ("NTD"), Net Earnings Opportunity ("NEO"), and Net Ordered Adjustment ("NOA") for the applicable EP, all divided by the Projected Energy ("PE") for the same period. The EEIR is calculated for each applicable rate class.

Each of the net components is equal to the projected value for the EP plus the reconciliation, or true-up value, for the same component over the prior period. The reconciliation can be either a positive or negative relative to the projected value for the same component used in the prior period.

Q. Please describe the impact of the change in the Energy Efficiency Investment Rate EEIR on the Company's customers.

A. For the period February 1, 2025, to January 31, 2026, the MEEIA Rider EEIC revenue requirement is $64.6 million ("M"). This Rider EEIC filing seeks a decrease of $9.1M from the current level of such costs in the Company's rates, for a total MEEIA Rider EEIC revenue requirement of $55.5M.

The forecasted costs for February 2026 through January 2027 as well as a reconciliation of the historical costs as described above are depicted in Table 1 below. Totals are provided for each service class.

[1] The Rider EEIC – Energy Efficiency Investment Charge Tariff is being filed concurrently with this filing.

TABLE 1 – Total EEIR Revenue Requirement

Service Class	Total Reconciled Costs*	Total Forecasted Costs†	Total
1(M)-Residential Service	($5,566,494)	$29,440,514	$23,874,020
2(M)-Small General Service	($1,178,850)	$8,213,192	$7,034,342
3(M)-Large General Service	($2,650,836)	$18,488,619	$15,837,783
4(M)-Small Primary Service	($764,965)	$7,824,962	$7,059,997
11(M)-Large Primary Service	($489,023)	$2,162,067	$1,673,044
12(M)-Large Transmission Service	$0	$0	$0
Total	**($10,650,168)**	**$66,129,354**	**$55,479,186**

*Total Reconciled Costs = Program Cost Reconciliation + Throughput Disincentive Reconciliation + Earnings Opportunity Reconciliation + Ordered Adjustment Reconciliation as defined in Rider EEIC
†Total Forecasted Costs = Projected Program Costs + Projected Throughput Disincentive + Earnings Opportunity + Ordered Adjustment as defined in Rider EEIC

This results in the EEIR amounts as depicted in Table 2 below, for the EP beginning February 1, 2026:

TABLE 2 – EEIR Charge by Service Class

Service Class	MEEIA 3 Subtotal ($/kWh)	MEEIA 4 Subtotal ($/kWh)	Total EEIR ($/kWh)
1(M)-Residential Service	$0.000381	$0.001524	$0.001905
2(M)-Small General Service	$0.000517	$0.001755	$0.002272
3(M)-Large General Service	$0.000382	$0.001983	$0.002365
4(M)-Small Primary Service	$0.000536	$0.001985	$0.002521
11(M)-Large Primary Service	$0.000126	$0.001838	$0.001964
12(M)-Large Transmission Service	$0.000000	$0.000000	$0.000000

Filed concurrently with my direct testimony is the tariff sheet that contains the EEIR, along with the relevant subcomponents. The new EEIR will result in charges of approximately $1.92 per month for an average residential customer. This represents a decrease of $0.27 per month from the prior charge, which represented approximately $2.19 for the average residential customer.

Q. What are the main drivers for the change in the EEIR?

A. Overall, the revenue requirement request reflects a decrease of $9.1M.

As shown in Table 3, the current EEIR revenue requirement is driven almost exclusively by forecasted costs for 2026. The decrease in revenue requirement compared to the prior year is primarily driven by the reconciliation of historical Program Cost costs to billed revenues. The actual Business Demand Response costs for plan year 2025 ("PY25") were below the projected costs in last year's rate filing. Additionally, some costs are occurring later than projected last year, primarily due to 1) the timing of Business Demand Response payments to customers being tied to the seasonal MISO Planning Resource Auction ("PRA") commitments and 2) lagging Evaluation, Measurement, and Verification ("EM&V") costs.

TABLE 3– EEIR Revenue Requirement by MEEIA Cycle

MEEIA Cycle	Total Reconciled Costs*	Total Forecasted Costs†	Total
MEEIA 2019-2021	($3,965,127)	$14,509,672	$10,544,546**
MEEIA 2025-2027	($6,685,041)	$51,619,681	$44,934,640
Total	**($10,650,168)**	**$66,129,354****	**$55,479,186**

*Total Reconciled Costs = Program Cost Reconciliation + Throughput Disincentive Reconciliation + Earnings Opportunity Reconciliation + Ordered Adjustment Reconciliation as defined in Rider EEIC
†Total Forecasted Costs = Projected Program Costs + Projected Throughput Disincentive + Earnings Opportunity + Ordered Adjustment as defined in Rider EEIC
** Amount does not foot due to rounding of the values calculated in the tariff tables (M3) and tariff tables (M4) tabs of JNG2 – MEEIA Rider Calcs November 2025.

Q. Is there additional information about this filing to highlight?

A. Yes. While not significant drivers to the overall request, this filing does include relevant modifications to the NPC, NTD, NEO, and NOA as appropriate, based on past and projected program operations. For simplicity and transparency, I describe each of these in turn. Individual calculations are described in the workpapers, which are described further at the end of my testimony.

Net Program Costs ("NPC")

- Net program costs are within the approved program budgets and reflect projected spend during the EP for both PY25 and plan year 2026 ("PY26"). In general, approved program costs for PY25 are lower than those same program costs for plan year 2024 (PY24), and costs for PY26 are similar to those for PY25.
- Additionally, January 2027 projected spend for plan year 2027 ("PY27") is included for the demand response programs. As the energy efficiency programs as of the date of this filing are only approved through PY26, no projected costs for PY27 are included.
- As provided for in the *Non-Unanimous Stipulation and Agreement Regarding the Implementation of Certain MEEIA 4 Programs Through Plan Year 2027, Motion for Expedited Treatment, and Request for Variances,*[2] costs associated with the Statewide MEEIA Feasibility Study are included in this filing.

Net Throughput Disincentive ("NTD")

- Projected Throughput Disincentive ("TD") is calculated based on filed net to gross factors: 100% for Income-Eligible and PAYS® programs and 70% for Business programs for PY25 and PY26, with no TD for savings from smart thermostats or demand response.[3] TD reconciliations for PY24, PY25, and PY26 will be limited to the impact of realization rates and will not include a review of net to gross impacts.

Net Earnings Opportunity ("NEO")

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[2] *See* Order Approving Non-Unanimous Stipulation and Agreement effective November 24, 2024, in File No. EO-2023-0136, paragraph 10, page 10 of Non-Unanimous Stipulation and Agreement Regarding the Implementation of Certain MEEIA 4 Programs Through Plan Year 2027, Motion for Expedited Treatment, and Request for Variances, which is attached to the order.

[3] *Id.* at paragraph 8, page 8.

- The filing includes the NEO for PY24, including the PY24 TD True-up. In December 2024, earnings of $12.6M was recognized as the spend floor defined in the stipulation and agreement was exceeded. Subsequent quarterly spend true-ups capturing costs related to PY24 were made during March, June, and September 2025, resulting in an EO for PY24 within this filing of $12.7M.
- The PY24 TD True-up of ($66,419) was recognized in July 2025 (return to customers).
- Subsequent quarterly spend true-up capturing costs related to PY23 was made during December 2024 (no cost true-ups needed for PY22, nor for PY23 in March, June and September 2025), resulting in an EO for PY23 within this filing of $1,353.

Net Ordered Adjustment ("NOA")

- There is not an NOA that applies to this filing.

Q. Please describe how the Company has included costs related to its PAYS® program in the current Rider EEIC.

A. In addition to program costs and throughput disincentive associated with PAYS® related savings, the Company is also allowed to recover from non-participants, the difference between Plan-In-Service Accounting rate (PISA) and the 3% financing costs (when not transitioned to base rates); this difference is included in program costs.

With the approval of MEEIA cycle 4, the PAYS® program cost budget was increased to $8.5M. Based on program performance and the latest forecast for 2025, projected financing expenses in 2025 result in $1.3M of financed projects.

Q. What action is Ameren Missouri requesting from the Commission with respect to the revised Rider EEIC rate schedule that the Company has filed?

A. The Company requests approval of the revised tariff pages and Rider EEIC rate schedule to become effective on and after February 1, 2026.

Q. Are there other filing requirements which need to be provided?

A. Yes, under the Commission's rules, specifically 20 CSR 4240-20.093(4)(D), Ameren Missouri must be current with its provision of the Annual Report required by 20 CSR 4240-20.093(9). That report was filed on March 28, 2025, in File No. EO-2025-0208. There was a 30-day comment period following that report's submission, and no party filed comments. Subsequently, the Commission subsequently closed that File on April 29, 2025.

Additionally, I have attached the supporting documentation as Schedules:

- JNG2: MEEIA Rider Calculations
- JNG3: Over under calculations, including supporting files for interest rates and PAYS® financing charges
- JNG4: MEEIA Rider Calculations supporting data
- JNG5: MEEIA 3 PY2024 EO Calculation TD True-up adjustment and supporting files, including evaluated results
- JNG6: MEEIA 3 PY22, PY23, and PY24 EO Calculations
- JNG7: Supporting input files related to TD calculations, including rebasing, by program year

Q. Does this conclude your direct testimony?

A. Yes, it does.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of Union Electric Company d/b/a Ameren Missouri's Electronic Service Tariffs Adjustment Relating to MEEIA EEIC Rider.	)))	File No. ER-2026-_____

AFFIDAVIT OF J. NEIL GRASER

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

J. Neil Graser, being first duly sworn on his oath, states:

My name is J. Neil Graser, and hereby declare on oath that I am of sound mind and lawful age; that I have prepared the foregoing *Direct Testimony*; and further, under the penalty of perjury, that the same is true and correct to the best of my knowledge and belief.

/s/ J. Neil Graser
J. Neil Graser

Sworn to me this 1st day of December 2025.