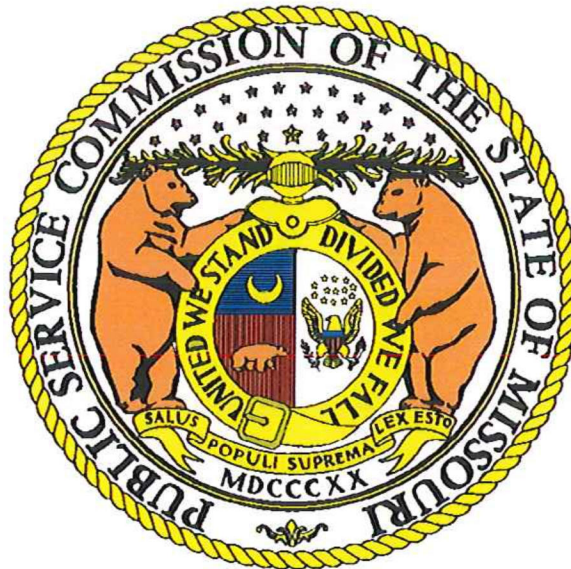


Exhibit No. 247

MISSOURI PUBLIC SERVICE COMMISSION

STAFF REPORT

CLASS COST OF SERVICE



UNION ELECTRIC COMPANY, d/b/a AMEREN MISSOURI

GENERAL RATE CASE

CASE NO. GR-2021-0241

*Jefferson City, Missouri
September 2021*

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CLASS COST OF SERVICE REPORT OF
UNION ELECTRIC COMPANY,
d/b/a AMEREN MISSOURI
Case No. GR-2021-0241**

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1 **STAFF’S CLASS COST OF SERVICE REPORT OF**
2 **UNION ELECTRIC COMPANY,**
3 **d/b/a AMEREN MISSOURI**

4 **Case No. GR-2021-0241**

5 **I. Background and Executive Summary**

6 Ameren Missouri’s request for an approximately \$9.4 million increase over its current
7 gross non-gas revenues of \$75.24 million would produce a total revenue requirement of
8 approximately \$84.6 million; an increase of approximately 12.49%.¹

9 In its Cost of Service Report, Staff recommended an increase of \$3,834,752 gross
10 revenue requirement, or an incremental rate increase from current rates, based on a return
11 on equity (“ROE”) of 9.5%; the mid-point of Staff’s recommended equity cost rate range of
12 9.25% to 9.75%. Staff’s revenue requirement is based on a test year of the twelve months ending
13 December 31, 2020, including an update period for known and measurable information through
14 June 30, 2021.

15 In this Report, Staff discusses the class cost-of-service (“CCOS”) and rate design issues.
16 In general, Staff’s CCOS study determines what rate of return is produced by each customer
17 class on that class’s permanent rates, as tariffed, prior to the implementation of the proposed
18 rate increase. Staff’s recommended interclass revenue responsibility shifts, if any, are designed
19 to reasonably bring each class closer to producing the system-average rate of return used in
20 determining Staff’s recommended revenue requirement, as appropriate.

21 *Class Revenue Recommendations*

22 Staff bases its class revenue responsibility recommendations on its CCOS results, with
23 an interest in avoiding dramatic changes in rates or causing interclass rate switching. Staff’s
24 recommended revenue requirement is an increase to Ameren Missouri’s currently effective
25 rates. Given Staff’s direct-filed revenue requirement and the level of retail rate revenue for

¹ Staff’s Cost of Service and Class Cost of Service address the Company’s non-gas investment and expenses or investment and expenses related to utility plant in service such as mains, meters and service lines rather than the actual gas used by customers. A customer’s gas costs are recovered by the Company through the Purchased Gas Adjustment (PGA). The non-gas revenues are revenues related to the Company’s base rates which are designed to recover the Company’s non-gas investment and expenses.

1 each rate class, Staff recommends allocating the increase in Ameren Missouri's cost of service
2 to each rate class based on an equal percentage.

3 Rate Design Recommendations

4 Staff recommends the customer charge and volumetric rate for the residential class be
5 increased by an equal percent. This results in a customer charge of approximately \$15.75 and a
6 volumetric rate of \$0.3298/Ccf, based on Staff's currently filed revenue requirement. For the
7 non-residential classes (General Service, Interruptible, Large Volume and Standard
8 Transportation service)² Staff also recommends that all rate elements be increased by an
9 equal percent. This maintains the relationship of the first rate block between the classes
10 that was established in Ameren Missouri's last rate case and maintains that the transportation
11 administration charge remains the same between the transportation classes.³ Staff recommends
12 that if the overall increase in the revenue requirement is different from Staff's direct
13 filed revenue requirement, the relationship of first block and second block rates among the
14 non-residential rate classes is maintained.

15 **II. Class Cost-of-Service and Rate Design**

16 Rates are structured and designed to reasonably relate the manner in which customers
17 are charged for a service to the manner in which the company incurs non-gas expenses as well
18 as to make investments to provide service and to make service available. Individual customers
19 with generally similar characteristics are grouped into classes. Classes may have different rate
20 structures as different balances are struck between ease of billing, customer understandability,
21 cost causation, and rate continuity. Non-gas expenses and rate base are allocated or directly
22 assigned to each class through the performance of a CCOS study. The purpose of Staff's CCOS
23 study is to determine the appropriate revenue requirement for each class. Specifically, Staff's
24 CCOS study finds the level of return provided by each class on the utility's investments directly
25 assigned or allocated to that class. Staff uses each class' level of return in relation to the

² This excludes Special Contracts.

³ In Ameren Missouri's last gas rate case (Case No. GR-2019-0077), the first block charges between the non-residential rate classes were aligned and the second block charges were held in a manner that did not encourage rate switching.

1 system average rate return to determine an appropriate revenue requirement for each class.
2 Staff's CCOS study is a continuation of Staff's Cost-of-Service ("COS") Study. Staff's CCOS
3 study utilizes estimates the non-gas costs incurred in providing natural gas service to each of
4 Ameren Missouri's customer classes for the test period. Because those costs comprise Ameren
5 Missouri's non-gas revenue requirement, the results of a CCOS study determine class revenue
6 requirements based on the cost responsibility of each customer class for its share of Ameren
7 Missouri's total annual non-gas cost of providing natural gas service.

8 *Staff Expert/Witness: Robin Kliethermes*

9 **III. Staff's Class Cost-of-Service ("CCOS") Study**

10 To perform its class cost of service study Staff allocated the level of investment
11 and expenses described in Staff's direct-filed accounting schedules to the following
12 customer classes:⁴

- 13 • Residential
- 14 • General Service ("GS")
- 15 • Interruptible
- 16 • Standard Transportation ("ST")
- 17 • Large Volume Transportation ("LVT")
- 18 • Special Contracts ("SC")

19 Staff then calculates the level of rate of return on investment produced by each customer
20 class by taking the level of revenue produced by each class and allocated to each class net of
21 allocated per-class expenses and dividing it by the level of allocated per-class rate base.

22 Current Class Revenues and Cost to Serve

23 The results of Staff's CCOS studies are shown in the tables below.⁵ The study only
24 reflects the non-gas portion of a customer's bill; it does not include costs associated with the
25 purchased gas adjustment ("PGA"). Table 1 shows the current rate revenues from each
26 customer class. Each class's current revenues and its fully allocated net cost of service is

⁴ Staff also performed a CCoS Study excluding the Special Contracts class by reallocating the revenues generated by the Special Contract customers to each rate class based on the retail rate revenues of each rate class.

⁵ The results of a CCOS study can be presented either in terms of (1) the rate of return realized for providing service to each class or (2) in terms of the revenue responsibility shifts that are required to equalize the utility's rate of return from each class.

provided as both a dollar and as a percent of current revenues. Table 2 shows the current rate revenues from each customer class where revenues received from customers served on the Special Contract tariff are treated as additional revenue to be allocated amongst the remaining customer classes instead of as separate customer class.⁶ Chart 1, below provides the percent of fully allocated net cost of service at the recommended rate of return that each class provides.

Table 1 indicates that the Special Contract class is providing a negative return. However, as shown in Table 2 and Chart 1 all rate classes excluding Special Contract customers are providing a positive return. Even though the rate classes shown in Table 2 do not provide equal rates of return they are not providing a negative return, and thus no economic subsidies exist between the customer classes included in Table 2.

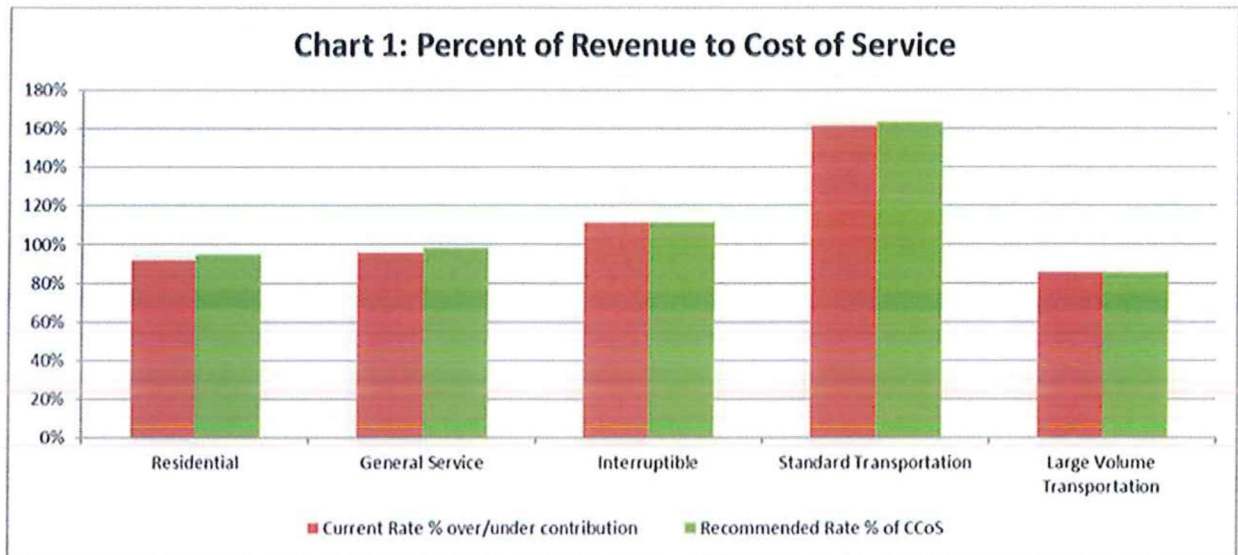
Table 1 Class Cost of Service Results Including Special Contracts

	Residential	General Service	Interruptible	Standard Transportation	Large Volume Transportation	Special Contract
Revenue from Current Rates	\$ 45,079,797	\$ 15,585,762	\$ 395,297	\$ 9,341,226	\$ 5,064,541	\$ 546,748
CCOS less all other revenues	\$ 49,143,464	\$ 16,243,830	\$ 355,731	\$ 5,793,781	\$ 5,926,301	\$ 2,385,010
Equal Percent Increase	\$ 47,353,997	\$ 16,372,037	\$ 415,239	\$ 9,812,475	\$ 5,320,039	\$ 574,330
% Change to Current Rates	5.04%	5.04%	5.04%	5.04%	5.04%	5.04%
Rate of Return from current Rates	4.3%	5.7%	9.1%	20.2%	3.7%	-9.4%
Rate of Return at Recommended RR	5.7%	6.9%	10.3%	22.0%	4.6%	-9.1%

Table 2 Class Cost of Service Results Excluding Special Contracts

	Residential	General Service	Interruptible	Standard Transportation	Large Volume Transportation
Revenue from Current Rates	\$ 45,079,797	\$ 15,585,762	\$ 395,297	\$ 9,341,226	\$ 5,064,541
CCOS less all other revenues	\$ 50,011,355	\$ 16,689,198	\$ 372,428	\$ 6,009,714	\$ 6,218,664
Incremental increase at equal percent	\$ 2,290,677	\$ 791,972	\$ 20,087	\$ 474,663	\$ 257,349
Total class revenue at equal percent	\$ 47,370,474	\$ 16,377,734	\$ 415,383	\$ 9,815,889	\$ 5,321,890
% Change to Current Rates	5.1%	5.1%	5.1%	5.1%	5.1%
Rate of Return from current Rates	3.9%	5.1%	8.0%	18.7%	2.9%
Rate of Return at Recommended RR	5.2%	6.3%	9.2%	20.5%	3.8%

⁶ Staff based these CCOS studies on Staff's mid-point revenue requirement recommendation.



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3 In the course of recommending rate design and interclass shifts, Staff is mindful of a
4 number of things:

5 (1) Consideration of policy, such as rate continuity, rate stability, revenue
6 stability, minimization of rate shock, meeting of incremental costs, and
7 consideration of promotional practices. Staff endeavors to provide methods to
8 implement in rates any Commission-ordered overall change in customer
9 revenue responsibility while promoting revenue stability and efficiency. Staff
10 must also balance this, to the extent possible, with retaining existing rate
11 schedules, rate structures, and important features of the current rate design that
12 reduce the number of customers that switch rates looking for the lowest bill.
13 Rate schedules should be understandable by all parties, customers, and the
14 utility as to proper application and interpretation.

15 (2) Staff strives to provide the Commission with a rate design recommendation
16 based on each customer class's relative cost-of-service responsibility, and that
17 will yield the total revenue requirement to all classes in a fair manner,
18 avoiding undue discrimination, and including methods to recover costs in a
19 timely manner.

1 (3) CCOS studies are not precise and should serve only as a guide to setting rates.

2 For example, CCOS studies are based on a direct-filed revenue requirement
3 and the allocation of that revenue requirement among specific accounts, using
4 a specific rate of return. Unless the Commission approves that exact set of
5 accounting schedules and billing determinants that were filed in Staff's Direct
6 COS Report, there is an inherent disconnect between the CCOS study results
7 used in this Report, and the actual class cost of service that would result at the
8 conclusion of a case.

9 (4) In a general rate case resulting in an increase in a utility's overall revenue
10 requirement, Staff is reluctant to recommend reducing any class's rates while
11 the overall revenue requirement is increasing.

12 (5) In providing its rate design recommendation, Staff attempts to recommend
13 revenue-neutral shifts so that once the rate increase has been applied, a given
14 class does not under contribute by greater than 5% of its revenue requirement
15 while another class or classes do not over contribute by greater than 5% of
16 their revenue requirement.

17 As shown in Chart 1 above, the Standard Transportation and Interruptible classes are
18 contributing greater than the 5% threshold of their allocated revenue requirement and the Large
19 Transportation class is contributing less than the 5% threshold of its revenue requirement. The
20 revenues that will result from the Residential class based using Staff's recommended revenue
21 responsibility allocation will provide approximately 95% of the class' revenue requirement or
22 within the 5% threshold. At this time, Staff is not recommending to shift revenue responsibility
23 between the Standard Transportation class and the Large Transportation class because a revenue
24 responsibility shift would most likely cause rate switching to occur and the revenue for the
25 Standard Transportation class includes an additional fee for meter aggregation. However,
26 Ameren Missouri's and Staff's accounting schedules do not break out expenses and labor costs
27 specifically for aggregation, therefore, these costs could not be directly assigned to the Standard

1 Transportation class.⁷ Staff recommends that Ameren Missouri identify these costs in its next
2 rate case to more accurately reflect the cost to serve the Standard Transportation class.

3 *Staff Expert/Witness: Robin Kliethermes*

4 **A. Data Sources**

5 Staff's CCOS studies utilized Staff's revenue requirement positions as filed on
6 September 3, 2021. This data includes:

- 7 • Adjusted investment and cost data by FERC account;
- 8 • Annualized, normalized rate revenues;
- 9 • Other operating and maintenance expenses;
- 10 • Depreciation and amortizations; and
- 11 • Taxes.

12 In addition, Staff reviewed Ameren's current CCOS studies and other current
13 workpapers on the average cost of class meters, regulators and customer service lines and class
14 billing information.

15 *Staff Expert/Witness: Robin Kliethermes*

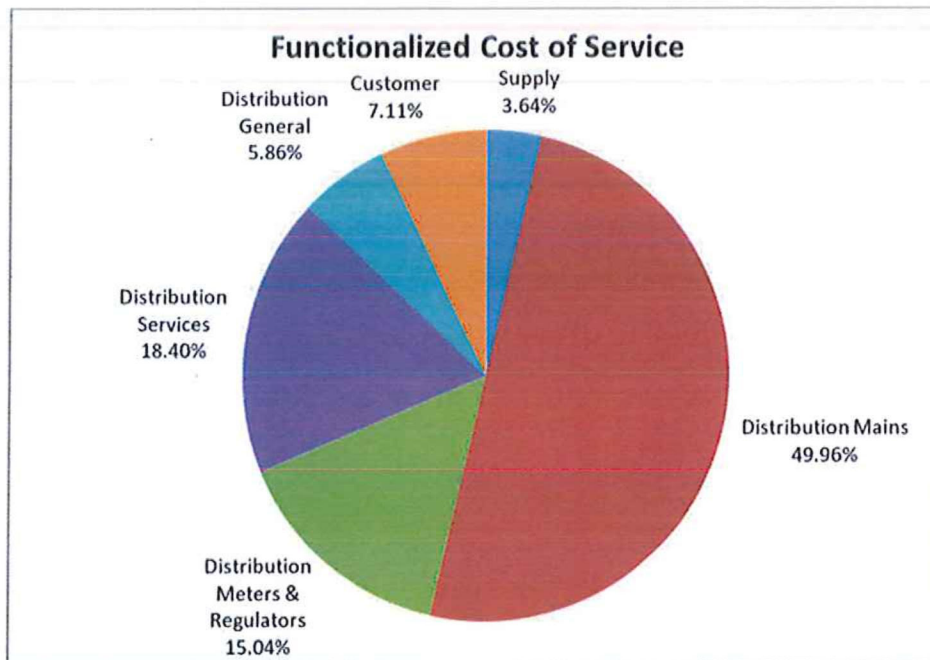
16 **B. Functions**

17 Natural gas utilities differ from other utilities, such as electric, in that the production
18 and transmission of the commodity is largely accomplished by entities other than the utility
19 itself. Recovery of actual gas costs is made through the PGA. The major functional cost
20 categories Staff used in its CCOS studies are Distribution system related. Within the general
21 functional category of Distribution, a distinction was further made between the mains, which
22 are generally designed to deliver natural gas to multiple customers, and the regulators, meters,
23 and service lines used to deliver natural gas service to a specific customer. The functional
24 categories used in Staff's CCOS studies include: Production, Storage & Transmission,

⁷ Staff also identified a formula error in its calculation of retail rate revenues for the Standard Transportation class of approximately \$300,000. This will decrease the overall rate of return for the class.

1 Distribution Mains, Distribution Meters, Distribution Regulators, Distribution Services,
2 Billing, Uncollectible Accounts, Deposits, and Income Taxes.

3 The “Distribution Function” (combination of Distribution Mains, Distribution Meters,
4 Distribution Regulators, and Distribution Services) is the single largest cost component,
5 and represents the largest percentage of total cost for Ameren Missouri, as shown in the
6 graph below.



8
9
10 *Staff Expert Witness: Robin Kliethermes*

11 **C. Allocation of Distribution Costs**

12 Ameren Missouri owns a distribution system that contains the mains, service lines,
13 regulators, meters, and all other equipment required to deliver natural gas to its customers. Since
14 Ameren Missouri necessarily incurs costs related to building, operating, and maintaining its
15 distribution system, those costs must be allocated between its different customer classes.

16 **Allocation of Distribution Mains**

17 In this case, Staff used the same average and excess (“A&E”) method as Ameren
18 Missouri to combine average demands and non-coincident peak demands to allocate the costs
19 of distribution mains. The two-part A&E method is described as follows:

1 *The first part is the average consumption of a service class as a*
2 *percent of the sum of the average consumption of all classes, multiplied*
3 *by the system load factor (i.e. average system consumption divided by*
4 *system peak). The second part is the ratio of the excess demand of each*
5 *service class and the system excess demand, multiplied by the*
6 *complement of the system load factor (one minus the system load factor).*
7 *The service class excess demand is the difference between the peak*
8 *demand and the average consumption for the class. The system excess*
9 *demand is the sum of all service class excess demands.*⁸

10 The A&E allocation method was used by Ameren Missouri in its previous gas rate case, Case
11 No. GR-2019-0077, and it was described by Staff as, “a reasonable allocator for distribution
12 mains.”⁹ In the current case, Staff found that A&E allocation method remained a reasonable
13 approach for dividing the costs of distribution mains between customer classes. Staff updated
14 the A&E calculation used by Ameren Missouri to include inputs that considered data through
15 April 30, 2021. Additionally, Staff produced a second set of allocators for distribution mains
16 that added the Special Contracts class to the calculation. The treatment of customers served on
17 Special Contracts for purposes of Staff’s CCOS studies is discussed in the testimony of Staff
18 witness Robin Kliethermes. The results of the A&E allocation factor calculations for
19 distribution mains were provided to Robin Kliethermes for use in Staff’s CCOS studies.

20 **Allocation of Service Lines, Meters, and Regulators**

21 The allocation of costs related to service lines, meters, and regulators were also
22 addressed by Staff. The basic methods used by Ameren Missouri were reviewed and found to
23 be acceptable. For service lines, Ameren Missouri’s allocators are based on the costs of
24 the materials, labor, and overheads for an average service line for different types of customers
25 (e.g. residential, commercial, and large use/interruptible service) and the total number of
26 customers in each class. The total cost of service lines for each class (average cost per service
27 line multiplied by the number of customers) is divided by the total cost of all service lines in all
28 classes to calculate each allocation factor. Similarly, Ameren Missouri’s allocators for meters

⁸ NRRI 00-08, “Cost Allocation and Rate Design for Unbundled Gas Services,” pages 47-48.

⁹ Case No. GR-2019-0077, Staff Report Class Cost of Service, page 9, lines 3-6. Note: Staff erroneously referred to Ameren Missouri’s allocation factors as “peak and average” instead of “average and excess.”

1 and regulators are calculated by dividing the total cost of equipment assigned to each customer
2 class by the total cost of equipment for all customer classes.

3 Two sets of allocation factors for service lines, meters, and regulators were used by Staff
4 in its CCOS studies. The first set of allocators used by Staff witness Robin Kliethermes were
5 taken from Ameren Missouri's direct testimony. Similar to what Staff did to the allocation
6 factors for distribution mains, Ms. Kliethermes then created the second set of allocators by
7 modifying Ameren Missouri's method in order to add the Special Contracts class.

8 *Staff Expert/Witness: Charles T. Poston, PE*

9 **D. Allocation of Customer-Related Costs**

10 Customer-related costs include expenses incurred for billing and customer services.
11 Customer-related costs are costs necessary to make natural gas service available to the
12 customer, regardless of whether or not the service is utilized. Examples of such costs include
13 meter reading, billing, postage, customer accounting, and customer service expenses. Staff
14 allocated these costs to customer classes based on the number of customers in the class.

15 *Staff Expert/Witness: Robin Kliethermes*

16 **E. Revenues**

17 Operating revenues consist of (1) the revenue that the utility collects from the sale of
18 natural gas to Missouri retail customers ("rate revenues"), and (2) the revenue the utility
19 receives for providing other services ("other revenues"). Staff uses rate revenues in
20 developing its rate design recommendation and will use them to develop the rate schedules
21 required to implement the Commission's ordered revenue requirement and rate design in this
22 case. Staff, in its CCOS Study, used the normalized and annualized class rate revenues
23 contained in Staff's COS Report filed September 3, 2021.

24 *Staff Expert/Witness: Robin Kliethermes*

25 **F. Allocation of Taxes**

26 Taxes consist of real estate and property taxes, payroll tax expenses, and income taxes.
27 Real estate and property tax expenses are directly related to the original cost investment in plant

1 for Ameren Missouri; therefore, these expenses are allocated to customer classes on the basis
2 of the sum of the previously allocated production, distribution, and general plant investment.

3 Payroll tax expenses are directly related to payroll expenses for Ameren Missouri, so
4 these expenses are allocated to customer classes on the basis of allocated payroll expenses.

5 Lastly, Staff separately allocated income taxes for Ameren Missouri to customer classes
6 based on the percentage of rate base produced by each customer class.

7 *Staff Expert/Witness: Robin Kliethermes*

8 **IV. Rate Design**

9 The process of determining how Ameren Missouri's non-gas revenue requirement will
10 be allocated among the different customer classes is known as rate design. However, it is
11 important to note that the non-gas revenue requirement affects only a portion of a customer's
12 bill. The non-gas portion of the bill includes a monthly customer charge and volumetric meter
13 reading rates, also known as a customer charge and a delivery charge per Ccf. The PGA, which
14 can be approximately half of a customer's bill depending on usage, is subject to provisions in
15 Ameren Missouri's PGA tariffs.

16 Rate design is the method used to determine the rates and rate components to be
17 charged to individual classes of customers. The following factors are of particular relevance to
18 Staff's rate design in this case:

- 19 • Incorporating methods to implement in rates any Commission-ordered
20 overall change in customer class revenue responsibility;
- 21 • Retaining, to the maximum extent possible, existing rate schedules and rate
22 structures to minimize rate switching, except where Commission guidance or
23 best practice indicates an appropriate departure.

24 *Staff Expert/Witness: Robin Kliethermes*

25 **G.R. Rate Design Recommendation**

26 Staff's rate design recommendations in this case are:

- 27 • For the Residential class, allocate the increase to each non-gas rate element
28 by an equal percent.

- For the Large Volume, Standard Transportation, General Service and Interruptible classes, Staff recommends the rate increase for each class be allocated to each non-gas rate element by an equal percent. The volumetric rate for these classes includes a two-block design, with usage for the first 7,000 Ccf consumed per month billed at a higher rate than the remaining Ccf.

For the non-residential customers, Staff recommends preserving the first block rate consistency that currently exists between these rate schedules. For rate continuity it is important that the second block rate for the Large Volume class not be higher than the second block rate for the Standard Transportation class.

Incorporating Staff's recommended rate design as described above for Ameren Missouri results in the rates below in Table 3 (for illustrative purposes only):

continued on next page

1

2

Table 3: Staff's Recommended Rate Structure

Rate Classes	Current Rates	Proposed Rates
RESIDENTIAL		
Customer Charge	\$ 15.00	\$ 15.76
1st Block	\$ 0.31360	\$ 0.32950
2nd Block	\$ 0.31360	\$ 0.32950
Total Revenue	\$ 45,079,797	\$ 47,364,653
GENERAL SERVICE		
Customer charge	\$ 28.44	\$ 29.89
First Block	\$ 0.30480	\$ 0.32030
Second Block	\$ 0.19960	\$ 0.20970
Total Revenue	\$ 15,585,762	\$ 16,378,809
STANDARD TRANSPORT SERVICE		
Customer charge	\$ 28.34	\$ 29.78
Admin Charge (monthly)	\$ 42.87	\$ 45.05
Meter Equip Chg. (monthly)	\$ 21.00	\$ 22.07
School Agg and Bal	\$ 0.0044	\$ 0.0046
First 7000 Ccf	\$ 0.3048	\$ 0.3203
2nd Block	\$ 0.1702	\$ 0.1788
Total Revenue	\$ 9,341,226	\$ 9,814,844
LARGE TRANSPORT SERVICE		
Customer charge	\$ 1,432.11	\$ 1,504.88
Admin Charge (monthly)	\$ 42.87	\$ 45.05
First 7000 Ccf	\$ 0.3048	\$ 0.3203
2nd Block	\$ 0.1464	\$ 0.1538
Total Revenue	\$ 5,064,541	\$ 5,320,814
INTERRUPTIBLE SERVICE		
Customer charge	\$ 264.30	\$ 277.73
First 7000 Ccf	\$ 0.3048	\$ 0.3203
2nd Block	\$ 0.1639	\$ 0.1722
Total Revenue	\$ 395,297	\$ 415,339

3

1 Staff's specific rate recommendations provided above are highly dependent on the
2 overall revenue requirement and on mitigation of customer impact. Staff will continue to
3 evaluate the costs and revenues for each rate class, and if there are significant changes in cost
4 drivers across rate classes, Staff will adjust the recommendation accordingly.

5 *Staff Expert/Witness: Robin Kliethermes*

6 **H. Residential Rates**

7 Staff found from its CCOS that the fully allocated cost to be recovered through the
8 residential customer charge would be approximately \$17.74 per customer. However, Staff
9 recommends that the Residential customer charge and the volumetric rate be increased by an
10 equal percent in this case, which instead results in a customer charge of approximately \$15.75.
11 Staff's recommended revenue requirement change for the Residential class does not result
12 in full movement to the class's cost of service, therefore a lower than calculated customer
13 charge is not unreasonable. Staff included the below costs in the calculation of the residential
14 customer charge:

- 15 • Distribution – services (investment and expenses)
- 16 • Distribution – meters and regulators (investment and expenses)
- 17 • Distribution – customer installations
- 18 • Customer deposits
- 19 • Customer billing expenses
- 20 • Percent of customer service & information expenses
- 21 • Portion of income taxes

22 Generally, the fully allocated cost of service is the preferred basis for designing the rates
23 applicable to a given customer class. However, various public policy concerns, ranging from
24 bill understandability to mitigating company disincentives to promoting energy conservation,
25 temper strict adherence to the results of these CCOS studies. The accounting schedules do not
26 break out customer-specific customer service expenses, such as billing from general customer
27 service expenses, customer assistance programs or labor associated with administering the
28 programs. It is unreasonable to assume that an additional customer will cause the addition of a
29 customer service employee or a general administrative employee. However, to reflect that some

1 customer service costs are customer-specific, Staff allocated approximately 65% of the costs to
2 be recovered from the customer charge and 35% to be recovered from the volumetric rate.

3 *Staff Expert/Witness: Robin Kliethermes*

4 **V. Special Contract Rider Recommendation**

5 Staff recommends increasing the specificity of provisions contained in Ameren
6 Missouri's Special Contract Rates – Transportation Service tariff found at Sheet No. 18.1.
7 Staff's recommended language is provided in Appendix 2. For example, Staff's recommended
8 provisions ensure that the discounts received by customers served on Special Contract rates
9 must be of a sufficient amount to (1) produce revenues in excess of assignable and actual
10 marginal costs for each year of the life of the contract, and (2) be a minimum of 90% of the cost
11 of the viable natural gas transportation alternative over the life of the contract.

12 *Staff Expert/Witness: Robin Kliethermes*

13 **VI. Special Tariffs**

14 In Ameren Missouri's last gas rate case, Case No. GR-2019-0077, the Delivery Charge
15 Adjustment ("DCA") Rider was established. The DCA is an annual revenue adjustment to
16 account for changes in Ccf in specific identified usage ranges for the Residential and General
17 Service class. Staff recommends that Tariff Sheet No. 31.1 be updated to reflect the block usage
18 and rates determined in this case.

19 *Staff Experts/Witnesses: Robin Kliethermes and Michael L. Stahlman*

20 **VII. Appendices**

21 **Appendix 1 - Staff Credentials**

22 **Appendix 2 - Other Staff Schedules**

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)
Revenues for Natural Gas Service) Case No. GR-2021-0241

AFFIDAVIT OF ROBIN KLIETHERMES

STATE OF MISSOURI)
)
COUNTY OF COLE) ss.

COMES NOW ROBIN KLIETHERMES and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Staff Report - Class Cost of Service*; and that the same is true and correct according to her best knowledge and belief.

Further the Affiant sayeth not.

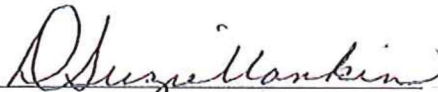


ROBIN KLIETHERMES

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 16th day of September 2021.

D. SUZIE MANKIN
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: April 04, 2025
Commission Number: 12412070



Notary Public

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)
Revenues for Natural Gas Service) Case No. GR-2021-0241

AFFIDAVIT OF CHARLES T. POSTON, PE

STATE OF MISSOURI)
)
COUNTY OF COLE) ss.

COMES NOW CHARLES T. POSTON, PE, and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Staff Report - Class Cost of Service*; and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.



CHARLES T. POSTON, PE

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 16th day of September 2021.

D. SUZIE MANKIN
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: April 04, 2025
Commission Number: 12412070



Notary Public

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) Case No. GR-2021-0241
Revenues for Natural Gas Service :)

AFFIDAVIT OF MICHAEL L. STAHLMAN

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COMES NOW MICHAEL L. STAHLMAN and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Staff Report - Class Cost of Service*; and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.


MICHAEL L. STAHLMAN

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 16th day of September 2021.




Notary Public