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STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

TRANSCRIPT OF PROCEEDINGS
On-The-Record Presentation
October 7, 2008
Jefferson City, Missouri
Volume 2

In Re. Union Electric Company's)
2008 Utility Resource Filing)Case No
Pursuant To 4 CSR 240-)EO-2007-0409
Chapter 22)

MORRIS L. WOODRUFF, Presiding,
DEPUTY REGULATORY LAW JUDGE
JEFF DAVIS, Chairman
CONNIE MURRAY,
ROBERT M. CLAYTON III,
TERRY JARRETT,
KEVIN GUNN,
COMMISSIONERS

REPORTED BY:
MINDY VISLAY, CCR 1224 (T)

Notand Exhibit No. 764
Case No(s) EP-2008-0318
Date 12-12-08 Rptr. FF

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1 give your presentation First of all, identify
2 yourself for the court reporter.

3 MR KIDWELL Steve Kidwell, Vice President
4 of Regulatory Affairs, AmerenUE

5 STEVE KIDWELL,

6 Of lawful age, being first duly sworn by the
7 Notary Public, testified as follows

8 THE WITNESS Thank you, Judge Woodruff,
9 Mr Chairman, Members of the Commission, thank you for
10 the opportunity to address you today.

11 I want to take a few minutes to talk about energy
12 efficiency Later on today we are going to be
13 discussing some things that are still at issue with
14 AmerenUE's integrated resource plan, but here for the
15 next few minutes I think we're going to talk about
16 something that is, at least largely, not at issue, and
17 that is that AmerenUE needs to get serious about
18 energy efficiency

19 And that's really my simple message, that we're
20 pursuing energy efficiency and demand response on our
21 system. We have an aggressive well-thought-out plan
22 that stakeholders have contributed to, we're making
23 that happen, and we can't do it alone We need
24 partners, we need stakeholder input as we go forward,
25 and we need your support if we're going to be

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1 energy efficiency over time, mostly pilot programs,
2 our smaller scale programs resulting from rate cases.
3 This, as you can see with the numbers, is a much more
4 robust and aggressive set of programs, and so we felt
5 like we needed to bring someone in who had experience
6 in other leading markets for energy efficiency; New
7 York, Oregon, California, Wisconsin So Lockheed
8 Martin provides that. That's the first important
9 thing, is leveraging national experience.

10 The second is speed to market It is important
11 for us, as I said, to get as much as we can out of the
12 next two or three summers. And it's going to be
13 important going forward, but we need to demonstrate
14 what we can get from energy efficiency and demand
15 response as a resource, so we wanted to jump start
16 that process with getting a recognized firm.

17 And finally, incentivized performance Lockheed
18 Martin -- and I think my next slide -- let's just go
19 to my next slide, Greg -- has some skin in this game
20 in terms of customer satisfaction metrics that we need
21 to meet for residential and small commercial We have
22 also megawatt hour savings targets, as the slide said,
23 that we've been able to negotiate that are actually
24 20 percent higher than we proposed in our integrated
25 resource plan So if you look over those cumulative

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1 megawatt hours that I just showed you for the next
2 three years, they are actually 20 percent higher than
3 the IRP.

4 And we also have pay for performance built into
5 both the residential and commercial and the industrial
6 contracts. While we are paying for performance we
7 want to make sure that we have programs offered to all
8 customer segments as well, and we're making sure that
9 happens.

10 Next slide. This shows you some information from
11 ACEEE as to where Missouri ranks currently in spending
12 per capita, and as you can see we are way over on the
13 right end of that graph down near probably \$1 or so,
14 you know, per capita in terms of energy efficiency
15 programs

16 With the expenditures that I've outlined to you --
17 this data is for 2006 With our spending, that would
18 move you way over to the left where Rhode Island,
19 Massachusetts and California are Not quite to
20 Vermont, but it would get to Rhode Island,
21 Massachusetts and California And that would happen
22 by 2011.

23 Now, of course, these bars are going to be moving
24 through time as more people invest in energy
25 efficiency And the bars on the left will move