

Exhibit No.:
Issue(s): *Blocked Usage*
Witness: *Kim Cox*
Sponsoring Party: *MoPSC Staff*
Type of Exhibit: *Surrebuttal Testimony*
Case No.: *GR-2019-0077*
Date Testimony Prepared: *July 10, 2019*

MISSOURI PUBLIC SERVICE COMMISSION

COMMISSION STAFF DIVISION

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TARIFF/RATE DESIGN

SURREBUTTAL TESTIMONY

OF

KIM COX

Staff Exhibit No. 126
Date 8-15-19 Reporter COT
File No. GR-2019-0077

**UNION ELECTRIC COMPANY,
d/b/a AMEREN MISSOURI**

CASE NO. GR-2019-0077

*Jefferson City, Missouri
July 2019*



1 **SURREBUTTAL TESTIMONY**

2 **OF**

3 **KIM COX**

4 **UNION ELECTRIC COMPANY,**

5 **d/b/a AMEREN MISSOURI**

6 **CASE NO. GR-2019-0077**

7 Q. Please state your name and business address.

8 A. Kim Cox, 200 Madison Street, Jefferson City, MO 65102.

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

10 A. I am employed by the Missouri Public Service Commission (“Commission”) as
11 a Policy Analyst in the Tariff and Rate Design Department of the Commission Staff.

12 Q. Are you the same Kim Cox that previously filed direct testimony in Staff’s
13 Direct Rate Design and Class Cost of Service Report and rebuttal testimony?

14 A. Yes.

15 Q. What is the purpose of your surrebuttal testimony?

16 A. The purpose of my surrebuttal testimony is to address the Company’s concern
17 related to the determination of normalized first block sales and to provide an updated percent
18 to first block sales for the Residential class.

19 Q. What is Ameren Missouri’s concern with Staff’s analysis of first block usage?

20 A. Ameren Missouri is concerned that Staff’s first block, specifically March and
21 December is overstated, therefore potentially overstating the non-gas revenues for the
22 Residential class.

23 Q. Has Staff reviewed the company’s concern?

24 A. Yes. Staff’s direct position in this case utilized the bill frequency provided by
25 Ameren Missouri to determine the percent of usage in the first block by month for the test year.

Surrebuttal Testimony of
Kim Cox

1 Staff did find an error in its calculation of the second block and the bill frequency did not capture
2 the usage broken down before the first 30 Ccf's which resulted in inaccurate results. Therefore,
3 Staff has used a regression to determine the normalized percent of usage in the first block by
4 month for the test year.

5 Q. What are the results from using the regression method?

6 A. As seen in the table below¹, the months of March and December (as well as the
7 other months of the test year) are now below the 30 Ccf threshold for the average block 1 use
8 per customer. The company noted in its rebuttal testimony that Ameren Missouri's block 1 and
9 2 billing units should be used. Staff is not aware that Ameren Missouri provided normalized
10 and annualized first and second block usage.² Therefore, if the Commission orders blocked
11 rates and/or the Volume Indifference Reconciliation to Normal Mechanism ("VIRN") in this
12 rate case, Staff's updated first block usage below should be used.

13

Month	Customer Count	Block 1 Usage	Block 1 Usage/Customer	Direct Filed Block 1 Usage/Customer
January	119,149	3,570,125	29.96	28.12
February	119,879	3,546,167	29.58	29.42
March	119,247	3,479,401	29.18	30.61
April	118,890	3,204,934	26.96	24.02
May	118,446	2,372,108	20.03	18.23
June	117,784	1,712,915	14.54	15.85
July	117,533	1,320,971	11.24	11.25
August	117,420	1,206,790	10.28	10.13
September	117,509	1,352,164	11.51	11.82
October	117,686	1,633,616	13.88	15.17
November	118,665	3,009,129	25.36	26.15
December	119,509	3,488,214	29.19	30.28

14

¹ The updated first block usage percent has been provided to the auditors for the revenue requirement calculations.

² Staff is aware that Ameren Missouri provided actual usage by block, but not normalized usage by block.

Surrebuttal Testimony of
Kim Cox

1 Q. Does this conclude your surrebuttal testimony?

2 A. Yes.

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 Increase)
its Revenues for Natural Gas Service) Case No. GR-2019-0077

AFFIDAVIT OF KIM COX

STATE OF MISSOURI)
)
COUNTY OF COLE) ss.

COMES NOW KIM COX and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Surrebuttal Testimony*; and that the same is true and correct according to her best knowledge and belief.


Further the Affiant sayeth not.


_____)
KIM COX

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 9th day of July 2019.

D. SUZIE MANKIN
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: December 12, 2020
Commission Number: 12412070


_____)
Notary Public