

**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI**

In the Matter of the Application of Union                    )  
Electric Company d/b/a Ameren Missouri                )       File No. ET-2018-0132  
for Approval of Efficient Electrification Program.    )

**AMEREN MISSOURI'S STATEMENT OF POSITION**

COMES NOW Union Electric Company d/b/a Ameren Missouri ("Ameren Missouri" or "Company") and provides the following Statement of Position:

**LIST OF ISSUES**

**1. Should the Commission approve, reject, or modify Ameren Missouri's Charge Ahead – Electric Vehicles Program?**

Ameren Missouri believes that its Charge Ahead – Electric Vehicles Program is in the public interest and that the program should be approved.

**a. Has Ameren Missouri provided sufficient evidence that there is a need for the program?**

Yes. As is demonstrated in Ameren Missouri's testimony, Electric Vehicles ("EV") offer numerous benefits to Ameren Missouri's customers, including reduced emissions, lower operating and fuel costs, and improved performance, while also contributing to the recovery of the fixed costs of the electric system, lowering rates for all customers. However, barriers currently exist that are preventing many Missourians from accessing these benefits including lack of awareness of EVs, higher upfront costs, and significantly, lack of available charging infrastructure. Utilities have a natural role in developing such electric infrastructure to meet public needs and are uniquely positioned to help meet this EV charging infrastructure need. As utilities do so, they and their

customers stand to benefit from the additional load. Many other states, including California, Utah, Ohio, and Massachusetts, have recognized this very fact and implemented similar utility-sponsored incentive programs for customer development of EV charging infrastructure. EV loads are also good from the perspective that charging can be a flexible load that can easily occur at different times of the day. Building such load flexibility is foundational to optimizing future electric grid operations as intermittent and sometimes distributed renewable generation resources make up a larger portion of the generation mix. Charge Ahead – Electric Vehicles Program will contribute significantly to the reduction of barriers to EV adoption and help create these meaningful benefits for the state of Missouri. Consequently, the Charge Ahead – Electric Vehicles Program is needed and its approval is in the public interest.

**b. Has Ameren Missouri provided sufficient evidence that the program is cost effective?**

Yes. The Rate Impact Measure ("RIM") test, a common cost effectiveness test that looks at the impact of a program on customer rates, indicates that the cost of the program will be more than fully offset by the benefits arising from the EVs using the program. The amount above program costs is a contribution to recovery of the fixed costs of the electric system which results in lower rates for all Ameren Missouri customers. Beyond the results of any of the cost effectiveness tests, this program also provides significant environmental benefits.

- c. If the program is approved, what is the appropriate cost recovery mechanism?**

The costs of the program should be tracked and deferred to a regulatory asset.

The tracker should be amortized over seven years beginning in the first Ameren Missouri rate case after program costs have been incurred.

- d. If the program is approved, what conditions, if any, should be imposed by the Commission?**

No conditions should be imposed.

**2. Should the Commission approve, reject or modify Ameren Missouri's Charge Ahead – Business Solutions Program?**

Ameren Missouri believes that its Charge Ahead – Business Solutions Program is in the public interest and that the program should be approved.

- a. Has Ameren Missouri provided sufficient evidence that there is a need for the program?**

Yes. Ameren Missouri's testimony demonstrates that efficient electrification of the end uses promoted by the program provides significant benefits to Ameren Missouri's customers, both participating customers and non-participants alike. Benefits include reduced electric rates for all customers, reduced emissions, lower total energy consumption and costs across fuels for participants, reduced operations and maintenance expenses, and improved productivity and safety. Many of the resulting electrified end use loads are also good from the perspective that their charging can be a flexible load that can easily occur at different times of the day. Building such load flexibility is foundational to optimizing future electric grid operations as intermittent and

sometimes distributed renewable generation resources make up a larger portion of the generation mix. For all of the foregoing reasons, the proposed program is in the public interest and should be approved.

**b. Has Ameren Missouri provided sufficient evidence that the program is cost effective?**

Yes. The proposed program reduces the total cost of energy services for the end uses that are promoted, as evidenced by the modified Total Resource Cost Test ("mTRC"), which measures net costs of the program based on the total costs of the program, including both the participants' and the utility's costs. Additionally, the program will result in lower electric rates for all of Ameren Missouri's customers as evidenced by the RIM test result that indicates the benefits of the program will exceed the costs. Beyond the results of any of the cost effectiveness tests, this program also provides significant environmental benefits, both in the workplace where these electric technologies are deployed and also in the larger community.

**c. If the program is approved, what is the appropriate cost recovery mechanism?**

The costs of the program should be tracked and deferred to a regulatory asset. The tracker should be amortized over seven years beginning in the first Ameren Missouri rate case after program costs have been incurred.

**d. If the program is approved, what conditions, if any, should be imposed by the Commission?**

No conditions should be imposed.

**3. Should the Commission grant the variances requested by Ameren Missouri?**

Yes. Good cause exists to grant a variance of the Commission's promotional practices rule because the program is economically beneficial to all Ameren Missouri customers and does not compete with any Commission regulated energy source.

**WHEREFORE**, Ameren Missouri asks that the Commission accept its Statement of Position and grant such other and further relief as the Commission considers reasonable in the circumstances.

Respectfully submitted,

*/s/ Wendy K. Tatro*

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**ATTORNEYS FOR UNION ELECTRIC  
COMPANY D/B/A AMEREN MISSOURI**

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing was served by electronic mail, or First Class United States Postal Mail, postage prepaid, on this 27<sup>th</sup> day of November, 2018, to all counsel of record.

*/s/ Wendy K. Tatro* \_\_\_\_\_