

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) File No. ER-2019-0335
Decrease Its Revenues for Electric Service)
)

SIERRA CLUB RESPONSE TO “ORDER DIRECTING RESPONSES”

In an order issued March 5, 2020, the Commission requested that the parties file responses stating whether they are willing to provide an alternate stipulation and agreement regarding three issues. Sierra Club hereby submits the following response.

As a general matter, Sierra Club prefers not to provide an alternate Stipulation and Agreement, on the grounds that the stipulation and agreement filed February 28, 2020 represented a broad settlement of nearly all issues in the case, which was achieved through extensive settlement discussions among parties. Nevertheless, Sierra Club offers comments on the three issues raised by the Commission, as follows:

1. *Allowing residential net-metering customers to select any rate options offered to other residential customers.*

Sierra Club’s general view is that net metering customers should not be treated differently from other customers in the same class unless substantial evidence exists to justify discriminatory treatment. Although alternative rate designs available to residential customers might not necessarily benefit net-metering customers, depending on their usage and system generation profiles, net metering customers should be able to make this choice for themselves.

However, it is our understanding that there may be technical barriers to net metering customers taking service of more advanced rate options that cannot be immediately resolved. It is also our understanding that the number of net metering customers who will have AMI installed

in the near future is extremely small, thereby making alternative rate options practically unavailable to all but a handful of customers. As such, it may be premature to decide this issue without further factual development in a future rate case. Sierra Club would support revisiting this issue in Ameren's next rate case to ensure fair treatment of net metering customers.

2. *Enhancing the default time of use (TOU) rate so that the peak period is significantly shorter and has a much greater pricing differential relative to the off-peak period than the currently proposed default TOU rate.*

At this time, Sierra Club does not support altering the default TOU rate to feature a shorter peak period and more significant pricing differential between on-peak and off-peak periods. Rollout of time of use rates must be preceded by thoughtful, sustained, and widespread customer education efforts so that customers have time to understand the rate and how to shift their load. The default time of use rate specified in the stipulation is intentionally modest in order to provide a stepping stone in this customer education effort as AMI is installed across Ameren's service territory. Sierra Club's position is that immediately implementing a more aggressive default time of use rate could harm vulnerable customers, cause rate shock, and create a backlash to time of use rates that would ultimately hamper efforts to voluntarily enroll large numbers of customers in such a rate.

3. *Submitting to the Commission timely status reports after the monthly customer engagement meetings identified in Paragraph 27 of the Corrected Non-Unanimous Stipulation and Agreement. The status reports would detail the agreed to educational/communication programs. In addition, Ameren Missouri would present at Agenda in either June or July 2020, details of the customer outreach plans prior to their initiation.*

Sierra Club supports transparency and accountability for Ameren's customer engagement and outreach plans, especially to ensure that those plans anticipate and respond to the needs of low-income and marginalized communities. However, it is our understanding that Ameren

intends to submit status reports and present at Agenda regarding details of the customer outreach plans, and that as such, no change is needed to the Stipulation and Agreement.

Dated: March 9, 2020

Respectfully submitted,

/s/ Henry B. Robertson

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CERTIFICATE OF SERVICE

I hereby certify that the above and foregoing document was filed in EFIS on this 9th day of March, 2020, with notice of the same being sent to all counsel of record.

/s/ Casey Roberts
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