

# Exhibit No. 237

Commission Staff – Exhibit 237  
Mark L. Oligschlaeger  
Surrebuttal Testimony  
File Nos. ER-2021-0240 & GR-2021-0241

*Exhibit No.:*  
*Issue:* Rate Case Expense  
*Witness:* Mark L. Oligschlaeger  
*Sponsoring Party:* MoPSC Staff  
*Type of Exhibit:* Surrebuttal Testimony  
*Case No.:* ER-2021-0240  
*Date Testimony Prepared:* November 5, 2021

**MISSOURI PUBLIC SERVICE COMMISSION**  
**FINANCIAL and BUSINESS ANALYSIS DIVISION**

**SURREBUTTAL TESTIMONY**  
**OF**  
**MARK L. OLIGSCHLAEGER**

**UNION ELECTRIC COMPANY,**  
**d/b/a Ameren Missouri**

**CASE NO. ER-2021-0240**

*Jefferson City, Missouri*  
*November 2021*

**\*\* Denotes Confidential Information \*\***

1                                   **SURREBUTTAL TESTIMONY**  
2   **OF**  
3                                   **MARK L. OLIGSCHLAEGER**  
4                                   **UNION ELECTRIC COMPANY,**  
5   **d/b/a Ameren Missouri**  
6                                   **CASE NO. ER-2021-0240**

7           Q.     Please state your name and business address.

8           A.     Mark L. Oligschlaeger, Missouri Public Service Commission (“Commission”  
9 or “PSC”), Governor Office Building, 200 Madison Street, P.O. Box 360, Jefferson City,  
10 Missouri 65102.

11          Q.     Are you the same Mark L. Oligschlaeger that has previously filed rebuttal  
12 testimony in this proceeding?

13          A.     Yes, I am.

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

15          A.     The purpose of my surrebuttal testimony is to respond to Ameren Missouri  
16 witness Tom Byrne’s rebuttal testimony regarding the Missouri Public Service Commission  
17 Staff’s (“Staff”) proposed sharing of Ameren Missouri’s rate case expense between its  
18 customers and shareholders. Staff has already addressed many of Mr. Byrne’s rebuttal  
19 arguments in its previous direct and rebuttal filings in this case. Accordingly, I will respond to  
20 only a couple of points on this issue in my surrebuttal.

21          Q.     At pages 2 – 4 of his rebuttal testimony, Mr. Byrne claims that Staff is  
22 recommending sharing of rate case expense for major utilities as a “general policy,” and not  
23 based upon a case-by-case analysis. Is this accurate?

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1           A.     No. There are case-specific scenarios where Staff would not recommend sharing  
2 of rate case expense. This would include cases in which the costs of outside assistance is truly  
3 held to a minimum by utilities. This scenario has rarely occurred for major utility rate case  
4 filings in recent years in Missouri.

5           Q.     Please provide examples of when major Missouri utilities filed rate cases  
6 featuring minimal incremental rate case expense in the past.

7           A.     The *Staff Report* concerning review of rate case expense matters, filed on  
8 September 4, 2013 in Case No. AW-2011-0330, referenced several cases filed in 2007 and 2010  
9 by Laclede Gas Company (now part of Spire Missouri) in which that utility sought rate case  
10 expense recovery in an amount at or under \*\* [REDACTED] \*\* (prior to normalization). At that  
11 time, \*\* [REDACTED]

12 [REDACTED] \*\*. While the Commission's sharing  
13 policy was not in effect at the time of those cases, if a major utility conducted its general rate  
14 proceedings currently at a comparable cost, Staff probably would not recommend shareholder-  
15 customer sharing of rate case expenses.

16           Additionally, Atmos Energy Corporation and Empire District Gas filed rate cases in the  
17 2009 – 2010 time frame for which they incurred total rate case expenses of \*\* [REDACTED] \*\*  
18 or less.

19           Q.     In this rate case or other recent electric rate case filings, has Ameren Missouri  
20 sought recovery of rate case expense in a lesser amount than other utilities filing recent electric  
21 rate case filings for which rate case expense sharing was ordered?

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1           A.     No. The total amount of rate case expense for which Ameren Missouri seeks  
2 recovery of in this case, \$1.5 million, either exceeds or is generally consistent with the amounts  
3 sought for most major utilities in recent Missouri cases for which sharing was ordered.

4           Q.     Do you agree with Mr. Byrne that a rulemaking proceeding is needed to continue  
5 to utilize rate case expense sharing in utility rate cases in this jurisdiction?

6           A.     No. The Commission should retain the discretion to consider this issue on  
7 a case-by-case basis based on the facts and evidence presented by the parties. Staff notes that  
8 the Commission, while consistently ordered sharing in recent rate cases, has varied from case  
9 to case regarding the formula for sharing, using a 50/50 shareholder-customer split in some  
10 cases and ordering sharing based upon the ratio of the amount of relief granted to the amount  
11 requested in others. Even in the context of rate case expense sharing, the Commission's  
12 approach has not been uniform for each utility case.

13          Q.     Another primary topic of Mr. Byrne's rebuttal testimony on this issue is his  
14 claim that Ameren Missouri has filed a "cleaner" case than other recent utilities; "cleaner"  
15 seeming to mean that the Ameren Missouri case features fewer shareholder-friendly proposals  
16 than other companies' rate cases. Do you agree that Ameren Missouri's case is uniquely  
17 customer friendly in comparison with other recent rate case filings by other utilities?

18          A.     No. Ameren Missouri is seeking two new tracker mechanisms in this case  
19 (one of which is supported by Staff in modified form, and the other is opposed by Staff), and a  
20 return on equity (ROE) allowance that is significantly higher than the average of recent ROEs  
21 awarded by regulatory commissions in other jurisdictions, as well as being significantly higher  
22 than other recent ROEs awarded by the Missouri Commission.

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1           Q.     Should the Commission consider the number of and the nature of the issues  
2 brought forward by a utility in a rate proceeding to determine whether rate case expense sharing  
3 is appropriate?

4           A.     Yes, but many other factors are relevant and should be considered by the  
5 Commission as well, including the total amount of rate case expense incurred, the number of  
6 and the hourly rates of the outside attorneys and witnesses used, and whether the rate case filing  
7 is a discretionary decision by the utility.

8           Q.     Does this conclude your surrebuttal testimony?

9           A.     Yes, it does.

**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 Electric Service                        )        Case No. ER-2021-0240

**AFFIDAVIT OF MARK L. OLIGSCHLAEGER**

STATE OF MISSOURI        )  
                                      )  
COUNTY OF COLE         )        ss.

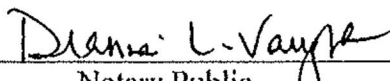
COMES NOW MARK L. OLIGSCHLAEGER, and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Surrebuttal Testimony of Mark L. Oligschlaeger*; and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.

  
\_\_\_\_\_  
MARK L. OLIGSCHLAEGER

**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 4<sup>th</sup> day of November, 2021.

  
\_\_\_\_\_  
Notary Public

