

*Exhibit No.:*  
*Issue(s):* *Tariff Issues*  
*Witness:* *Kory J. Boustead*  
*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**

**ENERGY RESOURCES**

**SURREBUTTAL TESTIMONY**

**OF**

**KORY J. BOUSTEAD**

*Staff Exhibit No.* 123  
*Date* 8-15-19 *Reporter* COT  
*File No.* SEA-2019-0077

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

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

*Jefferson City, Missouri  
July 2019*

PENGAD 800-631-9369

EXHIBIT

123

1 **SURREBUTTAL TESTIMONY**

2 **OF**

3 **KORY J. BOUSTEAD**

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. My name is Kory J. Boustead, and my business address is Missouri Public  
9 Service Commission, P.O. Box 360, Jefferson City, Missouri, 65102.

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

11 A. I am employed by the Missouri Public Service Commission (“Commission”) as  
12 a Rate & Tariff Examiner II in the Energy Resources Department.

13 Q. Are you the same Kory J. Boustead that supported sections in Staff’s Direct Cost  
14 of Service Report (“COS Report”) and filed Rebuttal testimony in this case?

15 A. Yes.

16 Q. What is the purpose of your Surrebuttal testimony?

17 A. The purpose of my Surrebuttal testimony is to respond to the Rebuttal testimony  
18 of Ameren Missouri’s witness Laureen M. Welikson and the Division of Energy’s witness  
19 Martin Hyman in regards to Ameren Missouri’s Energy Efficiency programs.

20 Q. Mrs. Welikson’s Rebuttal testimony states that Staff provided no explanation  
21 whatsoever for its recommendation to continue programs at current funding levels and  
22 structure. Is that correct?

23 A. Yes, that is correct Staff did not provide an explanation because Staff’s  
24 recommendation was to continue the energy efficiency programs, including the Low-Income

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1 Weatherization Assistance Program at the same funding levels and structure and planned to  
2 address the Company's filed proposed program changes in Rebuttal testimony.

3 Q. Has a Staff recommendation been filed in response to Mrs. Welikson's  
4 recommended changes to the existing programs and the new proposed low-income programs?

5 A. Yes, please see my Rebuttal testimony filed in this case which addresses Staff's  
6 concerns and makes recommendations for the Energy Efficiency Program and for the changes  
7 proposed by the Company.<sup>1</sup>

8 Q. Did Mrs. Welikson respond to National Housing Trust's witness Ms. Brink's  
9 recommendation that the low-income multi-family program budget should be a higher  
10 percentage of the Company's Gross Operating Revenues?

11 A. Yes. Mrs. Welikson disagreed with Ms. Brink's recommendation and believes  
12 Ameren Missouri's proposed budget is appropriate at this time.

13 Q. Do you agree with Mrs. Welikson?

14 A. Staff agrees there should not be a higher percentage allocated to the low-income  
15 multi-family proposed program budget as proposed in Ms. Brink's Rebuttal testimony because  
16 the overall budget was not spent in full over the past nine years and resulted in a surplus. The  
17 surplus is held in a regulatory asset account as a regulatory liability. Some potential barriers  
18 exist in ramping up low-income programs for natural gas. The amount of natural gas efficiency  
19 measures is limited without much potential for more to be added. The Ameren Gas territory is  
20 primarily in rural areas where the number of existing multi-family dwellings can be limited and  
21 the majority of potential customers to be served do not meet the criteria to participate in this

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<sup>1</sup> GR-2019-0077 *In the Matter of Union Electric Company d/b/a Ameren Missouri's Tariffs to Increase Its Revenues for Natural Gas Service*, Rebuttal testimony of Kory J. Boustead.

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Kory J. Boustead

1 program. Allocation of the maximum amount of funds proposed by Ms. Brink would result  
2 in 70% of the total budget being allocated to low income customers through the proposed single  
3 and multi-family programs and the existing Low-income Weatherization Assistance Program.  
4 Due to the history of how the programs have performed in previous years, the probability of the  
5 funds being fully utilized is low and has potential create a surplus especially if implemented as  
6 proposed by Ms. Brink. Landlord's often lack the capital and incentives to invest in upgrades  
7 for their properties. This becomes a detriment to ratepayers when programs funds are unspent  
8 and accrue interest in the Company's regulatory asset account because the programs are funded  
9 through rates and there is not currently a cap on the amount that can be booked to the regulatory  
10 asset account. However, Staff also does not support the Company's proposed budget and  
11 proposed source of funding for start-up of the proposed low-income programs. Staff supports  
12 the proposed new low-income programs and has recommended an alternate funding structure  
13 to the one proposed by the Company. This is further discussed in my Rebuttal testimony.

14 Q. Do you agree with the Division of Energy's support for the Company's proposal  
15 to allow transportation customer to participate in energy efficiency programs and creating a  
16 customer measure within the business program?

17 A. No, Staff does not agree for the reasons stated in my Rebuttal testimony.<sup>2</sup>

18 Q. Does this complete your surrebuttal testimony?

19 A. Yes.

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<sup>2</sup> GR-2019-0077 *In the Matter of Union Electric Company d/b/a Ameren Missouri's Tariffs to Increase Its Revenues for Natural Gas Service*, Rebuttal testimony of Kory J. Boustead, page 7, lines 7-16.

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 KORY J. BOUSTEAD**

STATE OF MISSOURI        )  
                                          )        ss.  
COUNTY OF COLE        )

COMES NOW KORY J. BOUSTEAD 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.

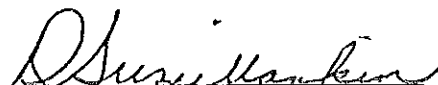
Further the Affiant sayeth not.

  
KORY J. BOUSTEAD

**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 8<sup>th</sup> 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