

Exhibit No. 131

Exhibit No.:
Issue(s): EDI Rev. Adj.
Witness: Nancy L. Harris
Sponsoring Party: MoPSC Staff
Type of Exhibit: Rebuttal Testimony
Case No.: ER-2022-0337
Date Testimony Prepared: February 15, 2023

MISSOURI PUBLIC SERVICE COMMISSION

INDUSTRIAL ANALYSIS DIVISION

TARIFF RATE/DESIGN DEPARTMENT

REBUTTAL TESTIMONY

OF

NANCY L. HARRIS

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

CASE NO. ER-2022-0337

*Jefferson City, Missouri
February 15, 2023*

1 **REBUTTAL TESTIMONY**

2 **OF**

3 **NANCY L. HARRIS**

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

6 **CASE NO. ER-2022-0337**

7 Q. Please state your name and business address.

8 A. My name is Nancy L. Harris. My business address is 200 Madison Street,
9 Jefferson City, MO 65101.

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 an Auditor in the Tariff and Rate Design Department of the Industry Analysis Division.

13 Q. Are you the same Nancy L. Harris who provided direct testimony filed on
14 January 10, 2023?

15 A. Yes and my credentials were filed then as well.

16 **EXECUTIVE SUMMARY**

17 Q. What is the purpose of your rebuttal testimony?

18 A. The purpose of my testimony is to further explain Staff’s Economic
19 Development Incentive (EDI) adjustment compared to Ameren’s EDI adjustment.

20 **ECONOMIC DEVELOPMENT INCENTIVE ADJUSTMENT**

21 Q. Please give a brief explanation of Rider EDI.

1 A. Ameren’s Rider EDI tariff offers electric bill discounts to new or expanding
2 commercial and industrial customers who meet kWh load criteria and other tariff requirements.¹
3 Discounts are usually offered for a five year period as long as the customer continues to
4 meet tariff criteria. The rationale is that EDI tariff should help attract and grow business in
5 Missouri, and allows Missouri to be competitive with surrounding states that offer similar
6 business incentives.

7 Q. How do Rider EDI discounts affect revenues and utility rates?

8 A. When a utility customer receives an EDI discount as a billing reduction to base
9 rate components, the utility’s revenue collected from the customer is reduced. This widens the
10 gap between revenue and the revenue requirement. The lower the utility’s collected revenue,
11 the more likely a rate increase will be required which often affects all rate classes.



13
14 Q Please briefly outline Ameren’s EDI Adjustment.

15 A. Ameren used actual billing data (customer monthly EDI discount) through
16 update period, annualized for the 12 months, for an EDI Adjustment of \$682,315.

17 Q. What data was used by Staff for their EDI Adjustment?

¹ 393.1640 RSMo.

Rebuttal Testimony of
Nancy L. Harris

1 A. Staff used data from Ameren witness Nicholas Bowden’s Rider EDI workpaper,
2 and data from Staff Data Request Nos. 0146, 0149, and 0356. Based on this data, Staff’s EDI
3 adjustment is \$724,002

4 Q. Please explain the differences between Ameren’s EDI Adjustment and Staff’s.

5 A. Ameren’s EDI Adjustment to Small Primary Service (SPS), Large General
6 Service (LGS) and the Large Primary Service (LPS) rate classes in total is \$682,315. Staff’s
7 adjustment to the same classes totals \$724,002. The \$41,687 difference is due to Staff’s
8 annualization of the March 2022 rate increase. Ameren applied the rate increase² to March 2022
9 and the months following. It is Staff’s general practice to annualize data to better model the
10 impact of known changes.

11 Q. Is Staff’s EDI Adjustment a more reasonable adjustment than Ameren’s
12 adjustment?

13 A. In general revenue calculation, annualizing a rate increase is common and the
14 more reasonable method to utilize. Also, new legislation has recently expanded the Rider EDI
15 program.³ This will extend some discounts offered from five to ten year periods. Additionally,
16 most current customers in Ameren’s EDI program have 2-3 years left in the program. With
17 program expansion and additional customers entering the program, EDI discounts are likely to
18 increase⁴. Staff’s EDI Adjustment is the more reasonable adjustment.

19 Q. Does this conclude your Rebuttal testimony?

20 A. Yes it does.

² Rate increase from Case ER-2021-0240 of 8.78%.

³ SB745 effective August 2022.

⁴ ET-2019-0149 –Five new EDI applications/contracts since Sept. 2022.

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) Case No. ER-2022-0337
Its Revenues for Electric Service)

AFFIDAVIT OF NANCY L. HARRIS

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COMES NOW NANCY L. HARRIS and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Rebuttal Testimony of Nancy L. Harris*; and that the same is true and correct according to her best knowledge and belief.

Further the Affiant sayeth not.



NANCY L. HARRIS

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 February 2023.

D. SUZIE MANKIN
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: April 04, 2025
Commission Number: 12412070



Notary Public