

Exhibit No. 47

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Witness: Trina Muniz
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MISSOURI PUBLIC SERVICE COMMISSION

FILE NO. GR-2021-0241

REBUTTAL TESTIMONY

OF

TRINA MUNIZ

ON

BEHALF OF

UNION ELECTRIC COMPANY

D/B/A AMEREN MISSOURI

**St. Louis, Missouri
October 15, 2021**

REBUTTAL TESTIMONY

OF

TRINA MUNIZ

FILE NO. GR-2021-0241

I. INTRODUCTION

1

2

Q. Please state your name and business address.

3

A. My name is Trina Muniz. My business address is One Ameren Plaza, 1901
4 Chouteau Ave., St. Louis, Missouri.

5

Q. By whom are you employed and what is your position?

6

A. I am employed by Ameren Services as their Corporate Communications
7 Operations Strategist.

8

**Q. Please describe your educational background and employment
9 experience.**

10

A. I have a bachelor's degree in Business Administration with a specialization
11 in Marketing from Southern Illinois University of Edwardsville and a master's degree in
12 Business Administration from Webster University. I have over 35 years of experience in
13 customer communications.

14

I joined Ameren Services in 2001 as the Senior Supervisor of Advertising. At that
15 time, I was responsible for all paid customer communications in Missouri and Illinois. In
16 2010, I transferred to Ameren Missouri and became Managing Supervisor, Marketing and
17 Advertising. In 2014, I became Manager, Marketing and Advertising. In 2017, I became
18 Creative Services Project Manager. In 2021, I became Corporate Communications

1 Operations Strategist. My responsibilities include the management of the communications
2 budgets for Ameren Missouri and Ameren Services.

3 **Q. What are your responsibilities in your current position?**

4 A. I currently manage resource allocation, workflow tracking, and budgets for
5 Communications.

6 **Q. To what testimony or issues are you responding?**

7 A. I am responding to the direct testimony and working papers of Jane Dhority. I
8 will be responding to Ms. Dhority's request for recovery based on an ad-by-ad review versus
9 by campaign. I will also respond to Ms. Dhority's issue with the response time she has received
10 on advertising data requests.

11 **Q. How did you classify the advertising costs?**

12 A. In the 1985 Commission decision in a Kansas City Power and Light Company
13 ("KCPL") rate case¹, standards were established for five classifications of advertising:

14 **General** – informational advertising that is useful in the provision of adequate
15 service;

16 **Safety** – advertising that conveys the ways to safely use electricity and to avoid
17 accidents;

18 **Promotional** – advertising used to encourage or promote the use of electricity;

19 **Political** – advertising associated with political issues; and

20 **Institutional** – advertising used to improve the Company's public image.

21 In the order establishing these categories, the Commission held that General and Safety
22 advertisements are typically eligible for recovery, that Institutional and Political

¹ *In Re: Kansas City Power and Light Company*, 28 MO PSC (NS) 228 (1986).

1 advertisements are never eligible for recovery, and that Promotional advertisements are
2 eligible for recovery if the utility can provide cost justification for the advertisement
3 expenditure. I have followed those guidelines and assigned the appropriate classifications
4 based on the messages being communicated.

5 **Q. Did you follow any other guidance for classifying advertising costs?**

6 A. Yes. In a prior Ameren Missouri rate review case, File No. ER-2008-0318, the
7 Commission issued a Report and Order that ordered the recovery of advertising based on the
8 percentage of allowable cost in an advertising campaign. The Commission held that the entire
9 campaign should be considered rather than evaluating the expenditures on an ad-by-ad basis. If
10 51% of a campaign's cost is for allowable advertisements, then the entire campaign is allowable.

11 **Q. Do you have any general comments regarding how communications
12 expenditures should be reviewed for prudence?**

13 A. Yes. Advertising is defined as describing or drawing attention to a product,
14 service or event in order to promote sales or attendance through paid media channels.
15 Under that definition, Ameren Missouri does not advertise. Even though Ameren Missouri
16 does not advertise the way consumer packaged goods companies do, we do need to cost
17 effectively educate our customers and communicate changes we are making to their
18 service. We use a variety of channels to inform and educate our customers about their
19 electric service, how they can manage their accounts and energy usage, and the actions we
20 are taking to deliver the service they expect.

21 The ways customers expect to receive messages have changed dramatically in the
22 past 36 years since the parameters were set. In 1985, there was not widespread use of the
23 internet, social media or cellular devices. Today, the vast majority of Americans – 97% –

1 own a cell phone. The share of Americans that own a smartphone is now 85%, up from just
2 35% in Pew Research Center's first survey of smartphone ownership conducted in 2011.
3 This data demonstrates that our customers are accessing information at their fingertips
4 where and when they want it. As a result, the way we communicate has had to evolve as
5 the communications landscape evolved.

6 **Q. Are the KCPL classifications adequate for classifying advertisements?**

7 A. No. In the Ameren Missouri rate review, Case No. ER-2008-0318, the
8 Commission issued a Report and Order that allowed advertising to be recovered based on the
9 use of KCPL's classification but added that recovery should be based on the overall campaign
10 and not on an ad-by-ad basis. If 51% of the campaign messages are recoverable, the entire
11 campaign is allowable.

12 In research we have conducted, our customers have told us they want more information
13 about improvements we are making to keep their service reliable and affordable, and about the
14 services we offer that make it easier and more convenient for them to understand and manage
15 their energy usage and accounts. They expect the Company to provide information that will
16 help them make energy usage or account-related decisions or better understand how Ameren
17 is improving their service through a variety of channels. This is appropriate for the Company
18 to use advertising as a means to reach and educate our customers.

19 **Q. Do you agree with staff's recommendation to return to an ad-by-ad basis**
20 **for allowance?**

21 A. No. We have followed the Commission's previous guidance to evaluate our
22 communication as an entire campaign. A stand-alone message is quickly forgotten.
23 According to Forbes, consumers are exposed to over 10,000 messages in a day and a

1 customer must hear or see the message seven or more times for the message to be retained.
2 Our messages must be repeated frequently enough so that our customers retain the message
3 and have the information they need and expect.

4 Staff's review, undertaken by auditors rather than by communication professionals,
5 only considers the individual cost of a communication rather than its effectiveness. Staff
6 auditors are only considering the individual cost of a communication rather than its
7 effectiveness. By using campaigns, we are able to reach our customers through a variety of
8 channels – broadcast TV, online, social media, in their energy bill and through other
9 channels – where and when they are the most receptive. This is the standard for effective
10 communication in today's communications environment. Our campaigns are planned
11 holistically and the content is designed to work together to help convey the message
12 through multiple, integrated channels. They are not planned as stand-alone ads, which
13 would neither achieve the necessary awareness of the information nor be as cost effective
14 as the approach utilized.

15 **Q. In Ms. Dhority's direct, she claims that Ameren Missouri has not been**
16 **responsive in completing advertising data requests. Are there improvements that can**
17 **be made to how Ameren Missouri responds?**

18 A. Ameren Missouri's responses to these data requests required us to obtain a
19 very large amount of information and some of it is not housed on site. That said, we are
20 committed to improving our performance on this aspect of data request responses. As is
21 common practice on major initiatives, Ameren's communications department conducts an
22 after-action review following each rate review to assess what went well and find opportunities
23 for improvement. We are always looking for ways to improve the way we store the large volume

1 of communications data to make response times quicker and easier for those who are
2 responding. Per Ms. Dhority's own findings, Ameren Missouri has reduced its response time in
3 the last three rate reviews. We are committed to continuing to look for ways to provide staff
4 with the information they need in a timely manner.

5 **Q. Would it save time to provide Ms. Dhority with screen shots instead of links**
6 **to social media?**

7 A. It would not. We post hundreds of social media messages every year to engage
8 with our customers on a near-daily basis. By going to our social media channels, you can see
9 the information we have posted. It would not be an efficient use of time to produce individual
10 screenshots and file these posts for later review. They are available at any time by going to our
11 sites.

12 **Q. Are there campaigns being disallowed that you believe should be included**
13 **in rates?**

14 A. Yes, the COVID Social Media Templates should be allowed.

15 **Q. Please describe why the COVID Social Media Templates should be**
16 **allowed.**

17 A. It is common practice to draw attention to specific messages by giving them a
18 common look that makes them easily recognizable by our customers. The COVID social media
19 templates were developed to draw our customers' attention to information we post to social
20 media about special COVID programs that they could utilize if they are struggling to pay their
21 bills due to the pandemic.

22 The cost of the templates were \$230. Staff did not give a reason for the disallowance
23 which, as I am told by my attorney, they have the burden of doing in order to overcome the

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1 presumption of prudence that apply to utility expenditures in these cases Regardless, this
2 expense is appropriate and should be allowed. I will note that this cost was not booked to the
3 COVID regulatory asset, so another recovery option would be to include these costs in that
4 tracker and to recover the costs consistent with other costs in the tracker.

5 **Q. Does this conclude your rebuttal testimony?**

6 **A. Yes, it does.**

