

NRDC Responses to Ameren UE Data Requests in MPSC Case No. EO-2011-0271

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Ameren-NRDC-036

NRDC believes that Ameren Missouri has an obligation under the Missouri IRP guidelines to objectively analyze the least cost opportunities for meeting all energy resource needs in its territory, regardless of the possible or perceived impact on Company earnings. NRDC does not believe that an IRP is a commitment to fund DSM. Further, NRDC believes that the Company can propose regulatory solutions that would enable it to resolve any perceived negative impact on Company earnings through the MEEIA filing process.

Ameren-NRDC-037

Ameren Missouri is primarily responsible for protecting the interests of its shareholders. However, as part of its duty of protecting the public interest, MPSC has a role in ensuring reasonable and fair returns to shareholders to ensure long term public interests can be met by Ameren.

Ameren-NRDC-038

NRDC believes there could be other considerations contemplated by the language of section 22.010(2)(C) beyond the three explicitly stated. NRDC notes that this section directs quantification of “any other considerations which are critical to meeting the fundamental objective of the resource planning process.” However, NRDC’s Witness Mosenthal is not a lawyer and declines to speculate on the intent of this section beyond the language stated. NRDC notes that nothing in this section diminishes 22.010(2)(B) that establishes minimization of PVRR as the “primary selection criteria.”

Ameren-NRDC-039

No.

Ameren-NRDC-040

N/A

Ameren-NRDC-041

As 22.010(2)(C) directs, the Company should quantify and analyze these other considerations. However, they do not remove the requirement of “minimization of PVRR as the *primary selection criteria*.” Rather, these other considerations should

be reviewed, and appropriate solutions investigated and proposed that further the primary criteria of the IRP.

Ameren-NRDC-042

NRDC has not reviewed the Company's 2008 IRP as part of this proceeding.

Ameren-NRDC-043

NRDC believes the term "public interest," in the context of the generally understood role of regulators to ensure that utilities "serve the public interest," refers to the consumers of energy and/or citizens of the state under which regulation occurs. In other words, it distinguishes between — and is intended to balance — the regulated-monopoly Company's interests in maximizing shareholder profits with the interests of the "public." As such, while members of the public certainly could own utility shares, the regulatory distinction is between these potentially competing interests. NRDC agrees that addressing rate-of-return and other issues directly impacting utility shareholders are a key role of regulators. However, this role is in the context of protecting the "public interest" by ensuring a fair return that will provide the utility with necessary equity while avoiding unfair rates to consumers. We believe regulatory and judicial precedents support this distinction of "public" as separate from Company shareholders.

Ameren-NRDC-044

NRDC believes that analysis and quantification of the impact of the Preferred Resource Plan (or any other hypothetical plan or IRP outcome) on investors is a valid consideration under 22.010(2)(C). However, NRDC disagrees that a Company perception that any negative impact could not be addressed through appropriate regulatory mechanisms to ensure that the Company shareholder's and the public's interest are aligned should drive the results of the IRP. Rather, this quantification and analysis can and should allow the Company to both acknowledge the least cost solution, point out any problems this creates resulting from poor alignment of interests, and then propose solutions that would allow for a fair and reasonable approach to pursuing least cost resources.

Ameren-NRDC-045

Yes; this is reflected in 22.010(2)(B) and 22.010(2)(C)3.

Ameren-NRDC-046

NRDC can imagine a hypothetical case where rate impacts *could* be "more important" to plan selection than minimizing PVRR. However, this would be under an extreme scenario not applicable to Ameren's IRP. For example, if EE could remove

virtually all building load through aggressive pursuit of net-zero buildings, but by doing so would result in extremely large rate increases on industrial process usage that might cripple the Missouri economy, that hypothetical scenario could result in rate impacts becoming as or more important than minimization of PVRR. NRDC notes that it has not objected to analysis of rate impacts by Ameren. Rather, it has questioned the presumption by Ameren that rates could not be increased to ensure a fair return to its shareholders from pursuit of DSM.

Ameren-NRDC-047

NRDC has not performed the analysis requested.

Ameren-NRDC-048

NRDC has not performed a detailed review of the KEMA 2010 potential study, nor performed any analysis of it.

Ameren-NRDC-049

No. Ultimate decisions about cost recovery must be made by the MPSC, and are not “assured” simply by a filing.

Ameren-NRDC-050

NRDC is aware of a dispute over the definition of lost revenue, but does not believe it jeopardizes adequate cost recovery. NRDC is also aware of an issue with the timeliness of recovery of lost revenue and incentives.

Ameren-NRDC-051

The requested analysis has not been conducted by NRDC.

Ameren-NRDC-052

NRDC has not developed a list, nor analyzed cost-effectiveness of such a list, of DSM technologies that it considers “emerging technologies.”