Exhibit No. 109

Ameren – Exhibit 109
Timothy Via Testimony
Surrebuttal
File No. EO-2023-0136

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MISSOURI PUBLIC SERVICE COMMISSION

FILE NO. EO-2023-0136

SURREBUTTAL TESTIMONY

OF

TIMOTHY E. VIA

ON

BEHALF OF

UNION ELECTRIC COMPANY

D/B/A AMEREN MISSOURI

St. Louis, Missouri
May, 2024

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SURREBUTTAL TESTIMONY

OF

TIMOTHY E.VIA

FILE NO. EO-2023-0136

I. INTRODUCTION

Q. Please state your name and business address.

A. My name is Timothy E. Via. My business address is One Ameren Plaza, 1901 Chouteau Ave., St. Louis, Missouri 63103.

Q. Are you the same Timothy E. Via that submitted direct and rebuttal testimony in this case?

A. Yes, I am.

Q. What is the purpose of your surrebuttal testimony?

A. My surrebuttal testimony responds to the rebuttal testimonies filed by the Missouri Public Service Commission Staff ("Staff"), the Office of the Public Counsel ("OPC"), the Natural Resources Defense Council ("NRDC") and Renew Missouri (“Renew”). I will address the following topics:

Staff’s position to end demand side programs – A discussion of how the Amended Plan is beneficial to all customers and why acceptance of the logic reflected by Staff would be detrimental to customers.

Company's Amended Plan meets MEEIA Rules requirements – A discussion on how the Company's Amended Plan was developed to be in line with the MEEIA law.

MEEIA Portfolio Challenges – A discussion on OPC's Plan portfolio challenges and how the Amended Plan addresses those.

Comprehensive Portfolio of Programs – A discussion of the Company's response to Staff and OPC's comments and concerns about the Amended Plan's proposed residential and business energy efficiency and demand response programs, and program design.

The Company's Amended MEEIA Plan is Beneficial to all customers - A discussion of key points that respond to the positions of other parties: 1) demand-side programs are the lowest cost; 2) the Company's plan benefits all customers by reducing electricity bills and providing significant economic benefits; 3) offering a robust and diverse set of programs is the most effective strategy to maximize the benefit of demand-side programs for nonparticipants; 4) the proposed earnings opportunity is justified based on the demonstrated forgone earnings on avoided or deferred investment in future supply and delivery infrastructure, and is demonstrably reasonable as shown by benchmarking against other jurisdictions.

Miscellaneous Points Made in Rebuttal – A discussion of the Company's responses to various other topics including the following:

- Smart Thermostats for no or low-cost
- *Amended Plan's alignment with Preferred Resource Plan of 2023 IRP*
- Advanced Metering Infrastructure ("AMI") *Inclusion*
- Amended Plan budget variance

II. STAFF'S AND OPC'S POSITION TO END DEMAND SIDE PROGRAMS

Q. Please summarize Staff's primary recommendation and conclusions in their rebuttal testimony.

A. Mr. Fortson's rebuttal testimony summarizes Staff's overall position in its rebuttal testimony is that it is not reasonable at this time for the Commission to approve a MEEIA demand-side management ("DSM") program portfolio and its extraordinary ratemaking authority for a number of reasons including, but not limited to, not showing the work that supports the Amended Application and the large amount of ratepayer costs.[1]

Q. Please summarize OPC's primary recommendation and conclusions in their rebuttal testimony.

A. Dr. Marke's recommendation is to not approve the Company's Amended Plan as drafted.[2]

Q. Why does Staff's position mean the end to Investor-Owned Utilities ("IOU") demand-side programs in Missouri?

A. If Staff's position is correct, very few demand-side programs would be considered cost effective, customers would derive little benefit from running those few demand-side programs, and the elimination of the earnings opportunity would provide no financial incentive for the utility to engage in demand-side programs. Staff's positions in this case would effectively lead to the end of demand-side programs for investor-owned utilities in the state of Missouri. I submit that such outcomes are not consistent with MEEIA

[1] File No. EO-2023-0136, Brad J. Fortson Rebuttal Testimony, p. 1., ll. 21-25.
[2] File No. EO-2023-0136, Geoff Marke Rebuttal Testimony, p. 39, l. 14.

policy or with the general observations and conclusions evident over the past nearly decade of IRPs.

Q. Is there risk to customers by terminating demand-side programs?

A. Absolutely, Mr. Michels rebuttal testimony provides some costly risk scenarios identified in the 2023 IRP to future supply-side needs that could be abated by the continued pursuit of demand-side programs.[3] If the Commission adopts Staff's position, customers will be expected to pay $4.197 billion more on a net present value basis over the Company's preferred resource plan.[4]

Q. Is the Company's proposed Amended Plan beneficial to all customers?

A. Definitely. The Amended Plan offers a diverse portfolio of robust cost-effective programs that provides opportunity for all customers to participate and take control of and manage their energy consumption and cost. The Amended Plan will create $303 million in total net benefits[5] to customers. This is consistent with previous MEEIA plans that have delivered over $1.3 billion of total net benefits,[6] identified through the annual Evaluation, Measurement, and Verification ("EM&V") process by third-party evaluators and approved by the Commission.

Q. Is the Company's proposed Amended Plan in alignment with the 2023 IRP?

[3] File No. EO-2023-0136, Matthew Michels Rebuttal Testimony, at 8-12.
[4] File No. EO-2024-0020, Notice of Filing Correction to 2023 Integrated Resource Plan, Description of Correction and List of Revisions (Public, Confidential and Highly Confidential), Chapter 10 – Strategy Selection.pdf, page 50 Table 10.4 EVBI Analysis Results.
[5] Amended MEEIA 4 Plan – Table 1 – Portfolio Cost-effectiveness Summary pg. 14
[6] 2022 EE EA Summary – Summary of MEEIA annual TRC net benefits, budget, net MWh as identified in annual EM&V reports.

A. Absolutely, and the Amended Plan seeks to achieve the Company's preferred resource plan, as identified in the 2023 IRP. As illustrated in the Company's Amended Application[7] and in the table below. The Amended Plan's energy and demand savings targets are in alignment with the 2023 IRP preferred resource plan.

Comparison of MEEIA 2025-27 to the 2023 IRP Preferred Plan

	Energy (MWh)	Demand (MW)	Cost ($MM)
2023 IRP (2025-2027)	876,294	521	$356
MEEIA 2025-2027	822,340	517	$370
% Difference	-6%	-1%	4%

III. THE COMPANY'S AMENDED PLAN MEETS MEEIA RULES REQUIREMENTS

Q. Do you agree with Mr. Luebbert's position that, "Ameren Missouri's application for approval of its fourth Missouri Energy Efficiency Investment Act ("MEEIA") portfolio is insufficient and should be rejected."

A. I adamantly disagree. Financial and program analysis filing requirements are contained in 20 CSR 4240-20.093 and 20 CSR 4240-20.094, respectively. The Company's Amended Plan application meets all the requirements of the MEEIA rules. Prior to the original filing and the amended filing, my team and I cross referenced the MEEIA rules checklist and ensured all the requirements were included.[8]

Q. Did the Company conduct workshops to explain the Amended Application's supporting documentation and workpapers along with analysis to provide transparency for hardcoded and/or uncited numbers in DSMore and the Submittal Tool?

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[7] Amended Application, p.16.

[8] *See* Workpaper TEV - MEEIA Rules Requirements – MEEIA 4 Application.

A. Yes. The Company updated its Amended Application and made workshop presentations[9] regarding the Connections between DSMore, Submittal Tool, and other Source data for EE programs on October 18, 2023[10] (Staff, OPC, Renew MO were in attendance), and February 29, 2024 (Staff in attendance), providing examples of updated data sources of hardcoded and/or uncited numbers. The workshops also provided a tutorial of connections between DSMore, the submittal tool, and other source data for energy efficiency and demand response programs. The Amended Plan represents an improvement in providing source data over previous MEEIA cycle applications approved by the Commission.

Q. Do you agree with Mr. Luebbert's example pertaining to program design, that the Company can change the programs nearly at will?[11]

A. No, this is not an accurate assessment.

Most program changes are made through a robust 11-step process developed with Staff and OPC, which has been utilized for the entirety of the MEEIA 3 cycle (2019-present). The Company responded to Staff's data request (No. MPSC 0131) regarding the number of 11-step process requests that had been completed since the start of MEEIA 2019-21 through 2023. The Company has requested twenty-seven 11-step process changes with Staff's review and acceptance.

Q. Do you agree with Mr. Luebbert's opinion that, "[t]he implementation of the programs will not result in the realization of benefits that Ameren Missouri

[9] The following presentation was emailed to Staff and OPC and provided as workpapers to this testimony: MEEIA 4 Technical Workshop 10-18.pdf, Ameren MO MEEIA Submittal Tool Overview 10_18_2023.pdf, and MEEIA 4 Data Request Discussion.pdf.
[10] *See also* Confidential Schedule JNG-S2.
[11] File No. EO-2023-0136, J. Luebbert Rebuttal Testimony, p. 8, ll. 1-11.

claims in its application, the attached report, and appendices,"[12] and his assessment that, "Ameren Missouri's alleged support for the application, the attached report, and workpapers utilized to "estimate and quantify" benefits are unrealistic and inappropriate estimates that should not be considered reliable?"[13]

A. No, this is an inaccurate assessment. The Company's Amended Plan, in which analysis is consistent with previous approved MEEIA cycles, produces $303 million in total net benefits[14] to Ameren Missouri customers. Additionally, the Company has delivered over $1.3 billion in total net benefits[15] through its MEEIA portfolios, identified through the annual EM&V process by third-party evaluators in previous cycles from 2013-2022. As discussed in Company witness Graser's testimony, Staff, OPC, and other stakeholders are a part of the EM&V process and allowed the opportunity to review and comment on EM&V results. During the past EM&V cycles, Staff and OPC did not contest the amount of total net benefits produced by the MEEIA portfolios and have not supported their current positions with any evidence that suggests these benefits should not have been accepted by the Commission in File No. EO-2018-0211 or previous MEEIA cycles.[16]

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[12] File No. EO-2023-0136, J. Luebbert Rebuttal Testimony, p. 1, ll. 15-17.
[13] File No. EO-2023-0136, J. Luebbert Rebuttal Testimony, p. 1, ll. 17-20.
[14] Amended MEEIA 4 Plan – Table 1 – Portfolio Cost-effectiveness Summary pg. 14.
[15] 2022 EE EA Summary – Summary of MEEIA annual TRC net benefits, budget, net MWh as identified in annual EM&V reports.
[16] *See* File No. EO-2012-0142, Order Approving Stipulation and Agreement Regarding T-12 Replacement Measures, Issued October 1, 2014; Order Approving Second Stipulation and Agreement Settling The Program Year 2013 Change Requests, Issued February 25, 2015; Order Approving 2014 Final EMV Auditor Report, Issued July 17, 2015; Order Approving Stipulation And Agreement Regarding Performance Incentive Award, Issued November 2, 2016; EO-2015-0055, Order Approving Non-Unanimous Stipulation and Agreement, Issued September 27, 2017, Order Approving Non-Unanimous Stipulation And Agreement, Issued October 17, 2018, Order Approving Stipulation And Agreement, Issued September 4, 2019; File No. EO-2018-0211, Order Approving Stipulation And Agreement, Issued August 5, 2020, Order Accepting EM&V Program Year 2021 Report, Issued August 3, 2022, and Order Accepting EM&V Program Year 2022 Report, Issued July 12, 2023.

IV. MEEIA PORTFOLIO CHALLENGES

Q. Are the multiple challenges Dr. Geoff Marke speaks to in his rebuttal testimony as it pertains to Company's Amended Plan accurate?[17]

A. No. Although we recognize the difficulty and complexity of developing a DSM plan, the Company's Amended Plan clearly lays out analysis and information to support moving forward to best benefit all customers.

Q. Do you agree with Dr. Marke's challenge that, "naturally occurring energy efficiency adoption is rapidly increasing due to decades of marketing, increased appliance standards, and municipal building code requirements?"[18]

A. Not entirely. Naturally occurring energy efficiency adoption, appliance standards and building code requirements are advancing but not as rapidly as Dr. Marke suggests. The Amended Plan incorporates analysis from the 2023 Market Potential Study that accounts for naturally occurring measure adoption by customers, appliance standards and state and local building codes where applicable. The Amended Plan also incorporates these factors along with historic program adoption and implementation contractor expertise into the program design. These factors are also analyzed as part of the annual EM&V process. As discussed in Company witness Graser's testimony, Staff, OPC, and other stakeholders are a part of the EM&V process and are allowed the opportunity to review and comment in that process.

Q. Do you agree with Dr. Marke's challenge that "Ex Post evaluations of energy efficiency programs do not account for operational failures or obstructions;

[17] File No. EO-2023-0136, Geoff Marke Rebuttal Testimony, p. 2, l. 5 to p.4, l. 12.
[18] File No. EO-2023-0136, Geoff Marke Rebuttal Testimony, p. 2, l. 11-13.

thus overstating "deemed" energy savings?"[19]

A. The Company has implemented the best-in-class cost-effective energy efficiency programs for over a decade and has a robust annual EM&V process to verify the energy and demand savings of the various programs. The program design accounts for early replacement and replacement on failure of energy efficiency measures and provides incentives for customers installing measures above the federal minimum guidelines. The Amended Plan outlines the annual EM&V program plans[20] to account for these variations. As discussed in Company witness Graser's testimony, Staff, OPC, and other stakeholders are a part of the EM&V process and allowed the opportunity to review and comment. The Commission accepted the energy and savings produced by Ameren Missouri's MEEIA portfolio in File No. EO-2018-0211 or previous MEEIA cycles.[21]

Furthermore, an examination of the validity of examples presented as evidence of "EM&V has not taken that adjustment into account which means, again, that MEEIA estimated savings are likely overstated"[22] would be advised. The example Dr. Marke introduced suggests that the fouling of air filters with use increases energy consumption and is not appropriately factored-in when claiming savings for HVAC measures. If that fouling of filters only happened on new units, this would be a true assertion, but it is more appropriate to assume that the fouling

[19] File No. EO-2023-0136, Geoff Marke Rebuttal Testimony, p. 2, ll. 14-16.
[20] Amended MEEIA 4 Plan - Appendix E – Sample Evaluation Plans.
[21] *See* File No. EO-2012-0142, Order Approving Stipulation and Agreement Regarding T-12 Replacement Measures, Issued October 1, 2014; Order Approving Second Stipulation and Agreement Settling The Program Year 2013 Change Requests, Issued February 25, 2015; Order Approving 2014 Final EMV Auditor Report, Issued July 17, 2015; Order Approving Stipulation And Agreement Regarding Performance Incentive Award, Issued November 2, 2016; EO-2015-0055, Order Approving Non-Unanimous Stipulation and Agreement, Issued September 27, 2017, Order Approving Non-Unanimous Stipulation And Agreement, Issued October 17, 2018, Order Approving Stipulation And Agreement, Issued September 4, 2019; File No. EO-2018-0211, Order Approving Stipulation And Agreement, Issued August 5, 2020, Order Accepting EM&V Program Year 2021 Report, Issued August 3, 2022, and Order Accepting EM&V Program Year 2022 Report, Issued July 12, 2023.
[22] File No. EO-2023-0136, Geoff Marke Rebuttal Testimony, p. 16, ll. 18-19.

also occurs on the unit that is replaced. Additionally, it is very likely that those measures are actually undercounting savings since the clogged filters cause the less efficient equipment to run harder/longer as well. This example of conservativeness in non-lighting measures is a good example of the general approach used in the deeming of savings for non-lighting measures in the standard programs.

Q. Do you agree with Dr. Marke's position that, "[f]ree market alternatives exist that do not require ratepayer subsidies for business demand response programs. The failure to acknowledge this results in blatant market failure and wasted money."[23]

A. I acknowledge that opening up the market to Aggregator of Retail Customers (' ARC")s will create opportunities for competition and choice by the Company's business customers. The Company has built a robust Demand Response program since its inception in 2019 that provides tremendous benefits to all customers. The program currently has 264 business customers enrolled and under contract representing 131 MW. On October 12, 2023, the Commission issued an Order Partially Modifying the Commission's 2010 Order Regarding Aggregator of Retail Customers. Since the Commission's ruling, the Program has continued to thrive signing up an additional 11 customers with engagement of an additional 25 plus customers. The Amended Plan's business demand response program produces a total resource cost (TRC) of 1.8,[24] which is highly cost-effective and beneficial to all customers.

Q. Do you agree with Dr. Marke's position that, "Non-profit alternatives

[23] File No. EO-2023-0136, Geoff Marke Rebuttal Testimony, p. 3, ll. 4-6.
[24] Amended MEEIA 4 Plan – Appendix A – Portfolio and Program Summary – Total Resource Cost Test table pg. 11.

whose overhead administrative costs are capped at 20% or lower exist for most of the income-eligible programs. This stands in stark contrast with the historical performance of Ameren Missouri's income eligible programs." [25]

A. As discussed in Company witness Lozano's surrebuttal testimony, one cannot adequately compare the administration cost of utility income eligible programs with federal programs implemented by non-profit agencies.

Non-profit organizations overhead administrative costs are capped at 20% from federal funds received. Non-profit organizations also receive funds from donations and other sources to supplement administrative funds to deliver and implement their programs to the income eligible customers.

The Company supports Missouri weatherization agencies by providing $1.2M annually to provide weatherization upgrades to low-income customers' homes. The Company allows the agencies to utilize funding for administrative charges and also provides additional assistance for health and safety issues (i.e., electrical issues, roof repair, etc.).

The Amended Plan's income eligible programs have an overhead contractor administration cost of 22% (Income Eligible Contractor Administrative Costs - $15.73M/Total Program Costs - $70M).[26] This total does not account for the reduced administrative cost associated with the co-delivery of income eligible programs with natural gas utilities and allocates the cost appropriately for natural gas and dual fuel measures.

The Amended Plan's income eligible programs meet the requirements in the

[25] File No. EO-2023-0136, Geoff Marke Rebuttal Testimony, p. 3, ll. 7-10.
[26] Amended MEEIA 4 Plan – Appendix A – Portfolio and Program Summary.

MEEIA law and the Commission's rules. By MEEIA requirements, income-eligible programs do not need to be cost-effective; however, the program design in the Amended Plan has a modeled TRC of 1.23. This future expectation is supported by the overall income-eligible sector TRC of 1.25 in 2022. Additionally, the draft EM&V report indicates the Company's income-eligible programs were cost-effective for program year 2023 as well. The fact that this sector is cost-effective means that it is providing total net benefits to all customers.

Q. **Do you agree with Dr. Marke's position that "Federal funding for weatherization represents a more cost-effective alternative than Ameren Missouri's single-family income-eligible program."**[27]

A. There is no evidence to demonstrate that the federally funded weatherization programs implemented in Missouri are more cost-effective than the income-eligible programs in the Company's Amended Plan. We do know that both the weatherization and utility income eligible programs are a great benefit to income- eligible customers in underserved communities.

Under MEEIA. Income-eligible programs are not required to be cost-effective. The Amended Plan's income eligible portfolio, however, is cost-effective with a TRC of 1.23.[28] This is supported by the overall income-eligible sector TRC of 1.25[29]. Additionally, the plan year 2023 draft EM&V report indicates the Company's income-eligible programs were cost-effective. The fact that this sector is cost-effective means that it is providing total net benefits to all customers.

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[27] File No. EO-2023-0136, Geoff Marke Rebuttal Testimony, p. 3, ll. 11-12.
[28] Amended MEEIA 4 Plan – Appendix A – Summary Tables – Total Resource Cost Test Table pg. 11.
[29] File No. EO-2018-0211, Order Accepting EM&V Program Year 2022 Report, Issued July 12, 2023.

In addition to being cost-effective, the Company's Multi-Family Income Eligible ("MFIE") and Single-Family Income Eligible ("SFIE") programs served 1,785 income eligible customers in the MEEIA 3 cycle. The programs have exceeded average savings per single family home and multifamily property dwelling unit of 15%. This is approximately equivalent to eliminating two customers' bills annually. Co-delivery with natural gas utilities means that dual fuel customers will realize additional cost savings on their natural gas bills.

In comparison the Missouri weatherization assistance program agencies ("WAP") plans to weatherize 1,200 homes annually across *all* of Missouri. WAP also has barriers in serving its customers, as the agencies do not have funding available to address upgrades involving health and safety measures.

Consequently, there are opportunities for the Company's cost-effective income eligible programs to continue their current success in serving income eligible customers in undeserved and disadvantaged communities.

Q. Do you agree with Dr. Marke's position that, "If Ameren Missouri's Cycle IV application is approved, both Ameren Missouri and the Missouri Division of Energy will be simultaneously rolling out subsidized energy efficiency programs (supported by ratepayer funding for Ameren Missouri and taxpayer funding for the Division of Energy). Both entities will effectively cut checks from other people's money to hire third party contractors and evaluators to implement their programs. The difference is that Ameren Missouri demands a 19% return for itself on its ratepayers' investment, lost revenues associated with those measures, and on the amount it spends on administering the programs (the Division of Energy cannot

allocate more than 20% of its budget to administrative overhead).”?[30]

A. No. I identified in my rebuttal testimony on page 23-24 the impact of IRA funding on the Amended Plan’s income eligible programs. To maximize the impact, federal funds should be braided with existing utility program structures to increase participation, energy savings, and total benefits for customers. The IRA funding also has a finite time period to spend monies, and it has political uncertainty around its continuation.

Over 40% of the Company’s customers are identified as income eligible.[31] That equates to over 450,000 customers. So collectively, you can see the need for the state and the Company’s customers is great. There is opportunity for the Company’s cost-effective income eligible programs and the WAP programs to work collectively to help reduce the energy burden of our most vulnerable customers.

Q. Do you agree with Dr. Marke’s position that, "Ameren Missouri’s Technical Resource Manual needs to be updated to account for shorter lifespans associated with new energy efficiency equipment and failure of participants to properly maintain their equipment."[32]

A. I do not agree. The Technical Resource Manual ("TRM") is updated annually as energy efficient programs and federal equipment measure guidelines are updated. The updates include findings based on a robust EM&V process outlined in the Amended Plan. Additionally, the article[33] Dr. Marke cites is not as conclusive as the

[30] File No. EO-2023-0136, Geoff Marke Rebuttal Testimony, p. 3, ll. 13-22.
[31] Amended MEEIA Plan Workpaper – Ameren Final MPS_03-010-2020_with appendices.
[32] File No. EO-2023-0136, Geoff Marke Rebuttal Testimony, p. 4, ll. 5-7.
[33] Wolfe, R. (2024) The Lifespan of Large Appliances is Shrinking. *The Wall Street Journal*. https://www.wsj.com/personal-finance/the-lifespan-of-large-appliances-is-shrinking-e5fb205b

recommendation suggests. There is not enough information presented to determine if the increase in spending on appliances is due to equipment life reductions or just equipment reaching the end of its predicted life. It is also not evident how much the complexity and evolution of equipment leads to increased repairs versus complete replacement.

V. COMPREHENSIVE PORTFOLIO OF PROGRAMS

Q. How did the Company develop its comprehensive portfolio of programs?

A. My rebuttal testimony provides the detailed process followed to develop the Company's Amended Plan that is in alignment with the 2023 PRP of the IRP and provides the maximum benefits for customers.[34] The robust cost-effective programs include the program offerings for which the Company received bids from energy efficiency and demand response implementation contractors by way of its MEEIA 4 Request for Proposal (" RFP" process. The implementation contractors successfully implement programs with utilities across the US and abroad. This process supports the proposed comprehensive Amended Plan as it is based on the best available market data.

Residential Programs

Q. In his rebuttal testimony, Dr. Marke recommended removing the following programs: Multifamily Market Rate, New Construction, Energy Efficiency Kits and all Education programs. Do you agree with his recommendations?

A. No. The Amended Plan includes a portfolio of robust cost-effective energy efficiency and demand programs to help all customer better control consumption and reduce their energy bills. The programs Dr. Marke suggested removing from the portfolio

[34] File No. EO-2023-0136, Timonthy Via Rebuttal Testimony, pp. 1-4.

represents 5% of the total budget but provide opportunity for a large portion of the Company's customers to participate and be educated on the benefits of energy efficiency.

The Multifamily Market Rate program provides opportunities to deliver long-term energy savings and bill reductions to existing and/or new construction multifamily properties. The program will allow thousands of customers that reside in market rate multifamily units to participate. This program is growing in engagement and participation from multifamily property owners and management companies as shown by the extensive pipeline of $7M plus in future projects. The programs budget is $3.7M per year (3% of portfolio budget) and has a projected TRC of 1.7.

The Energy Efficiency Kits program increases customer awareness of the benefits of "high-efficiency" products (ENERGY STAR®, Consortium for Energy Efficiency (CEE) Tiers, or better) and educates residential customers about energy consumption in their homes by providing low cost measures to encourage saving energy cost-effectively. The programs budget is $0.5M per year (<.5% of portfolio budget) and has a projected TRC of 1.5.

The New Construction program promotes the installation of energy efficient technologies and creates deeper, long term energy savings for the Company's customers in the new construction market. The program budget is $1.0M per year (1.0% of portfolio budget). As this is a new program it does not become cost-effective until the third year but helps lay the groundwork for the new construction market into the future.

The Education programs seek to educate customers on energy use and the benefits of energy efficiency. Education channels, consisting of Real Estate Education & Outreach, Residential Code Compliance, Building Science Training, Community Based Organization

Engagement and Building Operations Certification ("BOC"), will encourage actions to lower energy use and promote participation in energy efficiency programs with associated energy and demand savings. These programs were approved as part of the MEEIA 2019-2021[35] plan and were highly engaging with increased participation by customers. The program budget is $1.1M per year (1.0% of portfolio budget). As these are educational programs with no direct contributable energy savings, they do not have a TRC.

Based on the information outlined above, I recommend the Commission approve the Multifamily Market Rate, New Construction, Energy Efficiency Kits and all Education programs and associated budget as outlined in the Amended Plan. These programs provide tremendous opportunity for customers to participate and gain valuable education on the benefits of energy efficiency and demand response. The programs are able to reach a large section of the Company's customers and remain cost-effective.

Q. In his rebuttal testimony, Dr. Marke strongly recommends increasing the budget and reach of the PAYS program by reallocating budgets from the following programs: Multifamily Market Rate, New Construction, Energy Efficiency Kits, and all Education programs. Do you agree with his recommendation?

A. No, not at this time. Earlier I provided the rationale and the benefits of the programs listed. The PAYS program is fairly new as it was launched in 2021. The objective of this program is to promote the installation of energy efficient technologies and access deeper, long term energy savings and bill reduction opportunities for customers by delivering program-funded energy efficiency services and customer repayment of those services through a tariffed on-bill charge tied to the premise. The program has

[35] See File No. EO-2018-0211.

struggled to gain acceptance by customers in its two plus years of implementation. The 2021 and 2022 annual EM&V analysis has the program performance low with a TRC of 0.68 and 0.61, respectively. Based on the performance of the program to-date, a recommendation to increase the budget is not warranted. However, the Company is working collaboratively with Staff, OPC, and other IOUs in Missouri to enhance the program design and garner acceptance and higher participation which would increase the cost-effectiveness and benefits for all customers.

Business Program

Q. Do you agree with Dr. Marke's comment, ". . .the current draft does not cap the amount of incentives that can be allocated for lighting. The previous one-year extensions went to great lengths to minimize free ridership with the absence of a full EM&V?"[36]

A. Yes, Dr. Marke’s assessment is correct as we did not include a budget cap on the allocation of lighting incentives in the business programs.

As expounded upon in my rebuttal testimony, the Amended Plan was developed utilizing key analysis from the Company’s 2023 Market Potential Study ("MPS"), along with continued communication and additional analysis and forecasting with experienced energy efficiency implementation contractors that implement utility programs throughout the United States and abroad. The MPS demonstrated that there continues to be ample opportunity for customers to upgrade their inefficient lighting.

My rebuttal testimony also elaborated on the need to continue to provide incentives for LEDs based upon the Energy Independence and Security Act of 2007

[36] File No. EO-2023-0136, Geoff Marke Rebuttal Testimony, p. 12 ll.4-6.

("EISA").[37] The Amended Plan identifies a need for lighting incentives to support the income eligible programs through various channels (i.e., direct install in Multifamily Income Eligible, Single Family Income Eligible, Community Lighting and Business Social Services programs) and business lighting efficiency upgrades not affected by EISA.

The 2024 one-year extension requires at least 45% of the business program's expenditures to be devoted to non-lighting measures or the Company will incur a financial penalty. The Amended Plan’s business lighting incentives account for 51%, of the total budget of the business portfolio which is comparable to 2024. The lighting opportunity is comparable to the potential recognized in the 2023 MPS, and the opportunity is based on customer projects that are being executed in the field and evaluated annually through the EM&V process. Business lighting provides tremendous benefits for the Company's customers to take control of their energy cost and move from inefficient equipment.

The Company recognizes there is still substantial opportunity for lighting savings, and the Amended Plan focuses on increasing participation from hard-to-reach, and late adopters that require additional motivation and/or an easier path forward. The increase in incentives is the embodiment of the additional, cost-effective financial motivation while changes such as the lighting Easy Application are an example of creating an easier path.

Examining participation so far in 2024, it is evident that there is attributable potential in the Company's territory. One specific example includes the schools K-12 channel. This was recognized as several St. Louis school districts in underserved communities, who have not previously participated to upgrade their lighting, (e.g.,

[37] File No. EO-2023-0136, Timothy Via Rebuttal Testimony, p. 35, l. 10 to p. 36, l. 6.

Ferguson-Florissant district) were able to leverage the incentives available through the Business Social Services ("BSS") program to convert their inefficient lighting to LED.

Q. Dr. Marke suggested that one of the critical components to minimize free-ridership in the absence of a full EM&V was enforcing a minimum spend on non-lighting. Does this suggest that with a "full" EM&V plan, such lengths would not be necessary?

A. Yes, we believe that any kind of minimum spend associated with minimizing free-ridership would not be needed with a full EM&V plan. Furthermore, the need to enforce caps and minimums as a substitute for EM&V, in its very nature, suggests the value and validity of the EM&V plan.

Demand Response Programs

Q. Do you agree with Dr. Marke's response that ARCs operate at no cost to customers?[38]

A. No, I do not agree with this assessment. The benefits associated with the program greatly outweigh the cost. The Amended Plan's Demand Response programs will deliver over $92M[39] in total net benefits to all customers.

Moreover, on various occasions, Dr. Marke commented that the Company's Business Demand Response program should be open to opt-out customers for the additional benefits as it's the most cost-effective program. [40] OPC and Staff agreed to the PY24 extension with the provision to have opt-out customers participate in the program.

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[38] File No. EO-2023-0136, Geoff Marke Rebuttal Testimony, p.7, l.8.
[39] Amended MEEIA 4 Plan – Demand Response Sector Charts pg. 48-49.
[40] Feedback discussion at the September 14th Regulatory Stakeholder Meeting – Amended MEEIA Plan Workpaper – MEEIA 4 Stakeholder Business Portfolio 9-14.

The business demand response program has a total resource cost ("TRC") of 4.23,[41] which is highly cost-effective and beneficial to all customers.

Income Eligible Programs (Staff and OPC's Position)

Q. Do you agree with Mr. Kiesling's views that the rebates offered from the Federal Inflation Reduction Act ("IRA") significantly increase free-ridership and impacts program cost-effectiveness, and how some programs are duplicative of IRA.[42]

A. I do not agree with Mr. Keisling's assessment. As discussed in my rebuttal testimony (pg. 26), many of the details and guidelines for IRA funding for Missouri are currently being determined by Missouri Department of Natural Resources and programs will not launch until 2026. The most economical way to move forward is the braiding of funds to create efficiencies and eliminate duplication of administrative cost. The Company has implemented energy efficiency programs for over a decade and has proven robust cost-effective program designs to best market programs to customers and provide the most customer benefits. With the braiding approach the programs are more complimentary and will be able to increase program participation to help customers take control of their energy cost. As outlined in my rebuttal testimony the budget allocation for the IRA funding is limited in comparison to the Company's utility scale programs.[43] The Amended Plan accounts for a robust EM&V process that will appropriately provide impacts to the cost-effectiveness of the program by assigning the appropriate attribution and free-ridership analysis.

[41] Ameren Missouri PY2023 Vol.1 Portfolio Summary Draft 2024-03-15 pg. 16.
[42] File No. EO-2023-0136, Mark Keisling Rebuttal Testimony, pp.. 1-2
[43] File No. EO-2023-0136, Timothy Via Rebuttal Testimony, p. 25 ll. 4-24.

Q. Ms. Eichholz's rebuttal testimony states, "Staff is concerned that setting the income levels at or below 80% of area median income or 200% of the federal poverty level ("FPL") for the single family and multi-family income-eligible programs likely results in more mid-income participants as opposed to actual low-income participants."[44]

A. The Amended Plan's income eligible programs has established successful design and outreach approaches to target the most at need and energy burden income eligible customers proportionately in our rural and urban territories. To illustrate this, the SFIE program uses this targeted neighborhood approach, and continuing collaboration with community-based organizations to identify income-eligible underserved and disadvantaged communities with the greatest need, such as those with high energy usage, and high incidence of arrearages or payment delinquencies.

It is worth noting that the 80% area median income is on par with the federal guidelines approved for Home Energy Rebates as a guideline set for highest level of rebates available for Home Energy rebates[45] under Section 50121 of the Inflation Reduction Act ("IRA") of 2022.

VI. COMPANY'S AMENDED MEEIA PLAN IS BENEFICIAL TO ALL CUSTOMERS

Q. Dr. Marke provides an alternative path forward that meets the statutory requirements in an attempt to evolve MEEIA to be more cost -effective and aligned with the goal of supporting only cost-effective measures for all customers

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[44] File No. EO-2023-0136, Amy Eichholz's Rebuttal Testimony, p. 2 ll, 18-21.

[45]https://www.energy.gov/sites/default/files/2023-10/ira-50121-50122-home-energy-rebates-categorical-eligibility-list_10-13-2023.pdf

regardless of participation.[46] Do you coincide with Dr. Marke's proposed alternative path forward.

A. I do not agree in totality. As expounded on in my rebuttal testimony, the Amended Plan was developed through a detailed process that is in alignment with the 2023 IRP PRP.[47] The cost-effective Amended Plan provides opportunities for all customers to participate and maximizes customer benefits. Contrary to Dr. Marke's suggestion that the Amended Plan erases the progress made in the one-year extensions, the Amended Plan builds on the success of more than a decade of implementing robust cost-effective programs that have provided over $1.3 billion in total net benefits to all customers. The Amended Plan also supports continuity of programs while accounting for and incorporating analysis such as naturally occurring energy efficiency adoption as a result of market and federal codes and standard changes, and AMI utilization and integration in its overall portfolio design to improve efficiencies and provide additional benefits.

Q. Does shrinking the Amended Plan's budget and eliminating programs limit customer participation and benefits?

A. Absolutely. The Amended Plan provides opportunities for all customers to participate and maximize benefits.

Q. Has OPC supported the notion of increasing participation as a beneficial strategy?

A. Yes. Below is an excerpt from Dr. Marke's rebuttal testimony from the Company's MEEIA II case (File No. EO-2015-0055):

> Increasing levels of customer participation is essential, because as more customers participate in energy efficiency programs, more customers will experience the

[46] File No. EO-2023-0136, Geoff Marke Rebuttal Testimony, p. 1 l.18 to p. 2 l. 2.
[47] File No. EO-2023-0136, Timothy Via Rebuttal Testimony, pp. 1-4.

benefits of net bill reductions. In fact, when seeking to mitigate rate impact concerns, regulators often consider increasing program budgets—rather than decreasing them—as a way of increasing participation and increasing the portion of customers that experience net benefits from energy efficiency programs.

If the majority of customers eventually become program participants, then concerns about rate impacts should be significantly mitigated as more customers experience net reductions in their bills.

Q. Has Staff recognized the notion of increasing participation as a beneficial strategy?

A. Yes. Below is an excerpt from the transcript of the hearing in File No. EO-2015-0055, where Staff witness John Rogers is responding to a question from Commissioner Rupp:[48]

Q. So explain to me your thought process. Is it the utility's job to get everyone to participate or is there a benefit available but it's up to the individual to choose whether or not to participate?

A. Well, that's one of -- that's one of the paths forward to make the current portfolio more acceptable is to increase through – through some kind of process to improve the program so that more customers can participate.

Q. How does this discussion about maximizing participation relate to the differences between supply-side and demand-side resources?

A. When it comes to supply-side resources, everyone is an automatic "participant," meaning there are no "nonparticipants." Therefore, maximizing participation in demand-side resources is an effective strategy to better align how customers as a whole are impacted by demand-side resources with how customers as a whole are impacted by supply-side resources. The best way of maximizing participants is for the Commission to

[48] Tr. p. 780, lines 1-9, Vol. 3, File No. EO-2015-0055; Commissioner Rupp question to Staff witness John Rodgers.

approve the robust cost-effective Amended Plan that provides programs to maximize participation and benefits for all customers.

VII. MISCELLANEOUS POINTS MADE IN REBUTTAL

Smart Thermostats for no or low-cost

Q. Does Company provide smart thermostats to customers for free to boost energy savings?

A. No. A smart thermostat is a great low-cost measure to help customers take control of their energy cost. Smart thermostats are easy to install and compatible with most Heating Cooling and Ventilation ("HVAC") systems. The energy savings from the smart thermostats represents 13% (see table below) of the Residential portfolio energy savings target. The table depicts the total energy savings attributable from smart thermostats for the Amended Plan's energy efficiency programs. As shown, the Efficient Products program is the major driver of energy savings for smart thermostats in the Plan at 48%. Providing smart thermostats for low to no cost to customers as part of the Efficient Products program provides customers a simple opportunity to participate in the Company's energy efficiency and demand response program.

Thermostat % of Savings	2025	2026	2027
Efficient Products	48%	48%	48%
Heating and Cooling	5%	5%	5%
Energy Efficient Kits	0%	0%	0%
PAYS	7%	7%	7%
Multi-Family Market Rate	0%	0%	0%
New Construction Whole Home	17%	17%	17%
Residential Total	**13%**	**13%**	**13%**

Q. Does the Company provide free smart thermostat as part of the Efficient Products program?

A. There is the potential for a customer to receive a free smart thermostat if the customer accepts all available rebates and incentives, which includes standard products rebate, manufacturer's rebate (i.e. Nest, Ecobee, Honeywell, etc.).

Q. Can you provide an example of the special promotion in which a customer will receive a free thermostat?

A. Yes. The Company's had a promotion in 2023 that provided thermostats for free through Online Marketplace (Smart Thermostats for Optimal Home Comfort | Ameren Missouri Marketplace) combination of manufacturer rebates in conjunction with Company's Efficient Products rebate. These promotions can occur throughout a year based on the manufacture specials that reduce the cost to $1 (i.e. for Earth Day Google Nest (April 3-23, 2024) and Sensi (April 9-29, 2024)).

Q. Are there additional opportunities for customers to benefit by purchasing and installing a smart thermostat?

A. Yes, a customer has an opportunity to enroll and participate in the Peak Time Savings. Enrollment will allow a customer to control their energy cost and ease the strain on the energy grid during times of highest demand.

Plan alignment with Preferred Resource Plan of 2023 IRP

Q. Ms. Lange states that, "the portfolio in MEEIA 4 as modeled by Ameren Missouri is not consistent with the Realistic Achievable Potential (RAP) capacity modeled in Ameren Missouri's IRP."[49] Do you agree with this assessment?

A. No this is not accurate, as illustrated in my rebuttal testimony on page 10. The Amended Plan aligns with the analysis and data published in the 2023 MPS which

[49] File No. EO-2023-0136, Sarah Lange Rebuttal Testimony, p. 11, ll. 4-6.

informed the IRP and RAP levels, which were included in the PRP. The table below outlines the close alignment of the Amended Plan with IRP Preferred Plan.

Comparison of MEEIA 2025-27 to the 2023 IRP Preferred Plan

	Energy (MWh)	Demand (MW)	Cost ($MM)
2023 IRP (2025-2027)	876,294	521	$356
MEEIA 2025-2027	822,340	517	$370

<u>AMI Inclusion in the Amended Plan</u>

Q. Renew Missouri Advocates witness Piontek acknowledges that, "[o]ur position is that Ameren should make aggressive use of its cutting-edge AMI and should experiment with ratemaking trends (e.g., TOU rates) via targeted pilot programs or universal opt-out rates, with the goal of complementing the MEEIA demand-side management initiatives."[50] Does the Amended Plan identify opportunities to utilize advanced metering infrastructure ("AMI") data to benefit program adoption and program efficiencies?

A. Yes, the Amended Plan identifies opportunities to utilize AMI data in targeted marketing, innovative programs, and in the evaluation of programs.[51]

One of the innovative programs that is planned to continue as part of the MEEIA 2025-2027 plan is the Smart Meter Commissioning program. This program allows the implementer to analyze the AMI data for usage patterns and identify accounts which appear to have unusual energy usage, making them potential candidates for energy savings. This service, leveraging the data collected with AMI, allows the program to proactively reach out and recommend energy savings measures rather than waiting for the customer to self-

[50] File No. EO-2023-0136, Emily Piontek Rebuttal Testimony, p. 18, ll. 14-17.
[51] Amended MEEIA 4 Plan – Smart Meter Data pg. 49.

identify an opportunity. The Smart Meter Commissioning program provides an excellent opportunity to reach out to those customers that often haven't sought out energy efficiency and provide them with a validated opportunity, which in turn helps create awareness of the program and additional energy savings opportunities.

VIII. AMENDED PLAN BUDGET VARIANCE

Q. What budget contingency did the Company request as part of the Amended Plan?

A. The Amended Plan recommended a 10% budget variance to support the portfolio from 2025-2027. This is half of the 20% allowed by 20 CSR 4240-20.094(5). The Company has been very prudent with the variances approved during previous MEEIA cycles including extensions.

Q. Does this conclude your rebuttal testimony?

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 4th Filing to Implement Regulatory Changes in Furtherance of Energy Efficiency as Allowed by MEEIA.	))))	File No. EO-2023-0136

AFFIDAVIT OF TIMOTHY VIA

STATE OF MISSOURI)
) ss
CITY OF ST. LOUIS)

Timothy Via, being first duly sworn on his oath, states:

My name is Timothy Via and hereby declare on oath that I am of sound mind and lawful age; that I have prepared the foregoing *Surrebuttal Testimony*; and further, under the penalty of perjury, that the same is true and correct to the best of my knowledge and belief.

/s/Timothy Via ___________________
Timothy Via

Sworn to me this 30th day of May 2024.