Exhibit No. 111

Ameren – Exhibit 111
J. Neil Graser Testimony
Surrebuttal
File No. EO-2023-0136

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MISSOURI PUBLIC SERVICE COMMISSION

FILE NO. EO-2023-0136

SURREBUTTAL TESTIMONY

OF

J. NEIL GRASER

ON

BEHALF OF

UNION ELECTRIC COMPANY

D/B/A AMEREN MISSOURI

St. Louis, Missouri
May, 2024

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SURREBUTTAL TESTIMONY

OF

J. NEIL GRASER

FILE NO. EO-2023-0136

I. INTRODUCTION

Q. Please state your name and business address.

A. My name is J. Neil Graser. My business address is One Ameren Plaza, 1901 Chouteau Ave., St. Louis, Missouri.

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

A. I am the Manager, Energy Analytics, for Union Electric Company d/b/a Ameren Missouri ("Ameren Missouri" or "Company").

Q. Are you the same J. Neil Graser that submitted rebuttal testimony in this case?

A. Yes, I am.

II. PURPOSE OF TESTIMONY

Q. To what testimony or issues are you responding?

A. I am responding to issues raised in Staff Rebuttal testimony related to the Company's Technical Resource Manual (TRM), the Submittal Tool and DSMore, and other Evaluation, Measurement, and Verification (EM&V) topics. Specifically, Staff raised several issues and provided examples, but these often misrepresent the facts and circumstances. Additionally, I address how the current (and proposed) evaluation process allows for stakeholder feedback and provides a constructive process to address concerns. The proposed evaluation process addresses Staff's criticisms outlined in its rebuttal testimony.

Q. Are you including any schedules with your testimony?

A. Yes, I am including the following schedule:

Schedule JNG-S1 – Ameren Missouri's response to Staff DR 0125.

III. TRM

Q. **Several Staff witnesses claim that the TRM as-filed with the amended application is deficient. Please explain what their concerns are.**

A. Staff Witness Luebbert believes that the TRM is too voluminous,[1] lacks adequate citations,[2] and does not take into consideration improved efficiency in baseline measures over time.[3] Additionally, Staff Witness Kiesling indicates that Ameren's TRM should be pared down to only measures being offered and that broken links are preventing them from analyzing the data inputs.[4] Staff Witness Del Pozo asserts that the TRM contains voluminous assumptions without appropriate citation.[5]

Q. **Are these concerns valid?**

A. No. First, I want to provide a little historical context. These TRM documents originated with the Missouri statewide TRM initiative begun back in 2017, and while not officially adopted by the Commission, the statewide TRM served as the basis for the Company's TRM initially filed with the MEEIA 3 cycle. These documents have grown and evolved over the past several years, with significant input and oversight provided by an independent, third-party evaluation contractor, who updates the files with the results of the prior year's evaluations and feedback from the other parties involved in the annual evaluation process (such as the

[1] File No. EO-2023-0136, J. Lubbert Rebuttal Testimony p. 32, l.20.
[2] *Id.* at page 32 line 23, continuing onto page 33 starting at line 1.
[3] *Id.* at page 36 line 6.
[4] File No. EO-2023-0136, M. Keisling Rebuttal Testimony, p. 12 ll. 18-23.
[5] File No. EO-2023-0136, F. Del Pozo Rebuttal Testimony, p. 2 ll. 11-13.

independent auditor and other stakeholders). Additionally, the annual TRM process includes updates for other recent developments, such as changing building codes or federal standards. Specifically, as it relates to Appendix F, the Deemed Savings Tables, the additional detail included was intended to provide more transparency by showing all the inputs in a formula-based file that feed into the savings calculations for any prescriptive measures.[6] These files are reviewed by Staff at least annually as part of our update process, and at no point have these broad and overarching concerns of transparency, sourcing, and inappropriateness been raised to the Company or in the Company's TRM update filing. Updating the TRM in the annual update filing is more appropriate than in this docket because the updates made in 2024 will be reflected in the TRM effective January 1, 2025, and supersede the TRM filed in this case. To the extent the annual update can be improved to be more user friendly, including providing Staff access to "raw data, statistical analyses, and samples used by third-parties while assessing the effectiveness of MEEIA programs,"[7] Ameren Missouri does not object to scheduling a stakeholder meeting to address improvements to the process.

As with anything in MEEIA, there must be a balance between costs and benefits. The current TRM update process takes several months of effort to incorporate the latest changes and new information (including any changes to baselines), and the Company's evaluators focus on those measures that are most impactful to our programs. To help facilitate efficient reviews of updates, each year the Company provides both a "redlined" and "clean" version of each of the TRM appendices so that Staff and the Commissioners are able to easily identify the proposed changes. The historical updates are also tracked in the Appendix F Deemed Savings tables, such that the input changes made each year can be seen in a single location to provide further

[6] https://efis.psc.mo.gov/Document/Display/169432 Page 42.
[7] File No. EO-2023-0136, Hari Poudel Rebuttal Testimony, p. 7 ll. 3-4.

transparency. However, to review every input every year is not reasonable and has little benefit, as it would add a significant amount and time and cost to the process since many inputs have little to no impact on the Company's programs. Additionally, Ameren Missouri has not pared down the TRM to measures only being offered in the current year to allow for flexibility in implementing programs and to not lose the original work to pull all of these together into a single volume. As noted in the Company's data request response to MPSC 0125 attached as Schedule JNG-S1, should some of the measures that are not currently offered become available to achieve cost-effective savings for customers in the future, it would be appropriate for the Company to re-examine the existing inputs and values for these potential updates.

It's understandable how broken links can frustrate an exercise of tracing values through to original sources, and Ameren Missouri will certainly work to remedy this as part of the 2024 TRM update process, which is kicking off in May. However, to propose that the values themselves, along with the rest of the document, cannot be trusted simply because a website such as energystar.gov redesigned their pages and broke the old links is unreasonable and undermines the process that adopted and vetted the values in the first place. Additionally, just because a source may be "old" does not automatically indicate it is incorrect or no longer relevant; many of these parameters are not updated on a regular or frequent basis. There is no authoritative single-source repository that can be referenced for all of the measure inputs, which is another reason the Company relies on the expert evaluators, who are able to leverage their experience with not only Ameren Missouri's programs but also other programs in other jurisdictions to identify the appropriate changes needed.

Ameren Missouri is willing to explore other options to cite and source these TRM values, because the internet will be constantly changing, and there is no guarantee an external link that was updated one year will be working even a month later.

Q. Staff Witnesses Tevie and Del Pozo provide examples of TRM baselines that are claimed to be misapplied. Can you please speak to that?

A. On page 5 of his Rebuttal testimony, Mr. Tevie discusses an Early Replacement (ER) Heating, Ventilation, and Air Conditioning (HVAC) measure and at line 18 mentions that the ER baseline for the first six years "is misrepresented as a cooling measure." I am unsure as to why he believes this is misrepresented, but for Central Air Conditioning measures, as found on page 4 of Appendix F, cooling is absolutely the correct end use to apply as these appliances are purely used to cool homes during the summer months. For measures like heat pumps and thermostats, savings are split into heating and cooling savings, and the appropriate coincidence factor is applied to those savings separately. Ameren Missouri is happy to meet with Mr. Tevie to discuss this and clear up any confusion.

On line 19, Mr. Tevie also believes that the use of an 8.3 SEER baseline for the ER portion is inappropriate and claims the Company should be using the current federal minimum rating of 14. First, the 8.3 SEER represents a value incorporating an age-degradation factor,[8] so the nameplate SEER value of the original existing unit was higher than that. Second, the premise of using the current minimum standard is inappropriate, as Ameren Missouri is making an assumption about an older unit that was likely installed prior to the prior federal minimum rating of 13 SEER implemented in 2006;[9] the supporting workpapers for the PY22 program

[8] Amended Application, Appendix I, page 86.
[9] https://www.eia.gov/todayinenergy/detail.php?id=40232

evaluation[10] list the average age of the equipment being replaced as being just over 20 years old. Consistent with the TRM, Ameren Missouri does use the new federal baseline effective in 2024 of 14 SEER in instances when the new measure is installed after the prior one has failed (a Replace on Fail or Time of Sale scenario) and for the remaining 12 years of the aforementioned ER scenario.[11] Additionally, this default value is only used when the project-specific information cannot be determined (such as a missing or unreadable nameplate on the existing equipment). Our program evaluators look at the actual existing equipment in place for each project and use those SEER values in calculating the realized savings for the ER measure.

On page 4, beginning at line 15, Mr. Del Pozo takes issue with the assumption of a six-year remaining useful life on the ER HVAC measures. I would simply note this is a reasonable and common industry assumption, that on average one third of the life of the unit is remaining upon early retirement, which can be found in TRMs in other jurisdictions as well.[12]

Q. **Staff Witness Kiesling raises two concerns with the proposed New Construction program. What are those, and how do you respond?**

A. On page 11 beginning at line 11, Mr. Kiesling's first point of contention is that new homes will need to have insulation, air conditioners, furnaces, windows, and water heaters installed regardless of the Company's programs, and therefore this is another example of free-ridership. His second point of contention, beginning at line 18, is that a contractor building the house (who may not be an Ameren Missouri customer) could get the rebate instead of the actual homeowner.

[10] JNG-3, ER Analysis tab, cell D3.
[11] Appendix I, page 84.
[12] Illinois TRM v12.0 Volume 3, page 128.

I would agree that people certainly have to install such measures when building new homes, which must meet federal minimum standards and/or local building codes. However, Mr. Kiesling seems to be missing the entire point of the programs Ameren Missouri offers through MEEIA, which is to offer incentives to install appliances more efficient than the standard appliance. The incentive from Ameren is intended to cover a portion of the incremental cost for these higher-efficiency measures, and although Mr. Kiesling provides an example of a hypothetical contractor keeping the rebate, I find it hard to believe that the new homeowner would receive zero direct benefit from the program. The two parties would certainly review the costs associated with the home, including any additional amounts related to the higher-efficiency measures, and would come to a mutually agreeable decision on how to split those costs. Furthermore, at a broader level, those energy and demand savings provide benefits to both the participants and non-participants alike. Therefore, even if the contractor did "pocket the money," the homeowner and others would continue to benefit for years to come from the savings produced by those measures, and those savings were created by the existence of the incentive.

IV. SUBMITTAL TOOL AND DSMORE

Q. **Staff Witness Lange alleges there are deficiencies with the Submittal Tool and DSMore, including their interaction. Please describe her concerns.**

A. On page 9, line 12 of Staff Witness Lange's rebuttal testimony, she indicates that the workpapers for DSMore and Appendix A are incongruent and do not provide consistent cost totals, and on page 21, lines 19-21, she states that "…the workpapers that feed into Appendix A and the calculations provided in the DSMore workpaper reflect different program costs, non-program costs, and benefits valuations…"

Q. **Can you please respond?**

A. These claims are inaccurate, and Staff does not acknowledge how the DSMore software and the Submittal Tool are used to develop Appendix A. Before I address Staff's specific point, first I want to provide a brief overview of the two tools as background to explain why these claims are inaccurate.[13] The DSMore software, as created and supported by Integral Analytics and utilized across the utility industry, was the tool used to determine the cost-effectiveness for all of Ameren Missouri's MEEIA cycles to date. Ameren Missouri runs the modeling during the planning process to ensure the programs are cost-effective per all of the tests required by the Commission's rules, and the evaluators run the model during the evaluation process for inclusion of cost effectiveness results in the evaluation report. I would also note that as DSMore is a proprietary software, Ameren Missouri does not have a reasonable ability to clearly cite sources in the output files created when running DSMORE, because all of those output files are generated when running the model itself (i.e., they are not an output from Ameren staff).

The Submittal Tool is an Ameren-developed model that uses an Excel formula-based approach to pull all of the necessary data inputs together in a single location. Many of those are taken directly from the most recently Commission-approved Appendix F from our TRM, along with other similar inputs used in DSMore (such as avoided costs, discount rates, measure counts, etc.). Development of the Submittal Tool began during MEEIA cycle 2, and it has been more heavily utilized in MEEIA cycle 3. The Submittal Tool is intended to create <u>more</u> transparency by showing how all the costs and benefits flow from the measure level inputs all the way up to the portfolio level combined totals. Furthermore,

[13] *See also* the File No. EO-2023-0136, Direct Testimony of Jeff R. Brueggemann.

it provides additional operational flexibility to various teams (including implementers and stakeholders) by allowing analysis of various scenarios quicker and without having to re-run the full DSMore models.

Both modeling tools use the same costs and benefits, and therefore produce the same results. Another benefit to note is that by running our cost effectiveness tests in two separate modeling tools, we are able to identify discrepancies and refine either or both to provide additional comfort over the results within a reasonable level of precision.

The Company met with stakeholders (including Staff and Office of the Public Counsel "OPC") on October 18, 2023[14], and February 29, 2024, to walk through the data inputs and flows for both DSMore and the Submittal Tool and have responded to several data requests[15] to try and further explain these specific tools to Staff, although it seems as though those efforts have been for naught.

Q. With that background, can you please show Witness Lange's example apparently evidencing incongruent costs and provide your response as to how these values actually agree with one another?

A. The table provided at line 4 of page 10 of Staff witness Lange's testimony appears to show very different cost totals, although upon investigation, these values pulled from the Submittal Tool and DSMore represent very different buckets of costs.

[14] Please refer to Confidential Schedule JNG-S2 for the October 18 presentation.
[15] See the Company's responses to MPSC 0124, 0126, and 0128.

	Program Costs in Appendix A	Program Costs in DSMore Files	Ameren Modeled Non-Program Costs Appendix A	Ameren Modeled Non-Program Costs DSMore Files
2025	$ 64,170,989	$ 49,439,919	$ 149,265,230	$ 69,356,699
2026	$ 68,476,802	$ 52,049,955	$ 153,952,197	$ 71,454,718
2027	$ 72,497,642	$ 54,391,750	$ 157,740,755	$ 73,255,398
	$ 205,145,433	$ 155,881,624	$ 460,958,182	$ 214,066,814

One initial point of confusion with Ms. Lange's example is that the "program costs" and "non-program costs" are not specific fields within either modeling tool. Below are a couple tables that compare the actual cost categories as found in both DSMore and the Submittal Tool, and as you can see the "Total TRC Cost" values in column J (both nominal and NPV dollars) align very closely, contrary to Ms. Lange's incorrect accusation. DSMore and the Submittal Tool identify administrative costs in different buckets, due in part to the fact that the data is coming from two different models (one created by Ameren Missouri and one by Integral Analytics). To reconcile these two approaches, the Company goes to great lengths to try to align these models as closely as possible. During the process of creating these two models, Ameren Missouri makes many comparisons between the two at both the program and portfolio levels to make sure they align very closely, and that work helps validate consistency and accuracy across the results. That said, when adding thousands of inputs into two different models, there are bound to be some rounding differences, which is why these do not precisely equal one another. However, at the end of the day when we get down to values across these models that don't match by a few hundred or even several thousands of dollars, the differences are immaterial when comparing to hundreds of millions of dollars, and the impact to cost effectiveness is not visible out to several decimal points.

Please refer to the screenshots below of workpaper JNG-2 showing the actual comparisons of costs and benefits between DSMore and the Submittal Tool, which demonstrates that the two models are in material alignment. Additionally, please refer to Ameren Witness Wills' Surrebuttal testimony for further discussion of the proper inclusion of costs and calculation of the TRC cost-benefit test.

	C	D	E	F	G	H		I	J
	DSMORE Nominal ($ millions)								
	Incentives	Administration Costs							
	Incentives	Administration			Other	Total Participant Costs			Total TRC COST
2025	$ 49.44	$ 82.62			$ 12.27	$ 69.65			$ 164.55
2026	$ 52.05	$ 83.88			$ 13.67	$ 71.72			$ 169.27
2027	$ 54.39	$ 86.77			$ 15.09	$ 73.22			$ 175.09
Total	**$ 155.88**	**$ 253.27**			**$ 41.04**	**$ 214.59**			**$ 508.90**
	DSMore NPV ($ millions)								
2025	$ 49.44	$ 82.62			$ 12.27	$ 69.65			$ 164.55
2026	$ 48.71	$ 78.49			$ 12.80	$ 67.11			$ 158.40
2027	$ 47.63	$ 75.99			$ 13.22	$ 64.12			$ 153.33
Total	**$ 145.78**	**$ 237.10**			**$ 38.28**	**$ 200.89**			**$ 476.28**
								Benefits	**779.23**
								Benefit/Cost Ratio	**1.64**

	C	D	E	F	G	H		I	J
	Submittal Tool Nominal ($ millions)								
	Incentives	Administration Costs							
	Incentives Less Misc. Cost	Setup Cost	Administrative Cost	Marketing Cost	Miscellaneous Costs	Measure Level TRC Cost	Other Portfolio less EO	Earnings Opportunity	Total TRC COST
2025	$ 49.44	$ 1.04	$ 40.87	$ 1.17	$ 14.73	$ 79.91	$ 11.55	$ 15.77	$ 165.03
2026	$ 52.05		$ 42.34	$ 1.18	$ 16.43	$ 82.50	$ 11.50	$ 15.31	$ 169.27
2027	$ 54.39		$ 42.70	$ 1.21	$ 18.11	$ 84.49	$ 11.24	$ 16.81	$ 174.55
Total	**$ 155.88**	**$ 1.04**	**$ 125.92**	**$ 3.56**	**$ 49.26**	**$ 246.89**	**$ 34.29**	**$ 47.89**	**$ 508.85**
	Submittal Tool NPV ($ millions)								
2025	$ 49.44	$ 1.04	$ 40.87	$ 1.17	$ 14.73	$ 79.91	$ 11.55	$ 15.77	$ 165.03
2026	$ 48.71	$ -	$ 39.63	$ 1.11	$ 15.37	$ 77.20	$ 10.76	$ 14.33	$ 158.40
2027	$ 47.63	$ -	$ 37.39	$ 1.06	$ 15.86	$ 73.99	$ 9.85	$ 14.72	$ 152.86
Total	**$ 145.78**	**$ 1.04**	**$ 117.89**	**$ 3.33**	**$ 45.96**	**$ 231.10**	**$ 32.16**	**$ 44.82**	**$ 476.29**
								Benefits	**779.31**
								Benefit/Cost Ratio	**1.64**

V. EM&V

Q. **Staff Witness J Luebbert takes issue with the Appendix E – Sample Evaluation Plans included in the Company's application. What was his concern, and how do you respond?**

A. On page 10, line 14 of Mr. Luebbert's Rebuttal testimony, he dismisses the "…largely vague "plans" that consist of less than one page of general discussion of the "plan" to evaluate some of the proposed programs." While this appendix is certainly shorter than the actual evaluation plans for each program year that are prepared by the independent evaluation contractor and reviewed by Staff prior to finalization, Ameren Missouri has captured the key components that are most useful in the gross and net impact and process evaluations. These considerations are driven by what has actually been used in historical evaluations, and to the extent that our proposed programs are approved, we would expect the evaluation methods to remain fairly consistent and follow the terms laid out in the appendix. As noted in the application, detailed evaluation plans for each program will be developed and shared with stakeholders for review in advance of implementation, which provides for another opportunity for stakeholders to ensure that their feedback is heard. This is a chicken-and-egg situation as well, since developing detailed evaluation plans is the first step taken each year by the evaluator upon signing the Statement of Work ("SOW") for each program year, and that SOW will not be signed until there are approved programs in place.

I note that the concerns raised by Staff and OPC related to free ridership and the IRA are addressed by this appendix, as there are three potential methods listed in the Heating and Cooling page to estimate free riders and spillover:[16]

- Estimate based on preponderance of evidence leveraging mixed method approach
- Participant survey to estimate free ridership and participant spillover
- Contractor/distributor interviews to estimate non-participant spillover

The evaluation plan for PY24 (that Staff has already reviewed as part of the current process) uses participant surveys for most programs. The midstream HVAC program will also use distributor surveys. The evaluation plan included preliminary survey questions and scoring methodologies. Survey questions include asking whether the customer made their decision to

[16] https://efis.psc.mo.gov/Document/Display/768900 page 5.

purchase the equipment before or after they learned about the Ameren program, what they would have done without the Ameren program, how important the Ameren program was on their decision to install, and the impact the program had on the timing of when they installed the equipment. The next step for the 2024 evaluation plan will be for stakeholders to again review the surveys before they are launched.

The proposed process for 2025 and beyond will be the same, with stakeholders reviewing both the evaluation plans and surveys prior to implementing. There will be opportunities to suggest questions or make revisions to proposed questions and scoring before the surveys are sent to participants.

In terms of the specific application of this process to the potential IRA rebates, I note that at this time, there is little guidance on what the process will be for customers to receive incentives or what measures will be included. There will likely be Ameren Missouri energy efficiency and demand response programs and measures that have minimal to no impact from IRA funds. This will be especially true if the focus of the funds is on electrification, since the Company's MEEIA programs do not promote fuel switching. To the extent that tax incentives are rolled out for the same measures that the Company is incentivizing, the evaluation process laid out above (including stakeholder reviews) will be able to handle the fair attribution of savings. It will be important for all stakeholders to continue monitoring this topic and have collaborative discussions to make decisions based on actual information rather than speculating in advance.

Q. **Staff Witness J Luebbert also provided an example of the EM&V process not working. Please describe his example and provide your response.**

A. On page 35, line 5 of Mr. Luebbert's Rebuttal testimony, he calls out that the actual energy savings for the residential demand response program have tended to be less than 20% of the stated goal and suggests that the TRM and Deemed Savings tables should be updated. I believe there are two reasons why this is a misguided suggestion. First, Mr. Luebbert is missing the bigger picture; the primary purpose of the demand response program is not to provide energy savings, but rather demand savings. Second, as noted in the PY22 evaluation report,[17] the energy savings goal was based on the program delivering optimized thermostat settings on non-event days, but due to unforeseen changes in the way that two of the three qualifying thermostat manufacturers programmed their devices, Ameren Missouri was only able to actually run optimization and claim savings on customers with Emerson devices. Finally, as found within Appendix A of the MEEIA 4 amended filing, the Company did not include any incremental energy savings associated with the demand response programs[18], further confirming that the demand savings are the primary goal associated with these programs.

Q. Staff takes exception to the proposed approach to move toward prospective EM&V. Please describe their opposition.

A. Staff Witness Hari Poudel says on page 8 line 1 of his rebuttal testimony states that "[i]t is not justifiable to shift the entire burden of non-performance in energy efficiency from implementers and contractors to ratepayers. The non-performance in energy efficiency could overestimate energy savings, which could lead to increased costs for ratepayers or decreased cost-effectiveness. The performance of an energy efficiency program is not limited to the amount of energy reductions, but also to the benefits to all ratepayers achieved through MEEIA programs. However, the prospective evaluation approach introduces safeguards to Ameren

[17] https://efis.psc.mo.gov/Document/Display/17596 - page 5.
[18] Amended Application, Appendix A, page 7.

Missouri's MEEIA program implementers rather than the ratepayers that will fund the programs."

Staff Witness Sarah Lange, beginning on page 15 line 7 of her Rebuttal testimony, indicates that "Ameren Missouri's MEEIA Plan states that it is "punitive" for implementors who have voluntarily contracted to do business with Ameren Missouri to receive lower benefits (in the form of payment) for the work they perform if, upon evaluation, measurement, and verification, it is determined that the work performed did not achieve the level of energy or demand savings desired."

Q. **How do you respond?**

A. Ameren Missouri is not proposing that the entire burden of non-performance be shifted to customers. As noted within the Amended Application, there would still be some evaluation results that will be applied retrospectively. The calculation of realization rates, which is the difference between claimed (or "ex ante") savings and evaluated (or "ex post") using data collected from program tracking systems and/or site visits, would still be applied retrospectively[19]. For instance, if the implementers claimed savings from installing 20 measures, but an on-site verification only confirmed 18, then the reduction in savings for those two measures would be applied retrospectively. Implementers would be "on the hook" for the performance of the programs that are under their control. Residential programs often use deemed savings from the TRM for ex ante calculations, whereas the evaluation would use actual program tracking data when available for ex post, resulting in a realization rate change that currently is, and would continue to be, applied retrospectively.

[19] Amended Application, page 55.

What the Company is proposing be used prospectively is information not known at the beginning of the year, such as a change in deemed savings values. We described this portion of retrospective evaluation as punitive because the playing field is essentially changing after the game is over. Program targets, marketing outreach, and budgets were designed and allocated based on the level of deemed savings in effect based on the current TRM (simple example: X savings times Y incentive plus administrative costs equals program budget). Implementers will not know until after the plan year is over that the savings assumptions had changed, removing any opportunities to adjust and improve until it's too late in the process. Therefore, we are proposing that changes to deemed savings assumptions and net-to-gross as identified through evaluation be applied beginning in the next applicable plan year. Similar to how the current process allows for stakeholders to weigh-in and provide their feedback on these topics, Ameren Missouri expects to continue to provide ample opportunities to solicit that feedback. However, by changing the process timeline to shift those discussions to the beginning of each plan year, all parties would understand and be able to make decisions based on the deemed savings and NTG assumptions from prior evaluation data. Using actual results from our historical program evaluations, along with objective data points from other jurisdictions, is the most reasonable approach to best inform these discussions so that rational conclusions can be reached and supported by all stakeholders. Customers ultimately benefit by allowing the implementers to focus on those programs where cost-effective savings can be reasonably achieved.

Ms. Lange presents a fairly extreme example on page 16 of her rebuttal testimony beginning on line 8, whereby the savings associated with a given measure were slashed by 90% as a result of evaluation. If her scenario is true, I expect the cost effectiveness calculations will lead to some hard questions about what improvements need to be made to that program (even whether it should continue to be offered). Additionally, if you were the implementer, and the possibility existed that your fees could be cut by 90% through no fault of your own (since you relied upon Commission-approved TRM values) after the project was over, the implementor might consider whether such an agreement would be in its best interests. It's natural that such a risk would necessitate a reward, which in this case is a higher administrative fee. The Company depends upon our implementers as trusted partners in delivering these programs to customers and will continue to do so in the future. The Company is simply asking for a fair way to ensure that all parties can come to an agreement on which values will be updated when, such that informed decisions can be made to achieve cost-effective energy and demand savings.

VI. CONCLUSION

Q. Can you please summarize your testimony?

A. The message Ameren Missouri is receiving from Staff continues to be very confusing, because the intent of our continually expanded and refined TRM and the DSMore and Submittal Tool models was to provide additional detail and transparency that was not offered in the Company's early MEEIA filings, and they're now being used as a reason that our well-supported, cost-effective proposed portfolio of programs for customers should not be approved. Ameren Missouri specifically developed and is now running a second distinct model to show a greater level of detail than DSMore alone provided, only to get lambasted for providing too many details that Staff suggests they cannot trace with ease. The Company is working to be good stewards by using the right amount of resources to run cost-effective programs and building off the knowledge and experience gained through the EM&V process throughout the past several years (that these same stakeholders have participated in). Spending significant time and money tracking down a current citation for every single assumption made within these documents will be contrary to those efforts and constrain the limited resources both now and in the future. At the end of the day, we have little faith that going through Staff's proposed exercise to update and document every single input would impact the results in any meaningful way since we have had several well-known implementation vendors (Franklin, ICF, TRC, etc.) and evaluation companies (VEIC, Cadmus, ADM, and ODC) build and modify our TRM across the past decade of our programs with more current and more Missouri-specific data.

Q. Does this conclude your Surrebuttal 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 J. NEIL GRASER

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

J. Neil Graser, being first duly sworn on his oath, states:

My name is J. Neil Graser, 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.

J. Neil Graser
J. Neil Graser

Sworn to me this 29th day of May 2024.