

Exhibit No.:
Issue(s): Revenue Requirement,
Corrections
Witness: Lisa M. Ferguson
Sponsoring Party: MoPSC Staff
Type of Exhibit: Rebuttal Testimony
Case No.: GR-2024-0369
Date Testimony Prepared: April 4, 2025

MISSOURI PUBLIC SERVICE COMMISSION

FINANCIAL & BUSINESS ANALYSIS DIVISION

AUDITING DEPARTMENT

REBUTTAL TESTIMONY

OF

LISA M. FERGUSON

**UNION ELECTRIC COMPANY,
d/b/a Ameren Missouri**

CASE NO. GR-2024-0369

*Jefferson City, Missouri
April 2025*

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1 A. Staff's revenue requirement was \$27,802,558 at Staff's proposed mid-point rate
2 of return. Staff's rebuttal accounting schedules now reflect a revenue requirement
3 of \$30,298,443. Staff's rebuttal revenue requirement represents an overall increase
4 of \$2,495,885 million from Staff's direct position for Ameren Missouri gas operations.

5 Q. Please summarize the error corrections and updates Staff has made to its direct
6 filed position.

7 A. Listed below are the corrections and updates to Staff's position that have been
8 reflected in Staff's rebuttal accounting schedules. The Staff witness and items listed below are
9 explained further in this rebuttal testimony. As many of these corrections are minor in nature,
10 the witnesses will not file rebuttal testimony regarding the correction, as it will be explained in
11 this testimony. However, each witness will provide corrected workpapers to the parties.

12 Below is a list of the error corrections by witness:

- 13 • Convenience Fees – Nathan Bailey, CPA
- 14 • Prepayments – Sydney Ferguson
- 15 • Incentive Compensation (Expense) – Amanda C. McMellen
- 16 • Intangible Amortization – Paul K. Amenthor
- 17 • Expired & Expiring Amortization – Paul K. Amenthor
- 18 • Capitalized O&M Depreciation – Blair Hardin
- 19 • Retail Revenue – Benjamin H. Burton, Melissa J. Reynolds

20 In addition, Staff witness Malachi Bowman has proposed updated depreciation rates as discussed in
21 his rebuttal testimony.

1 Q. Please explain the error corrections that are reflected in Staff's rebuttal cost of
2 service for each of the items listed above.

3 A. For the customer convenience fees, Staff had a change to its annualized amount
4 that was reflected accurately within the Staff witness' workpaper but did not get accurately
5 reflected in the accounting schedules.

6 For prepayments, there was a correction made to reflect accurate gas allocated amounts
7 for insurance prepayments within rate base.

8 For incentive compensation, a correction was made to the long-term incentive
9 compensation plan (LTIP) expense to reflect removal of the gas allocated portion rather than
10 the electric portion. The resulting new annualized amount has been included within cash
11 working capital. There was also a correction to the depreciation rate applied for the removal of
12 depreciation expense associated with the capital portions of incentive compensation
13 for removal.

14 For the intangible amortization expense, Staff had an incorrect test year due to some
15 flipped signs. The signs on these numbers were corrected and the test year now matches the
16 general ledger.

17 For the expired and expiring amortization expense, Staff had the test year amount for
18 rate base and non-rate base items reversed. Also, Staff's annualized amount was not the balance
19 as of June 30, 2024, but rather the adjustment. This has now been corrected.

20 For the capitalized O&M depreciation, the amount of test year depreciation expense
21 utilized in Staff's adjustment for FERC accounts 392 and 396 should be removed and not
22 adjusted against, as Ameren Missouri does not transfer capitalized depreciation expense to these
23 accounts. Staff also applied the wrong capitalization percentage to the test year to annualize

1 ongoing capitalized O&M depreciation, using a percentage that contemplated the entire amount
2 of depreciation (both expense and capital related) to the ongoing annualized amount.
3 Staff has now applied the expense percentage only to correct this adjustment for both test year
4 and the annualized amount. Staff has also updated the depreciation expense within the
5 calculation for these two accounts utilizing updated depreciation rates as proposed by Staff
6 witness Malachi Bowman.

7 For retail revenue associated with the standard school transportation rate class,
8 Staff had initially applied the monthly Electronic Gas Meter (EGM) charge to the standard
9 school transportation customers. However, Ameren Missouri's current gas tariff states that for
10 Eligible School Entities or New Eligible School Entities, that use one hundred thousand CCFs¹
11 or less, are not subject to the EGM charge. Staff has removed this revenue from the cost of
12 service. Staff also has applied a corrected normalized usage per customer for both the standard
13 school transportation rate class and standard non-school transportation rate class. The new
14 normalized usage per customer is further discussed in Staff witness Melissa J. Reynold's
15 rebuttal testimony.

16 Q. Does this conclude your rebuttal testimony?

17 A. Yes it does.

¹ CCF represents the volume of natural gas in cubic feet; 1 CCF =100 cubic feet.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of Union Electric Company)
d/b/a Ameren Missouri's Tariffs to Adjust)
Its Revenues for Natural Gas Service)

Case No. GR-2024-0369

AFFIDAVIT OF LISA M. FERGUSON

STATE OF MISSOURI)
)
COUNTY OF ST. LOUIS)

ss.

COMES NOW LISA M. FERGUSON and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Rebuttal Testimony of Lisa M. Ferguson*; and that the same is true and correct according to her best knowledge and belief.

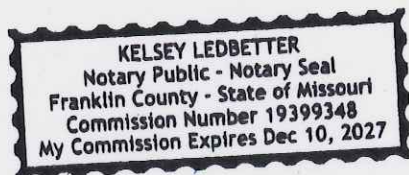
Further the Affiant sayeth not.

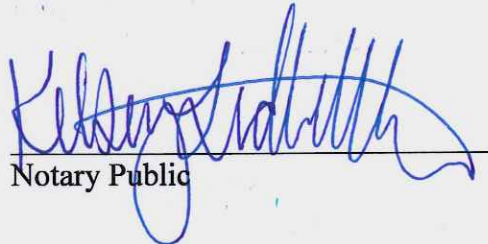


LISA M. FERGUSON

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of St. Louis, State of Missouri, at my office in St. Louis, on this 1st day of April 2025.





Notary Public