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Case No.: GR-2024-0369

SURREBUTTAL TESTIMONY
OF
ANGELA SCHABEN

Submitted on Behalf of the Office of the Public Counsel

UNION ELECTRIC COMPANY
D/B/A AMEREN MISSOURI

FILE NO. GR-2024-0369

** _____ **
Denotes Confidential Information that has been redacted.

May 2, 2025

PUBLIC

SURREBUTTAL TESTIMONY

OF

ANGELA SCHABEN

**UNION ELECTRIC COMPANY,
d/b/a AMEREN MISSOURI INC.**

CASE NO. GR-2024-0369

1 **INTRODUCTION**

2 **Q. What is your name, title, and business address?**

3 A. Angela Schaben, Utility Regulatory Auditor, Office of the Public Counsel (“OPC” or “Public
4 Counsel”), P.O. Box 2230, Jefferson City, Missouri 65102.

5 **Q. What are your qualifications and experience?**

6 A. Please refer to the Schedule ADS-S-1 attached hereto.

7 **Q. Have you testified previously before the Missouri Public Service Commission?**

8 A. Yes.

9 **Q. What is the purpose of your testimony?**

10 A. The purpose of my testimony is to respond to Ameren witness Michael Harding’s rebuttal
11 testimony, where he opines on Staff witness Kimberly Tones’ recommendation updating
12 the recognition of billing revenues in accordance with Accounting Standards Codification
13 606 (“ASC 606”).

14 **Q. Would you summarize your recommendations as presented in the following testimony?**

15 A. I recommend the Commission adopt Staff’s proposal of revising Ameren Missouri’s tariff to
16 include all metered and/or billed revenues in the month reflecting the consumption of natural
17 gas.¹ I also support Staff’s proposed tariff language.

¹ Direct Testimony of Kimberly K. Tones, page 10.

1 **Q. Does Mr. Harding agree with Staff’s recommendation relating to billing revenue**
2 **updates?**

3 A. No. Based on Mr. Harding’s rebuttal testimony it appears he disagrees with Ms. Tones’
4 recommendation to modify Ameren’s current practice of recording billing revenues.

5 **Q. What did Staff recommend?**

6 A. Ms. Tones noted a timing difference between billed and unbilled revenues and proposed a
7 straightforward solution through which this difference would be resolved in accordance with
8 the ASC 606 revenue recognition standard. Since Ms. Tones is familiar with Ameren
9 Missouri’s **_____**, she seemingly possesses sufficient knowledge of its
10 revenue billing system and/or processes.

11 Through her gathered knowledge, Ms. Tones discovered that the **_____

12 _____

13 _____

14 _____

15 _____

16 _____ **² Based on this knowledge, Ms. Tones’ solution included
17 **_____

18 _____

19 _____ **³

20 **Q. What are Mr. Harding’s stated reasons for disagreeing with Staff’s recommendation?**

21 A. Mr. Harding states that Staff’s recommendations would “create substantial operational
22 challenges” that would “require a comprehensive redesign of [our] billing infrastructure”.

² Direct testimony of Kimberly K. Tones, page 10-11.
³ *Id.*

1 Potential areas of billing infrastructure include, but are not limited to, complex system
2 reconfiguration, as well as possible resource intensive implementation and operational
3 disruption.⁴

4 **Q. What are Mr. Harding’s concerns regarding possible operational disruption?**

5 A. Mr. Harding states that Ameren’s “current meter reading and billing processes are optimized
6 to balance efficiency, accuracy, and customer service” and “[t]he proposed method would
7 introduce unnecessary complexity into a system that currently operates smoothly and
8 predictably” while requiring the reimagining of Ameren’s “entire approach to meter reading,
9 billing cycle management, and financial reporting.”⁵

10 **Q. Is Staff’s proposal intended to cause “unnecessary complexity into a system that
11 currently operates smoothly and predictably”?**

12 A. Not that I have found. From what I have read in Ameren’s response to Staff data request
13 98.6 in GR-2023-0392, the Company currently utilizes a **_____

14 _____

15 _____

16 _____

17 _____ ** Conceivably, the Company’s process is already overly complex in its
18 practice of **_____ **. From what I
19 understand, Staff’s recommendation would simplify and potentially eliminate the
20 Company’s process of **_____

21 _____

22 _____ **.

⁴ Rebuttal testimony of Michael W. Harding, pages 2-3.

⁵ Rebuttal testimony of Michael W. Harding, page 3.

1 **Q. Did Ameren Missouri conduct an impact analysis to determine how Staff's**
2 **recommendation would impact the Company's operations?**

3 A. No. From what I understand of Mr. Harding's testimony, a comprehensive analysis of
4 Staff's recommendation has not been performed.⁶

5 **Q. If Ameren Missouri did not perform a comprehensive analysis on the impact of Staff's**
6 **billing revenue recommendation, how can the Company know of the allegedly**
7 **disastrous outcomes outlined in Mr. Harding's testimony?**

8 A. I don't know. Mr. Harding provides a generalized account of potentially disastrous
9 consequences despite the fact the Company did not perform a comprehensive analysis to
10 determine the actual impact of updating the existing spreadsheet to **_____

11 _____ ** in accordance with revenue recognition principles of ASC 606. Instead of
12 focusing on how Staff's recommendation would work with the Ameren Missouri's current
13 practice of **_____

14 _____ **, perhaps the Company should embrace the
15 opportunity to uncomplicate its current revenue billing processes and develop efficiencies
16 by utilizing Staff's recommendation.

17 **Q. What do you recommend?**

18 A. I recommend the Commission adopt Staff's recommendation that Ameren Missouri's tariff
19 be amended to include all metered and/or billed revenues in the month reflecting the
20 consumption of natural gas. This practice of recognizing revenues in the period during
21 which goods and services are delivered, aligns with the matching principle utilized for
22 ratemaking. Staff put forth an uncomplicated and straightforward solution for Ameren
23 Missouri to accomplish a billing revenue recognition process that meets ASC 606 standards.

⁶ Rebuttal testimony of Michael W. Harding, page 2.

1 While Mr. Harding claims Staff's proposal will require a comprehensive redesign of billing
2 infrastructure, his assertions are general and lacking definitive data that provides the actual
3 potential impacts. The Company has not actually completed a comprehensive impact
4 analysis of Staff's proposed recommendation that supports Mr. Harding's suppositions.
5 Therefore, it's entirely likely that updating Ameren Missouri's billing revenue recognition
6 process, as proposed by Staff, will actually result in billing efficiencies, thereby producing
7 benefits for both the Company and ratepayers.

8 **Q. Does this conclude your testimony?**

9 A. Yes.

