

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of a Working Case to)
Consider Best Practices for Recovery of)
Past-Due Utility Customer Payments) File No. AW-2020-0356
After the COVID-19 Pandemic)
Emergency.)

REVISED COMMENTS
OF UNION ELECTRIC COMPANY D/B/A AMEREN MISSOURI

On May 13, 2020, the Missouri Public Service Commission ("Commission") opened this working file and asked Commission Staff ("Staff") to "investigate how Missouri utilities may best collect past-due accounts-receivable without unduly burdening their vulnerable customers, as well as any other relevant concerns arising from the COVID-19 pandemic emergency..."¹ On June 16, 2020, Staff filed its *Motion to Terminate Working Docket or Staff Request for Commission Order* ("*Motion or Request*"). Included with Staff's *Motion or Request* was Appendix A, which contained several questions for Missouri utilities. On June 24, 2020, the Commission issued its *Notice of Ex Parte and Extra-Record Communications Concerns and Order Directing Responses* ("*Notice and Order*"), asking utilities to answer the questions contained in Appendix A no later than July 15, 2020. Ameren Missouri filed those comments, withholding certain information in anticipation of an earnings call on August 7, 2020.² With that earnings call completed, the Company may

¹ *Order Opening a Working Case to Consider Best Practices for Recovery of Past-Due Customer Payments after the COVID-19 Pandemic Emergency*, issued May 13, 2020, Ordering Paragraph 1.

² The Company also deleted an inadvertent reference to an "Attachment C" that was part of an initial draft, but later incorporated into the body of the pleading itself for the July 15 filing.

now release additional information previously deemed confidential.³ Accordingly, below please find Ameren Missouri's responses to the questions contained in Appendix A.⁴

Question 1. What date did the company initiate the suspension of discontinuances of service as a result of the COVID-19 pandemic emergency?

Ameren Missouri began its temporary suspension of disconnections for both its electric and natural gas services on March 16, 2020.⁵

Question 2. Please describe practices used prior to the suspension of customer discontinuances that were used to minimize past due accounts receivable.

Aside from typical collections measures, Ameren Missouri offers multiple ways to help customers manage their past due accounts, such as:

- Keeping Current and Keeping Cool – Programs for low-income customers that provide a monthly bill credit so long as the account does not fall into arrears.
- Energy Assistance – Ameren Missouri accepts funds on behalf of customers from community assistance agencies through LIHEAP and other funding sources
- Budget Billing – This program levels out seasonal changes in customer energy bills by dividing the previous year's usage into predictable baseline monthly payments.
- Pick a Due Date – This program allows customers to change their bill payment due date to coincide with their budgeting needs.
- Alerts and Notifications – Customers may control the alerts and notifications they receive to include usage amounts and thresholds, payment dates, past due notices, payment receipt, etc.
- Multiple Payment Options – Ameren Missouri provides several payment options, including the ability to complete online payments or payments through the Ameren

³ The Company is only re-submitting the pleading itself; the attachments to the pleading filed on July 15 remain unchanged.

⁴ Please note that many of the responses contained in this pleading are projections and estimates, and final numbers are subject to change.

⁵ Ameren Missouri announced the decision on May 14 which occurred on a weekend.

phone app and the option to set up an automatic payment from the customer's bank account, partnering with walk-up payment locations, phone payment options, etc.

Question 3. Please describe efforts made since the suspension of discontinuances to mitigate past due accounts receivable.

In addition to the above existing programs, in March 2020, Ameren Missouri announced it was donating \$1 million in energy assistance funding for its customers impacted by the pandemic, with \$500,000 available through the United Way of Greater St. Louis and another \$500,000 available through heatupmissouri.org and heatupstlouis.org.⁶ Before March ended, Ameren Missouri donated another \$250,000 to the United Way for COVID-19 assistance through its 2-1-1 program.⁷ Then, in May, Ameren Missouri entered into an agreement with the Office of the Public Counsel to shift \$3.5 million to low-income energy assistance in the calendar year 2020.⁸

Ameren Missouri instituted the following to assist customers during this pandemic:

- Clean Slate Program – Ameren Missouri allocated \$3 million to help residential customers with past due balances pay off their utility bills.⁹
- Small Business Relief Program – Ameren Missouri, in partnership with United Way, created a relief program for small businesses that provides up to \$250 in bill credits for qualifying customers.¹⁰
- Discretionary – Ameren Missouri's customer service advocates were allocated \$250 for distribution (in whole or in part) to a customer or customers they determine need assistance during service calls.¹¹

⁶ <https://ameren.mediaroom.com/2020-03-18-Ameren-Missouri-to-provide-1-Million-in-energy-assistance-funds-for-customers-amid-Coronavirus-pandemic>.

⁷ <https://ameren.mediaroom.com/2020-03-30-AmerenCares-donates-500-000-for-COVID-19-assistance-in-Illinois-and-Missouri>.

⁸ File No. ER-2019-0335, Joint Motion to Modify Requirement of Second Stipulation and Agreement, filed May 4, 2020; Order Approving Modification of Second Non-Unanimous Stipulation and Agreement, effective May 31, 2020.

⁹ This program was enabled by \$3 million of the settlement with the OPC referenced above. The remaining \$500,000 attributable to that settlement will be allocated in the fall/winter time frame.

¹⁰ Ameren Missouri donated \$500,000 to enable this program.

¹¹ Ameren Missouri donated \$32,000 to enable this assistance.

- Keeping Current – Ameren Missouri requested a temporary waiver of certain Keeping Current program participation requirements to keep customers enrolled even if they fell into temporary arrears.

Ameren Missouri also modified its customer arrearage notices in light of the pandemic:

- Letters to Customers – Since Ameren Missouri was not disconnecting customers, but disconnection letters are often used to support LIHEAP and other assistance applications, Ameren Missouri began mailing Payment Reminder letters to customers stating that but for the moratorium, the customer would be subject to disconnection.
- Communications with Customers – Ameren Missouri adopted the following communications practices to keep customers aware of account delinquencies:
 - Residential Customers: Four (4) business days after the delinquent date, all accounts with valid phone numbers and delinquencies from \$150 - \$1,000 are given an automated call advising the customer of the delinquency and giving the customers options to pay, set up payment arrangements, and to apply for energy assistance. Customers with arrearages in excess of \$1,000 receive a personal phone call regarding the arrearage.
 - Commercial Customers: Four (4) days after the delinquent date, accounts with delinquencies in excess of \$1,000 receive a personal phone call to discuss payments and payment arrangements. Up to 150 accounts with delinquent balances between \$150 and \$1,000 are also given a personal phone call to discuss payments and payment arrangements. All other customers with delinquent balances between \$150 and \$1,000 receive an automated call advising the customer of the delinquency and providing options to make a payment or set up payment arrangements.

Question 4. Please provide examples of customer communication regarding changes in collection practices related to accounts subject to discontinuance.

Ameren Missouri made automated calls to residential and small commercial accounts¹² in lieu of providing disconnection notices. Communications with customers regarding disconnection policies, including the decision to once again begin disconnections, include press releases, emails scripts, call scripts, social media postings, and flyers. Communications regarding the recommencement of disconnections also included information regarding potential payment assistance options such as Clean Slate. See Attachment A to this pleading for copies of multiple communications.

Question 5. Please describe any changes in procedures related to customer payment arrangements since initiating the suspension of discontinuances of service.

Ameren Missouri has made alternate payment agreements for customers during the disconnection moratorium. The table below shows what payment agreements are typically available during non-Cold Weather Rule¹³ ("CWR") periods, during CWR periods, and the accommodations being made because of the pandemic.

Time Period	Agreement Terms	Residential	Commercial
Disconnection Moratorium	Initial Payment	12% down	12% down
	Monthly Installments	12 installments	6 installments
Non-CWR Period	Initial Payment	25% down	50% down
	Monthly Installments	6-12 installments (depending on amount of arrearage) ¹⁴	6 installments
CWR Period	Initial Payment	12% down	50% down
	Monthly Installments	12 installments	6 installments

¹² The automated calls were made to small commercial accounts with delinquencies under \$1,000 that did not otherwise receive a manual phone call.

¹³ 20 CSR 4240-13.055.

¹⁴ Customers with balances up to \$500 will have up to six monthly installments, balances from \$500 to \$750 will have up to nine monthly installments, and balances in excess of \$750 will have up to twelve monthly installments.

Additionally, for commercial customers during the disconnection moratorium, a special circumstance payment extension of up to three months is available with supervisor approval. At the end of the payment extension period, a payment arrangement is set up for the remaining balance. Under normal circumstances, the special circumstances payment extension is only available for a maximum of two months.

Question 6. Please provide documentation of the number of customers with payment arrangements, on a monthly basis, by customer class, from March 2016 to 2020 YTD. For each period, provide the number of Cold Weather Rule and non-Cold Weather Rule payment arrangements for residential customers.

Please see Attachment B to these *Comments*.

Question 7. Please describe the alternatives discussed by company management to collect past due accounts receivable without unduly burdening vulnerable customers when discontinuances of service are resumed. For each alternative, please describe the associated advantages and disadvantages. Please describe how alternatives to collect past due accounts receivable will be communicated to customers.

The Company ultimately implemented all of the alternatives that were discussed with regard to assisting customers in avoiding accumulating unmanageable arrearages.

Ameren Missouri has taken the following actions:

- Provided customers 30 days' notice regarding the resumption of disconnection via multiple methods, such as bill messages, bill inserts, social media posts, and press releases (these communications are included as part of Attachment A).
- Allocated additional energy assistance dollars for both commercial and residential customers to help provide funding for those in threat of disconnection.
- Extended payment arrangements with reduced down payments.
- Customers will receive an additional phone call prior to disconnection of service to notify them of past due, potential disconnection, and to provide information on energy assistance.

- Provided the individuals performing disconnections in the field with energy assistance information as well as giving them permission to delay a disconnection if customer needs time to pay and return at the end of the day for cut if payment wasn't made.

All of these options are designed to provide customers a better opportunity to become current on bills. Admittedly, some of these practices could delay curing past due accounts. Ameren Missouri strives to meet its customers' needs during this period, but acknowledges there is no perfect solution.

As an additional way to aid customers, the Company has worked hard to communicate effectively and often with our customers to help keep arrearages manageable. We have updated our website with additional information, issued press releases, included additional information in emails and phone calls, etc.

Please see some of the communications included in Attachment A which, in part, include end-of-moratorium communications.

Question 8. What criteria will be used to determine the timing for resuming discontinuances of service?

As stated in the notices submitted on May 26, 2020, in File Nos. EE-2020-0290 and GE-2020-0291, Ameren Missouri took into consideration how state and local governments were addressing the re-opening of economies as well as balancing financial impacts on its customers. Ameren Missouri balanced concerns regarding high customer balances with providing customers time to pay their bills during the pandemic. In consideration of these factors, and trying to appropriately pace industry trends in resuming normal customer service practices, Ameren Missouri resumed disconnections for commercial customers as of July 15, 2020, and will resume disconnections for residential customers on August 3, 2020.

Question 9. If applicable, describe COVID-19 related changes to the company's community-funded assistance program (i.e. Dollar More, Dollar Help etc.). If eligibility requirements were modified in an effort to assist more customers, did the changes result in increased pledges on customer accounts, please explain.

There were no changes made to the eligibility requirements for Ameren Missouri's community funded assistance program – Dollar More. The program provides up to \$600 in energy assistance for customers meeting the income requirement of being at or below 200% of the Federal Poverty Level.

From a giving standpoint, Ameren Missouri made a number of improvements to the Dollar More program, including the addition of an option to give with a credit card through an online form hosted on the United Way of Greater St. Louis' site. Ameren Missouri also offered \$25,000 in matching funds to encourage donations to the program.

In partnership with the United Way, Ameren Missouri also introduced a separate energy assistance program designed to provide assistance to customers that may have developed a need for assistance due to COVID-19, but would not qualify for LIHEAP if their income fell above 135% of the Federal Poverty Level (which is the maximum for LIHEAP), called the "Coronavirus Income Relief Program." Ameren Missouri donated \$500,000 to the Coronavirus Income Relief Program which helped 2,000 customers whose income fell at 136% to 250% of the Federal Poverty Level with a one-time bill credit of \$250.¹⁵ Ameren Missouri also donated \$500,000 to Heat Up Missouri to help customers low-income customers through the Heat Up COVID-19 Relief Program, assisting 3696 customers.

Question 10. Please identify the amount of revenues foregone as of June 30, 2020 due to the COVID pandemic by revenue type, such as late fees, reconnection fees, etc. (Note: This should not include any estimates of "lost revenues" due to a reduction in sales to customers attributable to the COVID pandemic or economic downturn, which

¹⁵ This program was suspended when the funds were depleted.

is being requested separately below.) Also, please provide an estimation for the period of July 1, 2020 through December 31, 2020 for the revenues forgone.

Ameren Missouri can provide actual numbers through June 2020 in response to this question, in addition to the requested estimate. The Company has not collected approximately ** _____ ** in late payment charges through June 2020, and estimates it will not collect an additional ** _____ ** through December 31, 2020.

Because the Company generally was not disconnecting customers, and therefore not reconnecting, customers during the relevant period, it has no substantive estimated reconnection fees to provide. There is a limited exception to this point, however. When Ameren Missouri first instituted its disconnection moratorium, it had recently disconnected approximately ** _____ ** customers. It reconnected those customers without assessing a fee. For that limited group of customers, Ameren Missouri did not collect approximately ** _____ ** in reconnection fees.

Question 11. Please provide the change in revenues on an overall basis, and by rate class, by month, starting with February 2020 through June 2020 and the amount attributable to the impacts of the COVID-19 pandemic. Also, please provide estimated revenue changes, by rate class for the period July 1, 2020 through December 31, 2020.

Please see the tables below provided in response to this question. The first table is Ameren Missouri's initial analysis for the change in weather normalized base rate revenues (excludes revenue to be collected under Riders FAC, EEIC, and RESRAM which all have true-up mechanisms) from February through May 2020 compared to the prior year. The second table shows the change in forecasted revenues from June 2020 through December 2020 that have been made since the inception of the pandemic.

May 2020 is the latest month of data available as of the time the answer is being prepared. April and May of 2020 revenues have been adjusted to reflect rates in effect prior to the April 1, 2020 rate decrease to remove the effects of this decrease from the

comparison. While COVID impacts are an important driver of these changes, variances arising from any other factors are also reflected. Ameren Missouri is continuing to work to further isolate the revenues directly affected by COVID.

Weather Normalized Revenue 2019-2020 Variance					
	Actual	Actual	Actual	Actual	
	Feb	Mar	Apr	May	Total
Residential	\$ 1,562,359	\$ 3,021,787	\$ 1,057,090	\$ 1,236,190	\$ 6,877,425
Commercial	\$ 1,508,848	\$ (4,859,285)	\$ (9,586,460)	\$ (18,130,260)	\$ (31,067,157)
Industrial	\$ 28,350	\$ (1,141,065)	\$ (2,024,615)	\$ (4,264,616)	\$ (7,401,946)
Total	\$ 3,099,556	\$ (2,978,563)	\$ (10,553,985)	\$ (21,158,686)	\$ (31,591,678)

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Question 12. Please quantify for each of the following costs that has been incurred due to the COVID-19 pandemic to date: incremental bad debt expense, incremental costs to allow employees to work at home, additional cleaning expense, protective supplies for employees, costs related to new assistance programs implemented to aid customers with payment of bills, costs incurred for possible sequestration, and any other cost tracked by your utility. Also provide a current annual projection for each of these costs.

The requested information can be found in the following table. Understandably, the current annual projection amounts are estimates and may change as the situation changes.

Category	Actuals through June 2020	Forecasted Incremental Costs through December 2020
Incremental bad debt expense	See comments below.	** _ **
Incremental costs to allow employees to work at home	\$0.01 million	** _ **
Additional cleaning expense and protective supplies for employees	\$2.4 million	** _____ **
Costs related to new assistance programs	As of May 2020, no such costs have been quantified.	** _ **
Costs incurred for possible sequestration	\$1.4 million	** _____ **
Other costs tracked by Ameren Missouri	\$1.2 million *	** _____ **
Waived late payment fees	\$2.9 million	** _____ **

* These costs include security costs at temporary work locations, transportation costs, communication costs, etc.

In addition to the above costs, the Company has incurred incremental overtime costs as a result of the pandemic. These costs have not yet been quantified.

Ameren Missouri has not recognized incremental bad debt write offs to date. Accounts are not written off until approximately 90 days after disconnection. The write offs that have been incurred to date are related to accounts that were disconnected for non-payment prior to the pandemic. Ameren Missouri has made adjustments to the reserve of uncollectible accounts.

The current annual projection amounts are estimates and may change as the situation changes.

Question 13. Please quantify for each of the following categories the savings that has been realized due to the COVID-19 pandemic to date: external travel costs, external training costs, utilities expense for office use, or any other savings category tracked by

your utility. Also provide a current annual projection for each of these savings categories.

Ameren Missouri has reduced its budget for travel and training costs by approximately \$1.7 million. Ameren Missouri does not expect significant savings for utility costs as our larger leases include utilities in the lease payment. There have not been other significant cost savings recognized.

Question 14. Please provide a detailed estimate/projection of any Covid-19 related costs that might be covered by governmental reimbursement programs (federal and/or state). Have applications been made for any federal or state grants, loans or other measures of assistance associated with the COVID pandemic? If so, please provide a list of such.

At this time, the Company has not identified any costs covered by governmental reimbursement programs. No related applications have been made.

Question 15. Are limitations being placed on hiring, salary/benefit increases, discretionary construction expenditures, etc. due to the COVID-19 pandemic or any other reason? If yes, please provide documentation setting out the reasons for and the terms of such limitations.

Hiring activities have been limited and any hiring decisions must be approved by leadership. Travel and training costs have also been limited for the safety of employees. Other costs are being reviewed and evaluated for potential reductions on a regular basis.

Question 16. Have employee layoffs occurred due to the COVID-19 pandemic? If so, how many employees were released? Have or will the implementation of any voluntary employee reduction programs in 2020 for Covid-19 or other reasons occur? If yes, please provide the timing of the program, and its rationale.

Ameren Missouri has not had any layoffs and has not implemented any voluntary separation plans due to COVID-19 and does not plan any at this time.

Question 17. Please describe any programs now being implemented or planned to be implemented in the future to assist customers in returning to current status.

As previously mentioned, Ameren Missouri has introduced two new energy assistance programs to help with customers in need of assistance as we transition to the end of the disconnection moratorium: The Ameren Missouri COVID-19 Clean Slate program (introduced on June 3) is for residential customers and the Ameren Missouri COVID-19 Small Business Relief Program (introduced on July 6) is for small business customers (2M Rate Schedule) with 50 or fewer employees experiencing a hardship as a result of COVID-19. These programs are promoted through bill inserts, Ameren Missouri Customer Care Advisors, on the Company's website, in social media, and in the news media. Additionally, the Company is promoting the State of Missouri LIHEAP program. The Company has also worked to increase awareness of the programs through energy assistance agencies and other community partners.

As described previously in these *Comments*, Ameren Missouri has also implemented new payment agreement options (please see the response to Question 5), and its advisors are recommending energy assistance if the customer is eligible.

Other existing Ameren Missouri program options are also still being offered during this period:

- Keeping Current (elimination of past due arrearage with on-time payments over 12 months; monthly bill credits of \$30 - \$90 (depending on income level) for 24 months (150% of federal poverty level)
- Keeping Cool – bill credit of \$25 during the summer months of June – August (150% of federal poverty level)
- Dollar More – up to \$600 for gas or electric account in threat of disconnection or off (200% of Federal Poverty Level)

Question 18. Please describe any programs now being implemented or planned to be implemented in the future to assist the most vulnerable or at risk customers.

Please see Ameren Missouri's responses to Questions 5 and 17. Additionally, customers on the Medical Equipment Registry who have a past due balance of \$300 or more or who have made no payment for at least three months receive special handling, including an attempt to coordinate energy assistance with a local agency.

Question 19. For electric providers – Please provide any class changes in load overall and by customer class by month starting in February 2020.

Below is Ameren Missouri's initial analysis for the percentage change in weather normalized kilowatt-hours ("kWh") from February through May 2020 (the latest month of data available as of the time the answer is being prepared) as compared to prior year amounts. While COVID impacts are likely an important driver of these kWh changes, variances arising from any other factors are also reflected in this analysis. Ameren Missouri is continuing to work to further isolate the kWh's directly affected by COVID.

<i>Weather Normalized Sales Volumes 2019 -2020 % Change</i>					
	Feb	Mar	Apr	May	Overall % Change
Residential	1.34%	2.00%	4.85%	1.56%	2.25%
Commercial	2.83%	-7.43%	-15.51%	-16.34%	-9.11%
Industrial	1.39%	-4.60%	-10.69%	-14.42%	-7.31%

Question 20. Please provide, and update as appropriate, the timing of the company's plans to restart collecting late fees from customers and when the company may begin disconnecting customers for non-payment.

As noted in response to question 8 above, Ameren Missouri will resume disconnections for non-payment as of July 15 for commercial customers and August 3 for residential customers. As indicated in its notices in File Nos. EE-2020-0290 and GE-2020-0291, the Company will reinstate late fees and reconnection fees on the same timeline. As

a practical matter, late payment fees will actually be applied to accounts from July 16 and August 4 forward for commercial and residential customers, respectively.

Question 21. If your utility has not already filed an application with the Commission requesting special accounting treatment of incremental COVID costs and/or “lost revenues,” do you plan to do so at some point in the future? If yes, please discuss the timing of the application and the types of financial impacts you would request be included.

As of the date of these *Comments*, Ameren Missouri has not made a decision whether or not to seek special accounting treatment due to COVID.

Respectfully submitted,

UNION ELECTRIC COMPANY,
d/b/a Ameren Missouri

/s/ Paula N. Johnson

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been emailed to the parties of record on this 7th day of August, 2020.

/s/ Paula N. Johnson _____
Paula N. Johnson