

DIRECT TESTIMONY

of

SCOTT TOLSDORF
Accountant

Accounting Department
Financial Analysis Division
Illinois Commerce Commission

Reconciliation of revenues collected under Rider EDR with actual costs associated with energy efficiency and demand-response plans, and reconciliation of revenues collected under Rider GER with actual costs associated with natural gas energy efficiency plans.

Ameren Illinois Company

Docket No. 12-0510

July 29, 2014

1 **Witness Identification**

2 **Q. Please state your name and business address.**

3 A. My name is Scott Tolsdorf. My business address is 527 East Capitol
4 Avenue, Springfield, Illinois 62701.

5 **Q. What is your current position with the Illinois Commerce
6 Commission (“ICC” or “Commission”)?**

7 A. I am currently employed as an Accountant in the Accounting Department
8 of the Financial Analysis Division.

9 **Q. Please describe your qualifications and background.**

10 A. I received a Bachelors of Science in Liberal Studies from Excelsior
11 College in Albany, New York, and am nearing completion of a Master’s
12 degree in Accounting from the University of Illinois-Springfield. I am a
13 Certified Public Accountant and joined the Commission Staff (“Staff”) in
14 February 2010. Prior to the Commission, I was employed for four years
15 as a staff accountant for a public accounting firm, and nine years in the
16 U.S. Navy as an operator and instructor in the Naval Nuclear Power
17 Program.

18 **Q. What is the purpose of your testimony in this proceeding?**

19 A. The purpose of my testimony is to report the results of my review of
20 Ameren Illinois Company’s (“Ameren”, “AIC” or “Company”) Reconciliation
21 of revenues collected under Energy Efficiency Riders with the actual costs
22 associated with energy efficiency and demand-response plans for

23 Program Year 4 (“PY4”). PY4 runs from June 1, 2011 through May 31,
24 2012. Specifically, my testimony addresses the incremental costs
25 incurred and the recoveries collected by AIC under its Energy Efficiency
26 and Demand-Response Cost Recovery Rider EDR and Gas Energy
27 Efficiency Cost Recovery Rider GER during PY4.

28 **Schedule and Attachment Identification**

29 **Q. Are you sponsoring any schedules with your testimony?**

30 A. Yes. I prepared the following schedules relating to the Company, which
31 show data as of, or for the PY4 reconciliation period:

32 Schedule 1.01 Rider EDR – Reconciliation Summary

33 Schedule 1.02 Rider GER – Reconciliation Summary

34 **Electric Energy Efficiencies**

35 **Q. Please explain Staff Exhibit 1.0, Schedule 1.01.**

36 A. Schedule 1.01 presents the reconciliation statements proposed by the
37 Company in its direct testimony displayed in a format consistent with past
38 Commission reconciliation orders. Page 1 represents a summary of Rider
39 EDR while pages 2 through 4 are the reconciliation statements for the
40 applicable delivery classes DS-1 (Residential), DS-2, 3, 5 (Small
41 Commercial and Industrial), and DS-4 (Large Commercial and Industrial).
42 The reconciliation as presented in Schedule 1.01 allows for a transparent

43 and consistent approach for reporting the operation of Rider EDR on an
44 on-going basis.

45 **Gas Energy Efficiencies**

46 **Q. Please explain Staff Exhibit 1.0, Schedule 1.02.**

47 A. Schedule 1.02 presents the reconciliation statements proposed by the
48 Company in its direct testimony displayed in a format consistent with past
49 Commission reconciliation orders. Page 1 represents a summary of Rider
50 GER while pages 2 through 4 are the reconciliation statements for the
51 applicable delivery classes GDS-1 (Residential), GDS-2,3 (Small
52 Commercial and Industrial), and GDS-4,5,7 (Large Commercial and
53 Industrial). Prior to PY4, Rider GER had only one rate which was charged
54 to all applicable customer classes. Beginning in PY4, the energy
55 efficiency charge collected through Rider GER was calculated separately
56 for each applicable customer class. For presentation purposes, any prior
57 year (over)/under collections have been allocated to the individual
58 customer classes based upon the percentage of PY4 therm sales as
59 shown on Ameren Exhibit 2.2. The reconciliation as presented in
60 Schedule 1.02 allows for a transparent and consistent approach for
61 reporting the operation of Rider GER on an on-going basis.

62 **Results of Review**

63 **Q. Do you recommend any adjustments to Ameren's proposed**
64 **reconciliation?**

65 A. No.

66 **DCEO Cost Recovery**

67 **Q. Did Ameren recover any costs on behalf of DCEO during the**
68 **reconciliation period ended May 31, 2012?**

69 A. Yes. Ameren collected, through Rider EDR and GER charges, all DCEO
70 energy efficiency costs related to PY4 of Ameren's 2011-2013 Energy
71 Efficiency and Demand Response Plan ("Plan"). Accordingly, Ameren
72 reimbursed DCEO for incremental costs incurred by DCEO in connection
73 with DCEO's implementation of the Plan measures. For the PY4
74 reconciliation period ended May 31, 2012, Ameren reimbursed DCEO
75 \$11,500,312 for electric energy efficiencies and \$2,985,537 for gas energy
76 efficiencies. These amounts are included in the Program Year 4 Costs
77 shown on Ameren Exhibit 2.1 and Ameren Exhibit 2.2 respectively.

78 **Summary**

79 **Q. Do you have any recommendations?**

80 A. Yes. I recommend that the Commission accept the reconciliation of
81 revenues collected under Riders EDR and GER with the costs incurred as
82 reflected on ICC Staff Exhibit 1.0, Schedule 1.01 and Schedule 1.02. I
83 also recommend that ICC Staff Exhibit 1.0, Schedule 1.01 and Schedule
84 1.02 be attached as appendices to the order resulting from this
85 proceeding.

86 **Conclusion**

87 **Q. Does this question end your prepared direct testimony?**

88 **A. Yes.**

Ameren Illinois Company
 Rider EDR - Reconciliation Summary

For the Period June 1, 2011 through May 31, 2012 (PY-4)

Line No.	Description	Per Company	Staff Adjustment	Per Staff (B+C)
	(A)	(B)	(C)	(D)
<u>(Over)/Under Recovery from Prior Years</u>				
1	Total Ordered Reconciliation Adjustment (ORA) [PY 1-3; Docket No. 11-0687]	\$ (8,754)	\$ -	\$ (8,754)
2	Total Automatic Reconciliation Adjustment (ARA) [PY 1-3; Docket No. 11-0687]	(1,828,980)	-	(1,828,980)
3	(Over)/Under Recovery from Prior Periods (Line 1 + Line 2)	<u>\$ (1,837,734)</u>	<u>\$ -</u>	<u>\$ (1,837,734)</u>
<u>Current Year (Over)/Under Recovery</u>				
4	PY-4 Recoverable EDR Costs	\$ 50,447,998	\$ -	\$ 50,447,998
5	PY-4 EDR Revenue	(55,675,128)	-	(55,675,128)
6	(Over) /Under Recovery for PY-4 (Line 4 + Line 5)	\$ (5,227,130)	\$ -	\$ (5,227,130)
7	PY-3 Estimates Trued-Up to Actual	(1,973,736)	-	(1,973,736)
8	(Over) /Under Recovery for Current Reconciliation (Line 6 + Line 7)	\$ (7,200,866)	\$ -	\$ (7,200,866)
9	Cumulative (Over)/Under Recovery (Line 3 + Line 8)	<u>\$ (9,038,600)</u>	<u>\$ -</u>	<u>\$ (9,038,600)</u>
<u>Disposition of Cumulative (Over)/Under Recovery</u>				
10	Total ORA to be (Refunded)/Recovered	\$ (8,754)	\$ -	\$ (8,754)
11	Total ARA to be (Refunded)/Recovered	(9,029,846)	-	(9,029,846)
12	Cumulative (Over)/Under Recovery (Line 10 + Line 11)	<u>\$ (9,038,600)</u>	<u>\$ -</u>	<u>\$ (9,038,600)</u>

Sources:

Column (B): Ameren Exhibit 2.1
 Column (C):
 Column (D): Per Staff [Column (B) + Column (C)]

Ameren Illinois Company
Rider EDR - Reconciliation Summary
Rider EDR - Residential (DS-1)
For the Period June 1, 2011 through May 31, 2012 (PY-4)

Line No.	Description (A)	Per Company (B)	Staff Adjustment (C)	Per Staff (B+C) (D)
<u>(Over)/Under Recovery from Prior Years</u>				
1	Total Ordered Reconciliation Adjustment (ORA) [PY 1-3; Docket No. 11-0687]	\$ (2,965)	\$ -	\$ (2,965)
2	Total Automatic Reconciliation Adjustment (ARA) [PY 1-3; Docket No. 11-0687]	(177,242)	-	(177,242)
3	(Over)/Under Recovery from Prior Periods (Line 1 + Line 2)	<u>\$ (180,207)</u>	<u>\$ -</u>	<u>\$ (180,207)</u>
<u>Current Year (Over)/Under Recovery</u>				
4	PY-4 Recoverable EDR Costs	\$ 20,985,488	\$ -	\$ 20,985,488
5	PY-4 EDR Revenue	(22,315,321)	-	(22,315,321)
6	(Over) /Under Recovery for PY-4 (Line 4 + Line 5)	\$ (1,329,833)	\$ -	\$ (1,329,833)
7	PY-3 Estimates Trued-Up to Actual	(35,548)	-	(35,548)
8	(Over) /Under Recovery for Current Reconciliation (Line 6 + Line 7)	\$ (1,365,381)	\$ -	\$ (1,365,381)
9	Cumulative (Over)/Under Recovery (Line 3 + Line 8)	<u>\$ (1,545,588)</u>	<u>\$ -</u>	<u>\$ (1,545,588)</u>
<u>Disposition of Cumulative (Over)/Under Recovery</u>				
10	Total ORA to be (Refunded)/Recovered	\$ (2,965)	\$ -	\$ (2,965)
11	Total ARA to be (Refunded)/Recovered	(1,542,623)	-	(1,542,623)
12	Cumulative (Over)/Under Recovery (Line 10 + Line 11)	<u>\$ (1,545,588)</u>	<u>\$ -</u>	<u>\$ (1,545,588)</u>

Sources:

Column (B): Ameren Exhibit 2.1
 Column (C):
 Column (D): Per Staff [Column (B) + Column (C)]

Ameren Illinois Company
 Rider EDR - Reconciliation Summary
 Rider EDR - Small Commercial and Industrial (DS-2,3,5)
 For the Period June 1, 2011 through May 31, 2012 (PY-4)

Line No.	Description	Per Company	Staff Adjustment	Per Staff (B+C)
	(A)	(B)	(C)	(D)
<u>(Over)/Under Recovery from Prior Years</u>				
1	Total Ordered Reconciliation Adjustment (ORA) [PY 1-3; Docket No. 11-0687]	\$ (3,316)	\$ -	\$ (3,316)
2	Total Automatic Reconciliation Adjustment (ARA) [PY 1-3; Docket No. 11-0687]	(739,184)	-	(739,184)
3	(Over)/Under Recovery from Prior Periods (Line 1 + Line 2)	<u>\$ (742,500)</u>	<u>\$ -</u>	<u>\$ (742,500)</u>
<u>Current Year (Over)/Under Recovery</u>				
4	PY-4 Recoverable EDR Costs	\$ 11,637,694	\$ -	\$ 11,637,694
5	PY-4 EDR Revenue	(18,193,380)	-	(18,193,380)
6	(Over) /Under Recovery for PY-4 (Line 4 + Line 5)	\$ (6,555,686)	\$ -	\$ (6,555,686)
7	PY-3 Estimates Trued-Up to Actual	(2,041,224)	-	(2,041,224)
8	(Over) /Under Recovery for Current Reconciliation (Line 6 + Line 7)	<u>\$ (8,596,910)</u>	<u>\$ -</u>	<u>\$ (8,596,910)</u>
9	Cumulative (Over)/Under Recovery (Line 3 + Line 8)	<u>\$ (9,339,410)</u>	<u>\$ -</u>	<u>\$ (9,339,410)</u>
<u>Disposition of Cumulative (Over)/Under Recovery</u>				
10	Total ORA to be (Refunded)/Recovered	\$ (3,316)	\$ -	\$ (3,316)
11	Total ARA to be (Refunded)/Recovered	<u>(9,336,094)</u>	<u>-</u>	<u>(9,336,094)</u>
12	Cumulative (Over)/Under Recovery (Line 10 + Line 11)	<u>\$ (9,339,410)</u>	<u>\$ -</u>	<u>\$ (9,339,410)</u>

Sources:

Column (B): Ameren Exhibit 2.1
 Column (C):
 Column (D): Per Staff [Column (B) + Column (C)]

Ameren Illinois Company
 Rider EDR - Reconciliation Summary
 Rider EDR - Large Commercial and Industrial (DS-4)
 For the Period June 1, 2011 through May 31, 2012 (PY-4)

Line No.	Description	Per Company	Staff Adjustment	Per Staff (B+C)
	(A)	(B)	(C)	(D)
<u>(Over)/Under Recovery from Prior Years</u>				
1	Total Ordered Reconciliation Adjustment (ORA) [PY 1-3; Docket No. 11-0687]	\$ (2,473)	\$ -	\$ (2,473)
2	Total Automatic Reconciliation Adjustment (ARA) [PY 1-3; Docket No. 11-0687]	(912,554)	-	(912,554)
3	(Over)/Under Recovery from Prior Periods (Line 1 + Line 2)	<u>\$ (915,027)</u>	<u>\$ -</u>	<u>\$ (915,027)</u>
<u>Current Year (Over)/Under Recovery</u>				
4	PY-4 Recoverable EDR Costs	\$ 17,824,816	\$ -	\$ 17,824,816
5	PY-4 EDR Revenue	(15,166,427)	-	(15,166,427)
6	(Over) /Under Recovery for PY-4 (Line 4 + Line 5)	\$ 2,658,389	\$ -	\$ 2,658,389
7	PY-3 Estimates Trued-Up to Actual	103,036	-	103,036
8	(Over) /Under Recovery for Current Reconciliation (Line 6 + Line 7)	\$ 2,761,425	\$ -	\$ 2,761,425
9	Cumulative (Over)/Under Recovery (Line 3 + Line 8)	<u>\$ 1,846,398</u>	<u>\$ -</u>	<u>\$ 1,846,398</u>
<u>Disposition of Cumulative (Over)/Under Recovery</u>				
10	Total ORA to be (Refunded)/Recovered	\$ (2,473)	\$ -	\$ (2,473)
11	Total ARA to be (Refunded)/Recovered	<u>1,848,871</u>	<u>\$ -</u>	<u>1,848,871</u>
12	Cumulative (Over)/Under Recovery (Line 10 + Line 11)	<u>\$ 1,846,398</u>	<u>\$ -</u>	<u>\$ 1,846,398</u>

Sources:

Column (B): Ameren Exhibit 2.1
 Column (C):
 Column (D): Per Staff [Column (B) + Column (C)]

Ameren Illinois Company
 Rider GER - Reconciliation Summary

For the Period June 1, 2011 through May 31, 2012 (PY-4)

Line No.	Description	Per Company	Staff Adjustment	Per Staff (B+C)
	(A)	(B)	(C)	(D)
<u>(Over)/Under Recovery from Prior Years</u>				
1	Total Ordered Reconciliation Adjustment (ORA) [PY 1-3; Docket No. 11-0687]	\$ -	\$ -	\$ -
2	Total Automatic Reconciliation Adjustment (ARA) [PY 1-3; Docket No. 11-0687]	(1,790,421)	-	(1,790,421)
3	(Over)/Under Recovery from Prior Periods (Line 1 + Line 2)	<u>\$ (1,790,421)</u>	<u>\$ -</u>	<u>\$ (1,790,421)</u>
<u>Current Year (Over)/Under Recovery</u>				
4	PY-4 Recoverable GER Costs	\$ 14,027,363	\$ -	\$ 14,027,363
5	PY-4 GER Revenue	(13,266,478)	-	(13,266,478)
6	(Over) /Under Recovery for PY-4 (Line 4 + Line 5)	\$ 760,885	\$ -	\$ 760,885
7	PY-3 Estimates Trued-Up to Actual	52,447	-	52,447
8	(Over) /Under Recovery for Current Reconciliation (Line 6 + Line 7)	\$ 813,332	\$ -	\$ 813,332
9	Cumulative (Over)/Under Recovery (Line 3 + Line 8)	<u>\$ (977,089)</u>	<u>\$ -</u>	<u>\$ (977,089)</u>
<u>Disposition of Cumulative (Over)/Under Recovery</u>				
10	Total ORA to be (Refunded)/Recovered	\$ -	\$ -	\$ -
11	Total ARA to be (Refunded)/Recovered	<u>(977,089)</u>	<u>-</u>	<u>(977,089)</u>
12	Cumulative (Over)/Under Recovery (Line 10 + Line 11)	<u>\$ (977,089)</u>	<u>\$ -</u>	<u>\$ (977,089)</u>

Sources:

Column (B): Ameren Exhibit 2.2
 Column (C):
 Column (D): Per Staff [Column (B) + Column (C)]

Ameren Illinois Company
 Rider GER - Reconciliation Summary
 Rider GER - Residential (GDS-1)
 For the Period June 1, 2011 through May 31, 2012 (PY-4)

Line No.	Description	Per Company	Staff Adjustment	Per Staff (B+C)
	(A)	(B)	(C)	(D)
<u>(Over)/Under Recovery from Prior Years</u>				
1	Total Ordered Reconciliation Adjustment (ORA) [PY 1-3; Docket No. 11-0687]	\$ -	\$ -	\$ -
2	Total Automatic Reconciliation Adjustment (ARA) [PY 1-3; Docket No. 11-0687]	(739,623)	-	-
3	(Over)/Under Recovery from Prior Periods (Line 1 + Line 2)	<u>\$ (739,623)</u>	<u>\$ -</u>	<u>\$ (739,623)</u>
<u>Current Year (Over)/Under Recovery</u>				
4	PY-4 Recoverable GER Costs	\$ 8,410,831	\$ -	\$ 8,410,831
5	PY-4 GER Revenue	(6,235,003)	-	(6,235,003)
6	(Over) /Under Recovery for PY-4 (Line 4 + Line 5)	\$ 2,175,828	\$ -	\$ 2,175,828
7	PY-3 Estimates Trued-Up to Actual	40,200	-	40,200
8	(Over) /Under Recovery for Current Reconciliation (Line 6 + Line 7)	\$ 2,216,028	\$ -	\$ 2,216,028
9	Cumulative (Over)/Under Recovery (Line 3 + Line 8)	<u>\$ 1,476,405</u>	<u>\$ -</u>	<u>\$ 1,476,405</u>
<u>Disposition of Cumulative (Over)/Under Recovery</u>				
10	Total ORA to be (Refunded)/Recovered	\$ -	\$ -	\$ -
11	Total ARA to be (Refunded)/Recovered	<u>1,476,405</u>	<u>-</u>	<u>1,476,405</u>
12	Cumulative (Over)/Under Recovery (Line 10 + Line 11)	<u>\$ 1,476,405</u>	<u>\$ -</u>	<u>\$ 1,476,405</u>

Sources:

Column (B): Ameren Exhibit 2.2
 Column (C):
 Column (D): Per Staff [Column (B) + Column (C)]

Ameren Illinois Company
Rider GER - Reconciliation Summary
Rider GER - Small Commercial and Industrial (GDS-2,3)
For the Period June 1, 2011 through May 31, 2012 (PY-4)

Line No.	Description (A)	Per Company (B)	Staff Adjustment (C)	Per Staff (B+C) (D)
<u>(Over)/Under Recovery from Prior Years</u>				
1	Total Ordered Reconciliation Adjustment (ORA) [PY 1-3; Docket No. 11-0687]	\$ -	\$ -	\$ -
2	Total Automatic Reconciliation Adjustment (ARA) [PY 1-3; Docket No. 11-0687]	(371,512)	-	-
3	(Over)/Under Recovery from Prior Periods (Line 1 + Line 2)	<u>\$ (371,512)</u>	<u>\$ -</u>	<u>\$ (371,512)</u>
<u>Current Year (Over)/Under Recovery</u>				
4	PY-4 Recoverable GER Costs	\$ 2,681,412	\$ -	\$ 2,681,412
5	PY-4 GER Revenue	(3,721,763)	-	(3,721,763)
6	(Over) /Under Recovery for PY-4 (Line 4 + Line 5)	\$ (1,040,351)	\$ -	\$ (1,040,351)
7	PY-3 Estimates Trued-Up to Actual	12,247	-	12,247
8	(Over) /Under Recovery for Current Reconciliation (Line 6 + Line 7)	\$ (1,028,104)	\$ -	\$ (1,028,104)
9	Cumulative (Over)/Under Recovery (Line 3 + Line 8)	<u>\$ (1,399,616)</u>	<u>\$ -</u>	<u>\$ (1,399,616)</u>
<u>Disposition of Cumulative (Over)/Under Recovery</u>				
10	Total ORA to be (Refunded)/Recovered	\$ -	\$ -	\$ -
11	Total ARA to be (Refunded)/Recovered	(1,399,616)	-	(1,399,616)
12	Cumulative (Over)/Under Recovery (Line 10 + Line 11)	<u>\$ (1,399,616)</u>	<u>\$ -</u>	<u>\$ (1,399,616)</u>

Sources:

Column (B): Ameren Exhibit 2.2
 Column (C):
 Column (D): Per Staff [Column (B) + Column (C)]

Ameren Illinois Company
Rider GER - Reconciliation Summary
Rider GER - Large Commercial and Industrial (GDS-4,5,7)
For the Period June 1, 2011 through May 31, 2012 (PY-4)

Line No.	Description (A)	Per Company (B)	Staff Adjustment (C)	Per Staff (B+C) (D)
<u>(Over)/Under Recovery from Prior Years</u>				
1	Total Ordered Reconciliation Adjustment (ORA) [PY 1-3; Docket No. 11-0687]	\$ -	\$ -	\$ -
2	Total Automatic Reconciliation Adjustment (ARA) [PY 1-3; Docket No. 11-0687]	(679,286)	-	-
3	(Over)/Under Recovery from Prior Periods (Line 1 + Line 2)	<u>\$ (679,286)</u>	<u>\$ -</u>	<u>\$ (679,286)</u>
<u>Current Year (Over)/Under Recovery</u>				
4	PY-4 Recoverable GER Costs	\$ 2,935,120	\$ -	\$ 2,935,120
5	PY-4 GER Revenue	(3,309,712)	-	(3,309,712)
6	(Over) /Under Recovery for PY-4 (Line 4 + Line 5)	\$ (374,592)	\$ -	\$ (374,592)
7	PY-3 Estimates Trued-Up to Actual	-	-	-
8	(Over) /Under Recovery for Current Reconciliation (Line 6 + Line 7)	\$ (374,592)	\$ -	\$ (374,592)
9	Cumulative (Over)/Under Recovery (Line 3 + Line 8)	<u>\$ (1,053,878)</u>	<u>\$ -</u>	<u>\$ (1,053,878)</u>
<u>Disposition of Cumulative (Over)/Under Recovery</u>				
10	Total ORA to be (Refunded)/Recovered	\$ -	\$ -	\$ -
11	Total ARA to be (Refunded)/Recovered	(1,053,878)	-	(1,053,878)
12	Cumulative (Over)/Under Recovery (Line 10 + Line 11)	<u>\$ (1,053,878)</u>	<u>\$ -</u>	<u>\$ (1,053,878)</u>

Sources:

Column (B): Ameren Exhibit 2.2
 Column (C):
 Column (D): Per Staff [Column (B) + Column (C)]