

STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION

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Ameren Illinois Company d/b/a)	
Ameren Illinois)	
)	Docket No. 14-0097
Petition for Approval of Tariffs Associated with)	
The Small Volume Transportation Program)	

**REBUTTAL TESTIMONY OF
TERESA RINGENBACH ON BEHALF OF
THE RETAIL ENERGY SUPPLY ASSOCIATION
AND THE ILLINOIS COMPETITIVE ENERGY ASSOCIATION**

1 **I. BACKGROUND**

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

3 A. My name is Teresa Ringenbach. My business address is 21 East State Street, 19th
4 Floor, Columbus, Ohio 43215.

5 **Q. Are you the same Teresa Ringenbach who submitted Direct Testimony on**
6 **behalf of the Retail Energy Supply Association (“RESA”)¹ and the Illinois**
7 **Competitive Energy Association (“ICEA”) in this proceeding?**

8 A. Yes, I am.

9 **Q. Please summarize your testimony.**

¹ RESA’s members include AEP Energy, Inc.; Champion Energy Services, LLC; ConEdison *Solutions*; Constellation NewEnergy, Inc.; Direct Energy Services, LLC; GDF SUEZ Energy Resources NA, Inc.; Homefield Energy; IDT Energy, Inc., Integrys Energy Services, Inc.; Interstate Gas Supply, Inc. d/b/a IGS Energy; Just Energy; Liberty Power; MC Squared Energy Services, LLC; Mint Energy, LLC; NextEra Energy Services; Noble Americas Energy Solutions LLC; NRG, Inc.; PPL EnergyPlus, LLC; Stream Energy; TransCanada Power Marketing Ltd.; and TriEagle Energy, L.P.. The comments expressed in this filing represent the position of RESA as an organization but may not represent the views of any particular member of RESA.

10 A. As I stated in my Direct Testimony, Ameren Illinois Company (“Ameren”) has
11 put together a very well designed structure for a Choice or Small Volume
12 Transportation (“SVT”) Program. However, in my Direct Testimony, I proposed
13 some needed changes to the SVT Program to ensure a more balanced program. I
14 also addressed some of Ameren’s proposed changes to its existing transportation
15 program and certain of Ameren’s practices concerning transportation service.
16 Direct Testimony was also submitted by Dr. David Rearden on behalf of the Staff
17 of the Illinois Commerce Commission (“Commission”), Mr. James L. Christ on
18 behalf of the Retail Gas Suppliers (“RGS”), and Mr. Bryan McDaniel on behalf of
19 the Citizens Utility Board (“CUB”). In my rebuttal testimony, I will respond to
20 some of the Direct Testimony of these three witnesses.

21 **RGS**

22 **Q. In his direct testimony, Mr. Crist states that he agrees with Ameren’s**
23 **proposed definition of the Weighted Average Cost of Gas to be used in Rider**
24 **GTA (RGS Ex. 1.0, p. 6, lines 114-119). Do ICEA and RESA agree with that**
25 **definition?**

26 A. Yes.

27 **Q. In his direct testimony, Mr. Crist states that he agrees with Ameren’s**
28 **proposal for calculating the sales price for a supplier’s storage inventory**
29 **when a supplier exits the SVT Program (*Id.*, pp. 6-7, lines 120-130). Do**
30 **ICEA and RESA agree with Ameren’s proposed pricing formula?**

31 A. Yes.

32 **Q. In his direct testimony, Mr. Crist states that, for purposes of getting the SVT**
33 **Program off the ground, he agrees with Ameren’s position with respect to an**
34 **appropriate Price to Compare (“PTC”), however he states that as the SVT**
35 **Program develops and grows, it will be important to identify costs correctly**
36 **included in Ameren’s base rates for tasks that are redundant with tasks**
37 **undertaken by suppliers (*Id.*, p. 7, lines 131-148). Do ICEA and RESA agree**
38 **with Mr. Crist’s position regarding the PTC?**

39 **A.** It is RESA and ICEA’s understanding that most avoidable costs are in the PGA.
40 However, there has been no audit of the utility costs to ensure that customers who
41 switch to a supplier fully avoid the cost of all services they are no longer taking.
42 Moreover, consideration of future costs has not been vetted. While RESA and
43 ICEA are agreeing, for the sake of getting the program up and running, to the
44 PGA as the price to compare, going forward we urge the Commission to monitor
45 future proceedings to ensure that our customers are not unintentionally forced to
46 pay for a service they are not taking simply because the cost is not in the PGA.
47 We urge the Commission to include in the tariff a requirement that future riders or
48 other costs not attributable to shopping customers be added to the PGA. In the
49 alternative, the definition of price to compare should be listed as all avoidable
50 costs to protect shopping customers from items they should not pay that are not
51 currently in the PGA.

52 **Q. In his direct testimony, Mr. Crist opposes Ameren’s proposed 10-day**
53 **rescission period for large non-residential customers (those using more than**

54 **5,000 therms per year) (*Id.*, pp. 7-9, lines 149-193). Do ICEA and RESA**
55 **agree with Mr. Crist’s position regarding rescission periods?**

56 A. Yes, and I addressed this at length in my Direct Testimony and stated ICEA and
57 RESA’s proposal that Ameren’s Rider T and proposed Rider SVT should be
58 revised to limit the ten-day rescission period to residential and small commercial
59 customers consistent with the requirements of the Public Utilities Act.

60 **Q. In his direct testimony, Mr. Crist addressed Ameren’s proposed nomination**
61 **procedures and Ameren’s penalty charges for non-delivery (*Id.*, pp. 13-14,**
62 **lines 269-290). Please comment.**

63 A. In my Direct Testimony, I addressed, at length, both Ameren’s proposed revisions
64 to its nomination schedule and its proposed 200% penalty for non-delivery and
65 proposed a more appropriate alternative. Basically, Ameren should follow the
66 NAESB standards for intraday nominations, attached as ICEA/RESA Ex. 1.2 to
67 my Direct Testimony. These are industry wide and FERC accepted standards.
68 With respect to the penalty, I explained that under Ameren’s tariff a supplier
69 could be charged a 200% penalty even though there was absolutely no impact to
70 reliability and the supplier was never short. However, the proposed penalty can
71 be addressed by the revisions I proposed to Ameren’s nomination procedures—
72 namely adopting the NAEBS intraday standards. If the Commission does not
73 want to match the full NAESB intraday standards, at a minimum the Commission
74 should require that this penalty may only be applied if the nominations do not
75 match after Intraday 1 cycle with a 10 a.m. deadline, as set forth in ICEA/RESA
76 Ex. 1.2 attached to my Direct Testimony. Mr. Crist makes an excellent point that

77 the pipelines follow the NAESB standards so regardless of what Ameren's tariff
78 states the pipeline will be following a different standard that is beyond a
79 supplier's control. Ameren should at a minimum match the pipeline schedule if it
80 does not allow intraday nominations as RESA and ICEA recommend.

81 **COMMISSION STAFF**

82 **Q. In his direct testimony, Dr. Rearden states that the PTC should use the PGA**
83 **rate as proposed by Ameren (ICC Staff Ex. 1.0, p. 4, lines 67-68). Please**
84 **comment.**

85 A. As I stated previously in addressing Mr. Crist's direct testimony, I agree that
86 Ameren's proposal is acceptable at the beginning of the SVT Program. However,
87 as the SVT Program develops and grows, it will be important to identify costs
88 correctly included in Ameren's base rates versus costs for those tasks that are
89 redundant with tasks undertaken by suppliers which should be removed from the
90 PTC.

91 **Q. In his direct testimony, Dr. Rearden addresses Ameren's position with**
92 **respect to rescission periods and recommends that the Commission reject**
93 **Ameren's proposal to have identical rescission periods for large and small**
94 **volume customers and that it seems that Ameren may not need to include**
95 **rescission periods for larger customers in its tariffs at all (*Id.*, pp. 6-9, lines**
96 **128-189). Do ICEA and RESA agree?**

97 A. Yes, for the reasons stated in my direct testimony, as well as the direct testimony
98 of Mr. Crist and the direct testimony of Dr. Rearden, the 10-day rescission period

99 should only apply to residential customers and small commercial customers, those
100 having 5,000 therms or less usage annually.

101 **CUB**

102 **Q. In his direct testimony, Mr. McDaniel references the three consumer**
103 **protections, proposed by CUB in Ill. C. C. Docket 13-0192, Ameren’s last gas**
104 **rate case, and addresses four issues raised in the application for rehearing of**
105 **RGS, RESA and ICEA. Please comment.**

106 A. Before I comment on Mr. McDaniel’s proposed resolution of the four issues, I
107 would first like to note that RGS has filed an appeal of the Commission’s
108 adoption of the three consumer protections referenced by Mr. McDaniel and that
109 appeal is still pending.

110 **Q. With respect to the issue of how consumer protection adopted in the**
111 **Commission’s Order in Docket 13-0192 should be enforced, Mr. McDaniel**
112 **states that there is no reason why these consumer protections need to be**
113 **included in Ameren’s tariff. (CUB Ex. 1.0, p. 4, lines 98-105) Do you agree?**

114 A. Yes. Moreover, I would point out that if the Appellate Court reverses the
115 Commission’s Order in Docket 13-0192 regarding the consumer protections,
116 Ameren would have to make a filing to eliminate any tariff language regarding
117 consumer protections if they were included in the tariff.

118 **Q. With respect to the issue of how consumer protection adopted in the**
119 **Commission’s Order in Docket 13-0192 should be enforced, Mr. McDaniel**
120 **proposes certain language to be included in suppliers’ contracts with their**
121 **customers. (*Id.*, pp. 4-5, lines 105-122) Do you agree?**

122 A. RESA and ICEA believe that suppliers, with respect to contracts containing
123 termination fees, would include items 1 and 2 regarding waiver of termination
124 fees (CUB testimony pp 1-2 lines 47-53) in their contracts regardless so we would
125 have no concern with the requirement should these protections be maintained on
126 appeal. However, we would oppose prescriptive language or mandating that these
127 be included if the contract contains no termination fees. If a contract does not
128 contain termination fees it seems confusing to add this language and overly
129 complicates the contract with irrelevant information.

130 **Q. In his direct testimony, Mr. McDaniel proposes that Ameren’s “Customers**
131 **Terms and Conditions” in its tariff, be revised to require Ameren to include**
132 **the applicable Purchased Gas Adjustment (“PGA”) on Ameren’s**
133 **consolidated bill “as a notification to customers of suppliers of the rate they**
134 **would be paying if they were a utility customer” (*Id.*, pp. 5-7, lines 126-136)**
135 **Do you agree?**

136 A. No. The PGA is a variable price that changes monthly. Adding this to a
137 customer’s bill is not an accurate comparison for future PGAs nor would it
138 highlight for customers where to find other options in the market. In addition,
139 customers would not be able to switch in time to take advantage of the PGA listed
140 on their bill, instead they would be moving back to the utility on an unknown rate.
141 This winter has made it very clear that consumers need to be educated on the risks
142 of a variable price and how quickly they can move if their variable price
143 increases. This applies to the PGA similarly as it does to a retail supplier variable
144 price. RESA/ICEA support providing customers with information to find all of

145 their options and would encourage the Commission to instead require information
146 on how to find pricing on the ICC website be provided on Ameren consolidated
147 bills. Providing a PGA that is not what the customer would pay the following
148 month or by the time an actual switch occurs, and without clearly explaining that
149 the PGA changes monthly, would be misleading. The ICC website provides
150 detailed and accurate information for customers to be fully informed and is the
151 best place for a customer to be directed.

152 **Q. In his direct testimony, Mr. McDaniel proposes to add a requirement that**
153 **Ameren advise the Commission if it observes high levels of customer**
154 **complaints about a particular supplier or if it observes a pattern of customer**
155 **complaints from a particular supplier relating to a specific issue” (Id., p, 8,**
156 **lines 180-201). Do ICEA and RESA agree?**

157 A. It has been my experience on the electric side that the utilities send both the
158 supplier and the Commission’s Office of Retail Market Development (“ORMD”)
159 a tracking report of complaints. This helps suppliers to address issues where a
160 customer may not call the supplier directly and also keeps the utility as a neutral
161 party in contract discussions. RESA/ICEA propose that CUB modify its request
162 to instead require, if Ameren is capable, a monthly report be provided to ORMD
163 and the supplier to ensure that if there are issues they can be corrected as quickly
164 as possible.

165 **CONCLUSION**

166 **Q. Does this conclude your rebuttal testimony?**

167 A. Yes, it does.

NOTICE OF FILING

Please take note that on April 25, 2014, I caused to be filed via e-docket with the Chief Clerk of the Illinois Commerce Commission, the attached Rebuttal Testimony of Teresa Ringenbach on behalf of the Illinois Competitive Energy Association and the Retail Energy Supply Association in this proceeding.

Dated: April 25, 2014

/s/GERARD T. FOX

Gerard T. Fox

CERTIFICATE OF SERVICE

I, Gerard T. Fox, certify that I caused to be served copies of the foregoing Rebuttal Testimony of Teresa Ringenbach on behalf of the Illinois Competitive Energy Association and the Retail Energy Supply Association upon the parties on the service list maintained on the Illinois Commerce Commission's eDocket system for Ill. C. C. Docket 14-0097 via electronic delivery on April 25, 2014.

/s/ GERARD T. FOX

Gerard T. Fox