

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of Union Electric Company d/b/a)	
AmerenUE for Authority to File Tariffs Increasing)	<u>Case No. ER-2007-0002</u>
Rates for Electric Service Provided to Customers)	Tariff No. YE-2007-0007
in the Company's Missouri Service Area.)	

ORDER DIRECTING FILING

Issue Date: August 30, 2006

Effective Date: August 30, 2006

On July 10, 2006, Union Electric Company d/b/a AmerenUE, submitted to the Missouri Public Service Commission certain proposed tariff sheets, Tariff File No. YE-2007-0007. The purpose of the filing, according to AmerenUE, is to implement a general rate increase for retail electric service to customers in its Missouri service area. In its order suspending Aquila's tariff, the Commission ordered the parties to prepare a proposed procedural schedule by August 25. The parties filed a jointly proposed procedural schedule and request for other procedural items four days late, on August 29. Along with the proposed procedural schedule, the parties jointly filed a request for leave to late-file the procedural schedule. The parties' request to late-file is reasonable and will be granted.

Upon reviewing the proposed procedural schedule, the Commission has questions for the parties concerning what test-year, if any, is jointly proposed by the parties. Bolded language under numbered paragraph 2, on page 2 reads:

Proposed Procedural Schedule – AmerenUE Electric Rate Case Filed
7/7/06 – test year ending June 30, 2006, with nine months actual data

and three months forecasted data, as well as pro forma adjustments including certain items through January 1, 2007.

This language appears to indicate that the parties agree to adopt the test year proposed by AmerenUE, or a test year ending June 30, 2006, with updates for known and measurable changes through January 1, 2007. However, in numbered paragraph 3(a), the pleading reads in pertinent part:

- (a) AmerenUE used a test year ending June 30, 2006, with nine months actual data and three months forecasted data, as well as pro forma adjustments including certain items through January 1, 2007. AmerenUE will updates its case on September 29, 2006 to substitute actual data for the three months of forecasted data it filed in its July 7, 2006 direct testimony and to provide testimony and data on the July 2006 storms. **AmerenUE will true-up its test year through January 1, 2007.** (emphasis added)

The bolded language in the section above could indicate that the parties intend to use the test year proposed by the Office of the Public Counsel, a test year ending June 30, 2006, with updates for known and measurable changes through September 30, 2006, and address any additional items through true-up.

Due to previous disagreements as to the appropriate test year to use in this case, the Commission will ask each party taking a position on this issue to file a brief statement as to what it believes to be the appropriate test year to use in this case. Specifically, each party taking a position will state that it recommends adopting either: (1) a test year ending June 30, 2006, with updates for any known and measurable changes through September 30, 2006; or 2) a test year ending June 30, 2006, with updates for any known and measurable changes through January 1, 2007.

IT IS ORDERED THAT:

1. Any party taking a position on the appropriate test year to be used in this case shall file, on or before September 7, 2006, a statement regarding its test year position as set out in the body of this order.
2. This order shall become effective on August 30, 2006.

BY THE COMMISSION

A handwritten signature in black ink, appearing to read 'Colleen M. Dale', written over a horizontal line.

Colleen M. Dale
Secretary

(S E A L)

Cherlyn D. Voss, Regulatory Law Judge,
by delegation of authority pursuant to
Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri,
on this 30th day of August, 2006.