

Exhibit No.:
Issues: Off-System Sales Margins –
Updated Data
Witness: Shawn E. Schukar
Sponsoring Party: Union Electric Company
Type of Exhibit: Supplemental Direct Testimony
Case No.: ER-2007-0002
Date Testimony Prepared: September 29, 2006

MISSOURI PUBLIC SERVICE COMMISSION

CASE NO. ER-2007-0002

SUPPLEMENTAL DIRECT TESTIMONY

OF

SHAWN E. SCHUKAR

ON

BEHALF OF

**UNION ELECTRIC COMPANY
d/b/a AmerenUE**

**St. Louis, Missouri
September, 2006**

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1 **SUPPLEMENTAL DIRECT TESTIMONY**

2 **OF**

3 **SHAWN E. SCHUKAR**

4 **CASE NO. ER-2007-0002**

5 **I. INTRODUCTION**

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

7 A. My name is Shawn E. Schukar. My business address is One Ameren Plaza,
8 1901 Chouteau Avenue, St. Louis, Missouri 63103.

9 **Q. Are you the same Shawn E. Schukar who previously filed direct**
10 **testimony in this case?**

11 A. Yes.

12 **II. PURPOSE OF TESTIMONY**

13 **Q. What is the purpose of your supplemental direct testimony?**

14 A. AmerenUE filed this case based upon a test year consisting of the 12 months
15 ending June 30, 2006, using nine months of actual data and three months of budgeted data
16 (for the months of April, May and June, 2006). As provided for in the Commission's Order
17 Adopting Procedural Schedule and Test Year, I am updating the recommended level of off-
18 system sales margins to include in the Company's revenue requirement based upon
19 AmerenUE witness Timothy D. Finnell's updated PROSYM model run, which has been
20 updated to reflect actual data for the entire test year period.

21

1 **III. OFF-SYSTEM SALES MARGINS – UPDATED DATA**

2 **Q. Did using actual data for the months of April to June 2006 change the**
3 **level of off-system sales margins you recommend for inclusion in the Company’s**
4 **revenue requirement?**

5 A. Yes, but only slightly. As Mr. Finnell explains in his supplemental direct
6 testimony, the megawatt hours (MWh) available for off-system sales as determined by the
7 PROSYM model, using the updated normalized load based upon actual data for this period,
8 increased slightly resulting in modeled off-system sales margins of \$183,466,000 versus the
9 model results used when my direct testimony was filed (\$179,992,000).

10 **Q. Has anything else changed in relation to your direct testimony?**

11 A. No. As Mr. Finnell explains in his supplemental direct testimony, the only
12 change to the PROSYM model was to take the updated information for April to June 2006 to
13 produce an updated actual annual normalized load. The result was this slight change in off-
14 system sales margins.

15 **Q. Based upon these updated numbers, what is your recommended level of**
16 **off-system sales for inclusion in the Company’s revenue requirement?**

17 A. \$183,000,000, which I derived by rounding the modeling results to the nearest
18 million dollars.

1 **Q. Does this slight change in your recommendation affect the structure of**
2 **the alternative off-system sales margin sharing mechanism discussed in your direct**
3 **testimony?**

4 A. No. As I discussed in my direct testimony, there exists considerable
5 uncertainty relating to whether a particular level of off-system sales margins, such as the
6 \$183,000,000 I am recommending, can be achieved. Given that the change from
7 \$180,000,000 to \$183,000,000 is small, I would not recommend any change in the sharing
8 bands or structure reflected in the alternative sharing mechanism described in my direct
9 testimony.

10 **Q. Does this conclude your supplemental direct testimony?**

11 A. Yes, it does.

In the Matter of Union Electric Company)
d/b/a AmerenUE for Authority to File)
Tariffs Increasing Rates for Electric)
Service Provided to Customers in the)
Company's Missouri Service Area.)

Case No. ER-2007-0002

STATE OF MISSOURI)
) ss
CITY OF ST. LOUIS)

1. My name is Shawn E. Schukar. I work in the City of St. Louis, Missouri, and I am employed by Ameren Energy, Inc. as Vice President of Ameren Energy.

3. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded are true and correct.


Shawn E. Schukar

D. Bradley
Notary Public

D. Bradley - Notary Public
Notary Seal, State of
Missouri - St. Louis County
Commission #06923315
My Commission Expires 8/8/2010