## STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 11<sup>th</sup> day of June, 2014.

Noranda Aluminum, Inc., et al.,		)
	Complainants,	)
V.		) File No. EC-2014-0223
Union Electric Company, Ameren Missouri	d/b/a	) )
	Respondent.	)

## **ORDER DENYING RECONSIDERATION AND OFFERING CLARIFICATION**

Issue Date: June 11, 2014

Effective Date: June 11, 2014

On May 14, 2014, the Commission issued its Order Regarding Request to Set Test Year and True-Up that denied the Complainant's motion to establish a test year and true-up dates. The Consumers Council of Missouri, the Office of the Public Counsel, AARP, and the Missouri Retailers Association filed a motion for reconsideration or clarification of that order on May 27. The Complainants, Ameren Missouri, and the Commission's Staff filed separate responses to that motion on June 5.

The motion does not challenge the Commission's decision to not establish a test year and true-up dates. Rather, it asks the Commission to clarify the nature of the rate complaint and to confirm that new prospective rates can result from this complaint. The responses of the other parties to the motion illustrate the parties' confusion and show why clarification is needed. As the Commission's May 14 order states, the action brought by the Complainants is a rate complaint. The Commission more frequently deals with rate proceedings under the file and suspend method, whereby a utility files a tariff to allow it to increase its rates. In response to such a filing, the Commission suspends the tariff for the statutorily allowed eleven months. The Commission then directs its Staff to audit the company, and hears testimony from other interested parties to establish all relevant factors necessary to establish a just and reasonable prospective rate for the utility.

The Complainants do not ask the Commission to order Staff to audit the company to gain additional information. Instead, they recognize that they bear the burden of proof to show that Ameren Missouri's prospective rates should be adjusted, and ask only for an opportunity to meet that burden.

Staff suggests that because the procedural schedule does not include time for Staff to audit the company, this proceeding cannot be used to establish new rates for Ameren Missouri. Instead, Staff assumes that because this proceeding allows for only a limited investigation, the Commission will not be presented with all relevant factors necessary to set just and reasonable rates. Similarly, Ameren Missouri asserts that the Complainants have not filed the information necessary for a general rate proceeding.

Staff and Ameren Missouri have time to do only a limited investigation of the allegations made by the Complainants. If either party's investigation indicates the Complainants have not met their burden of establishing all relevant factors necessary to set a just and reasonable prospective rate, Staff or Ameren Missouri may take that position at the hearing. But whether the Complainants have met their burden is an issue the Commission will decide after considering all competent evidence on the record. The Complainant may not be able to meet

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that very heavy burden, but if they are able to do so, the Commission can establish new rates in response to the complaint.

On the other side, Consumers Council, Public Counsel, AARP and the Missouri Retailers ask the Commission to clarify that they may assist the Complainants in meeting the burden of proof by using their rebuttal testimony to address what they believe are other relevant factors necessary to establish just and reasonable prospective rates. The Commission will not make an abstract clarification on that point. In any event, none of the consumer groups filed rebuttal testimony on June 6 when it was due. Therefore, the request for clarification on this point is moot.

Having offered the clarification described in this order, the Commission finds no reason to reconsider its Order Regarding Request to Set Test Year and True-Up.

## THE COMMISSION ORDERS THAT:

1. The Motion for Reconsideration is denied.

2. The Commission's Order Regarding Request to Set Test Year and True-Up is clarified as indicated in the body of this order.

- 3. Any points of clarification not addressed in this order are denied.
- 4. This order shall become effective when issued.



## BY THE COMMISSION

Morris I Woodrug

Morris L. Woodruff Secretary

R. Kenney, Chm., Stoll, W. Kenney, Hall, and Rupp, CC., concur.

Woodruff, Chief Regulatory Law Judge