# BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Third Prudence Review of ) Costs Subject to the Commission-Approved ) Fuel Adjustment Clause of Union Electric ) Company d/b/a Ameren Missouri.

Case No. EO-2013-0407

## **REPORT ON STAFF'S THIRD AMEREN MISSOURI FAC PRUDENCE AUDIT**

**COMES NOW** the Staff of the Missouri Public Service Commission and, for its Report on Staff's Prudence Review of Costs in the Fuel Adjustment Clause of Union Electric Company d/b/a Ameren Missouri, for the period June 1, 2011, through September 30, 2012,<sup>1</sup> states to the Missouri Public Service Commission:

1. Staff initiated this prudence review on March 1, 2013, and filed notice on March 1, 2013, that it had started its prudence audit. Filing that notice initiated this Case No. EO-2013-0407. In its notice Staff informed the Commission it would file this report in which Staff presents its prudence findings to the Commission regarding its examination and analysis of the costs subject to Ameren Missouri's fuel and purchased power adjustment clause ("FAC") for the period June 1, 2011, through September 30, 2012.

2. Staff explains in its report filed herewith, based on its review, Staff found no imprudence by Ameren Missouri in connection with its FAC for the period June 1, 2011, through September 30, 2012; however, Staff has not yet reviewed detailed information it recently received regarding the circumstances that caused the duration of Callaway refuel 18 outage to be extended and additional information

<sup>&</sup>lt;sup>1</sup> Adjustments to the Fuel and Purchased Power Adjustment factor based on the June 1, 2011, to September 30, 2011 (8<sup>th</sup>), October 1, 2011, to January 31, 2012 (9<sup>th</sup>), February 1, 2012, to May 31, 2012 (10<sup>th</sup>), and June 1, 2012 to September 30, 2012, (11<sup>th</sup>) accumulation periods were the subjects of Case Nos. ER-2012-0164, ER-2012-0319, ER-2013-0030 and ER-2013-0310, respectively.

regarding generating unit forced outages. Staff will supplement its report after doing so. Further, Staff reached no conclusion regarding the prudence of including all or part of the fuel costs of Ameren Missouri's Maryland Heights landfill gas generating facility through its FAC rather than as renewable energy compliance costs that may be recovered through a renewable energy standard rate adjustment mechanism.

3. The Commission should be mindful of the schedule of events that are to take place based on when Staff starts it prudence audit. Rule 4 CSR 240-20.090(7)(B) establishes the following schedule:

Time from start of Staff prudence audit to event	Event
Within 180 days	Submission of Staff recommendation to Commission regarding Staff's examination and analysis
Within 190 days	Request for hearing
Within 210 days	Commission Order, if no hearing requested

WHEREFORE, the Staff of the Missouri Public Service Commission hereby submits its report on its prudence review of the costs and revenues associated with Ameren Missouri's Commission-approved fuel adjustment clause for the period June 1, 2011, through September 30, 2012, and advises the Commission it will supplement that report after it completes its review of the detailed information it recently received regarding the circumstances that caused the outage duration of the 18<sup>th</sup> refueling of the Callaway nuclear reactor to be extended and the additional information it received regarding generating unit forced outages.

Respectfully submitted,

#### <u>/s/ Nathan Williams</u>

Nathan Williams Deputy Counsel Missouri Bar No. 35512 Attorney for the Staff of the Missouri Public Service Commission P. O. Box 360 Jefferson City, MO 65102 (573) 751-8702 (Telephone) (573) 751-9285 (Fax) nathan.williams@psc.mo.gov (e-mail)

# **CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 28<sup>th</sup> day of August 2013.

## /s/ Nathan Williams