

**PRUDENCE REVIEW OF COSTS  
RELATED TO THE FUEL ADJUSTMENT CLAUSE  
FOR THE ELECTRIC OPERATIONS  
OF  
UNION ELECTRIC COMPANY,  
d/b/a AMEREN MISSOURI**

**June 1, 2011 through September 30, 2012**

**MISSOURI PUBLIC SERVICE COMMISSION  
STAFF SUPPLEMENTAL REPORT**

**FILE NO. EO-2013-0407**

*Jefferson City, Missouri  
September 30, 2013*

**\*\*Denotes Highly Confidential Information\*\***

**NP**

## **Background**

Staff submitted its Prudence Review of Costs Related to the Fuel Adjustment Clause for the Electric Operations of Union Electric Company, d/b/a Ameren Missouri (“Ameren Missouri”) on August 28, 2013, stating that Staff had found no imprudence in connection with Ameren Missouri’s fuel adjustment clause for the period June 1, 2011 through September 30, 2012, but that Staff had not completed its review of Ameren Missouri’s responses to Staff Data Request Numbers 0056 and 0057 in time to include its review of those responses in its report.<sup>1</sup> As it committed to do in its report and in its response to the Commission’s inquiry directing Staff to state when it intended to file a supplement to its report, Staff files this supplement to that report. As Staff explains, Staff has reviewed Ameren Missouri’s responses to the two data requests and found no imprudence by Ameren Missouri in connection with its fuel adjustment clause associated with generating unit forced outages and the extended duration of the Callaway refuel 18 outage during this prudence review period.

## **Plant Outages**

### **1. Description**

Staff issued Data Request 0056 requesting additional detailed information that includes - for each base loaded or “must run” generating unit - the forced outage rate (“FOR”) and explanations for major deviations (greater than 50%) of the FOR from one review period to another, maintenance budget versus actual expenditures, any deferrals of required or recommended maintenance and inspections, key plant performance parameters and goals used to evaluate the performance of plant managers, etc. The Company response to Data Request 0056 provided the requested information, and Staff’s review of this information did not produce any new areas of concern. Therefore, no additional data is required. Staff’s review of the fossil generation fleet actual vs. budgeted maintenance costs and a review of the forced outage rates for the review period compared to the previous review period did not yield any areas of concern. As noted previously, planned outages were scheduled during forecasted non-peak demand times, and it should also be noted the planned outage schedule was also submitted to the Regional Transmission Operator (“RTO”) Midcontinent Independent System Operator (“MISO”) for its

---

<sup>1</sup> Staff Data Request Nos. 0056 and 0057 were discussed in Section III-E, Plant Outages, of Staff’s Report, starting on page 11, and concern the duration of the planned outage related to the 18<sup>th</sup> refueling of Ameren Missouri’s Callaway nuclear generating plant and generating unit forced outages.

Staff also acknowledges that the Electric Utility Cost Group (“EUCG”) selected the Labadie and Rush Island Energy Centers as best performers in 2011.<sup>2</sup>

[illegible]

\*\*

<sup>2</sup> <http://ameren.mediaroom.com/index.php?s=43&item=1078>.

## **2. Summary of Cost Implications**

An imprudent outage could result in Ameren Missouri purchasing expensive spot market energy or running its more expensive gas units to meet demand and could result in ratepayer harm through an increase in customer FAC charges.

## **3. Conclusion**

Staff did not find any evidence of imprudent outages during the time period examined in this prudence review.

## **4. Documents Reviewed (in addition to the original report documents)**

- a. Ameren Missouri's responses to Staff Data Requests Nos. 0057 and 0058;
- b. MISO 2012 Summer Resource Assessment;

*Staff Expert: Randy Gross*

**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

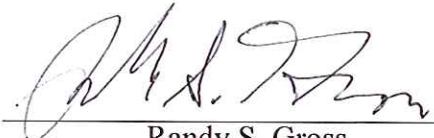
)  
)  
)  
)  
)

Case No. EO-2013-0407

**AFFIDAVIT OF RANDY S. GROSS**

STATE OF MISSOURI     )  
                                  ) ss  
COUNTY OF COLE     )

Randy S. Gross, of lawful age, on his oath states: that he has participated in the preparation of the foregoing Supplemental Staff Report in pages 1-3; that he has knowledge of the matters set forth in such Report; and that such matters are true to the best of his knowledge and belief.

  
\_\_\_\_\_  
Randy S. Gross

Subscribed and sworn to before me this 18<sup>th</sup> day of September, 2013.



  
\_\_\_\_\_  
Notary Public