

**STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION**

At a session of the Public Service  
Commission held at its office in  
Jefferson City on the 23<sup>rd</sup> day of  
October, 2013.

In the Matter of the Third Prudence Review of	)	
Costs Subject to the Commission-Approved Fuel	)	<b><u>File No. EO-2013-0407</u></b>
Adjustment Clause of Union Electric Company	)	
d/b/a Ameren Missouri	)	

**ORDER APPROVING STAFF'S PRUDENCE REVIEW**

Issue Date: October 23, 2013

Effective Date: November 22, 2013

Union Electric Company d/b/a Ameren Missouri ("Ameren Missouri") has utilized a fuel adjustment clause since the Missouri Public Service Commission approved the use of that clause in the company's last general rate case, ER-2012-0166. Section 386.266.4(4) RSMo Supp. 2012, the statute that authorizes an electric utility to use a fuel adjustment clause, requires the Commission to conduct a prudence review of the utility's fuel costs no less frequently than at 18-month intervals. The 18-month prudence review is also required by Commission Rule 4 CSR 240-20.090(7).

On March 1, 2013, the Commission's Staff filed a notice indicating it started its prudence audit on March 1, 2013. Commission Rule 4 CSR 240-20.090(7)(B) establishes a timeline that requires Staff to file a recommendation regarding the results of its audit no later than 180 days after it initiates its audit. The timeline then directs the Commission to issue an order regarding Staff's audit no later than 210 days after Staff initiates it audit, unless within 190 days some party to the proceeding requests a hearing.

On August 28, 2013, Staff filed its report on the prudence review, finding no imprudence by Ameren Missouri in connection with the fuel adjustment clause for the period June 1, 2011 through September 30, 2012. However, Staff also stated that it intended to file a supplement to the recommendation regarding certain generating unit outages. On September 6, 2013, Ameren Missouri filed a “contingent” request for hearing to preserve its right to a hearing if Staff’s supplemental report alleges any imprudence on the part of Ameren Missouri. The Commission considered the pleadings to constitute a request for waiver of the filing deadlines and extended all filing deadlines an additional 33 days. Staff filed the supplement to its report on September 18, 2013, which found no evidence of imprudent outages during the time period examined in the prudence review. No party requested a hearing by October 10, 2013, which was the new filing deadline to request a hearing. Therefore, the Commission may now consider Staff’s report and recommendation.

Staff’s report and recommendation regarding its prudence review indicates Staff has conducted a review of all aspects of Ameren Missouri’s fuel costs as they are passed through to customers under the fuel adjustment clause. Staff does not identify any imprudence by Ameren Missouri that would result in harm to the utility’s ratepayers. Therefore, Staff does not recommend that Ameren Missouri be required to make any refunds to its customers.

The Commission finds Staff’s report and recommendation regarding its prudence review of Ameren Missouri’s fuel costs to be reasonable. No party has requested a hearing, or in any other way opposed or objected to Staff’s recommendation. Therefore, the Commission will approve Staff’s report.

**THE COMMISSION ORDERS THAT:**

1. Staff's Report regarding its prudence audit of the costs subject to Union Electric Company d/b/a Ameren Missouri's fuel adjustment clause is approved.
2. This order shall become effective on November 22, 2013.



**BY THE COMMISSION**

*Morris L. Woodruff*

Morris L. Woodruff  
Secretary

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

Bushmann, Regulatory Law Judge