BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

)

)

In the Matter of Union Electric Company, d/b/a Ameren Missouri's Tariff to Increase Its Annual Revenues for Electric Service File No. ER-2012-0166 Tariff No. YE-2012-0370

ORDER STRIKING A PORTION OF DAVID MURRAY'S SURREBUTTAL TESTIMONY

Issue Date: September 17, 2012 Effective Date: September 17, 2012

On September 11, 2012, Union Electric Company d/b/a Ameren Missouri filed a motion asking the Commission to strike a portion of the prefiled surrebuttal testimony of Staff witness David Murray. Ameren Missouri complained that Murray attempted to introduce a new \$19-20 million adjustment to Ameren Missouri's revenue requirement in his surrebuttal testimony. Murray's adjustment would be based on his allegation that Ameren Missouri's cost of debt may be higher than it would otherwise be due to Ameren Missouri's affiliation with other companies under the Ameren holding company umbrella. Specifically, Ameren Missouri asks the Commission to strike the portion of Murray's prefiled surrebuttal testimony beginning at page 24, line 16, and continuing through page 26, line 15.

Staff responded to Ameren Missouri's motion on September 12. Staff denied that Murray intended to introduce a new adjustment in his surrebuttal testimony. According to Staff, Murray only wanted to illustrate his concerns about Ameren Missouri's cost of debt in response to the testimony filed by Ameren Missouri's cost of equity expert, Robert Hevert. Staff conceded that Murray was not proposing any new adjustment and consented to strike that portion of Murray's testimony that discussed such an adjustment. However, Staff objected to Ameren Missouri's motion to strike those portions of Murray's testimony that preceded and followed his discussion of a possible new adjustment. Specifically, Staff consented to the striking of the portion of Murray's testimony beginning at page 24, line 20, and continuing through page 25, line 16. Ameren Missouri did not reply to Staff's response.

The Commission agrees with Ameren Missouri that it would be inappropriate for Staff to attempt to introduce a significant new adjustment in its surrebuttal testimony. Such action would severely limit the ability of Ameren Missouri to respond to the adjustment and would be prohibited under the Commission's rules. The Commission will strike the portion of Murray's testimony that describes that possible adjustment, which is the portion of the testimony that Staff consents to strike. The rest of the testimony challenged by Ameren Missouri appears to be responsive to the testimony offered by Mr. Hevert and will not be struck.

THE COMMISSION ORDERS THAT:

1. The portion of the surrebuttal testimony of Staff witness David Murray beginning on page 24, line 20 and continuing through page 25, line 16 is struck.

2. Union Electric Company d/b/a Ameren Missouri's motion to strike additional portions of David Murray's surrebuttal testimony is denied.

2

3. This order shall become effective immediately upon issuance.

BY THE COMMISSION

Steven C. Reed Secretary

Morris L. Woodruff, Chief Regulatory Law Judge, by delegation of authority pursuant to Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri, on this 17th day of September, 2012.

(SEAL)