

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of the Adjustment of Union)	
Electric Company d/b/a Ameren Missouri's)	<u>Case No. ER-2013-0030</u>
Fuel Adjustment Clause for the 10 th)	Tariff No. YE-2013-0057
Accumulation Period.)	

STAFF RECOMMENDATION TO APPROVE TARIFF SHEET

COMES NOW the Staff of the Missouri Public Service Commission ("Staff") and for its recommendation states:

1. On July 26, 2012, Union Electric Company d/b/a Ameren Missouri ("Ameren Missouri") filed one (1) tariff sheet bearing a proposed effective date of September 24, 2012. With the tariff sheet, Ameren Missouri proposes to revise the current Fuel and Purchased Power Adjustment rates (FPA_C per kWh rates) of its Fuel Adjustment Clause ("FAC") – from the current FPA_C rates applicable during recovery period 9 ("RP9") to the proposed FPA_C rates applicable during recovery period 10 ("RP10") – as follows:

Fuel and Purchased Power Adjustment Rate – Ameren Missouri			
Service	Proposed RP10 FPA _C	Current RP9 FPA _C	Difference
Secondary	\$0.00269/kWh	\$0.00288/kWh	\$(0.00019)/kWh
Primary	\$0.00261/kWh	\$0.00279/kWh	\$(0.00018)/kWh
Large Transmission	\$0.00253/kWh	\$0.00270/kWh	\$(0.00017)/kWh

2. Based on a monthly usage of 1,100 kWh, the proposed change to the Secondary FPA_C per kWh rate will decrease the Fuel Adjustment Charge of an Ameren Missouri residential customer's bill from \$3.17 to \$2.96, a decrease of \$0.21 per month.

3. In the attached Memorandum (Appendix A), the Missouri Public Service Commission Staff summarizes its review and analysis of Ameren Missouri's filed testimony, workpapers and proposed tariff sheet and recommends that the Commission issue an Order that approves the following proposed tariff sheet, as filed on July 26, 2012, to become effective on September 24, 2012, as requested by Ameren Missouri:

MO.P.S.C. Schedule No. 5

3rd Revised Sheet No. 98.21 Canceling 2nd Revised Sheet No. 98.21.

4. In its memorandum Staff discusses that the FPA_c changes not only include ninety-five percent (95%) of the difference between Ameren Missouri's actual fuel and purchased power costs net of off-system sales revenue and Ameren Missouri's Base Energy Cost during the accumulation period of February 2012 through May 2012 (AP10), plus monthly interest on the difference accumulated through the end of that accumulation period, but true-up amounts for both RP6 and RP7 with interest, which Ameren Missouri is requesting in Case Nos. ER-2013-0031 and ER-2013-0033, respectively. Staff is recommending the Commission approve those true-up amounts with interest in those cases.

5. Staff has verified that Ameren Missouri has filed its annual report and is not delinquent on any assessment. Other than the RP6 and RP7 true-up filings referenced above – Case Nos. ER-2013-0031 and ER-2013-0033 – Staff is not aware of any other matter before the Commission that affects or is affected by this filing.

WHEREFORE, Staff recommends the Commission issue an order that approves the following proposed tariff sheet, as filed on July 26, 2012, to become effective on September 24, 2012, as requested by Ameren Missouri:

MO.P.S.C. Schedule No. 5

3rd Revised Sheet No. 98.21 Canceling 2nd Revised Sheet No. 98.21.

Respectfully submitted,

/s/ Jeffrey A. Keevil

Jeffrey A. Keevil
Missouri Bar No. 33825

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronically mailed to all counsel of record this 24th day of August 2012.

/s/ Jeffrey A. Keevil

MEMORANDUM

TO: Missouri Public Service Commission Official Case File
File No. ER-2013-0030, Tariff Tracking YE-2013-0057
Union Electric Company d/b/a Ameren Missouri

FROM: Matthew Barnes, Utility Regulatory Auditor IV
David Roos, Regulatory Economist III
Michelle Bocklage, Rate & Tariff Examiner II

/s/ John Rogers 08/24/2012
Energy Unit / Date

/s/ Jeff Keevil 08/24/2012
Staff Counsel's Office / Date

SUBJECT: Staff Recommendation for Approval of Tariff Sheet Filed to Change Rates
Related to Ameren Missouri's Fuel Adjustment Clause Pursuant to the
Commission's Report and Orders from File Nos. ER-2011-0028 and
ER-2010-0274

DATE: August 24, 2012

On July 26, 2012, Union Electric Company d/b/a Ameren Missouri ("Ameren Missouri" or "Company") filed one (1) tariff sheet, 3rd Revised Sheet No. 98.21 bearing a proposed effective date of September 24, 2012, canceling 2nd Revised Sheet No. 98.21. The filed tariff sheet, 3rd Revised Sheet No. 98.21, revises Ameren Missouri's Fuel and Purchased Power Adjustment ("FPA") per kWh rates of its Fuel Adjustment Clause ("FAC"). Staff recommends the Missouri Public Service Commission ("Commission") approve 3rd Revised Sheet No. 98.21.

Ameren Missouri's July 26, 2012 filing includes the testimony of Ameren Missouri witness Erik C. Wenberg and associated Ameren Missouri work papers. The testimony and work papers include information that supports Ameren Missouri's calculation of the dollar amount it used to calculate FPA₁₀.¹ That dollar amount ("FPA₁₀ Amount") is \$27,697,785 which results in a FPA₁₀ of \$0.00112 per kWh and an FPA_c² of \$0.00255 per kWh.

¹ FPA_{RP} is defined in Ameren Missouri's FAC tariff sheets as "FPA Recovery Period rate component calculated to recover under/over collection during the Accumulation Period that ended prior to the applicable Filing Date." Since this filing occurred after the end of Accumulation Period 10, FPA_{RP} in this recommendation is referred to as FPA₁₀.

² FPA_c is defined in Ameren Missouri's FAC tariff sheets as "Fuel and Purchased Power Adjustment rate applicable starting with the Recovery Period following the applicable Filing Date."

Ameren Missouri's work papers show the following components of the FPA_{10} Amount:

1. Customer Responsibility for Accumulation Period 10 ("AP10") equal to \$29,199,677 (Line 5 on 3rd Revised Sheet No. 98.21);
2. Interest for AP10 equal to \$15,881;
3. True-Up for Recovery Period 6 ("RP6") with interest equal to \$610,523;³ and
4. True-Up for Recovery Period 7 ("RP7") with interest equal to \$(2,128,296)⁴.

Line 6 on Ameren Missouri's requested 3rd Revised Sheet No. 98.21 is equal to \$(1,501,892) which is the sum of the interest for AP10 and the true-up for RP6 and RP7 with interest.

Customer Responsibility for AP10 with Interest Plus the True-Up Amounts for RP6 and RP7

AP10 included the billing months of February 2012 through May 2012. The customer responsibility for AP10 is equal to ninety-five percent (95%) of the difference between Ameren Missouri's actual fuel and purchased power costs net of off-system sales revenue and Ameren Missouri's Base Energy Cost during AP10—\$29,199,677, plus monthly interest on the difference accumulated through the end of AP10 plus the true-up amounts for RP6 and RP7 — \$(1,501,892)—for an aggregate of \$27,697,785 to be charged to customers.

Calculation of FPA_{10}

FPA_{10} of \$0.00112 per kWh is equal to the Customer Responsibility for AP10 with Interest Plus the True-Up Amounts for RP6 and RP7 for a total of \$27,697,785 divided by Recovery Period 10 (RP10) estimated kWh representing the expected retail component of the Company's load settled at its MISO CP node⁵ (AMMO.UE or successor node) of 24,637,361,361 kWh. The FPA_{10} per kWh rate will apply during RP10—Ameren Missouri's billing months of October 2012 through May 2013.

Ameren Missouri's requested 3rd Revised Sheet No. 98.21 canceling 2nd Revised Sheet No. 98.21, when effective, will change the current FPA_c per kWh rate (without voltage level adjustment on line 11 of the Company's requested 3rd Revised Sheet No. 98.21) to \$0.00255 per

³ Approval of the True-Up for RP6 is the subject of File No. ER-2013-0031.

⁴ Approval of the True-Up for RP7 is the subject of File No. ER-2013-0033.

⁵ Staff was notified by Ameren Missouri that it recently began receiving energy that is not measured at the MISO CP node; specifically, energy received and measured from its Maryland Heights facility.

kWh which is the cumulative sum of: 1) FPA₉ of \$0.00143 per kWh, and 2) FPA₁₀ of \$0.00112 per kWh.

Because of a difference in line losses, there are different current FPA_c per kWh rates for service taken at Secondary, Primary, and Large Transmission voltage levels. Listed below are the proposed RP10 FPA_c per kWh rates, the current RP₉ FPA_c per kWh rates and the difference between them for Secondary, Primary, and Large Transmission service:

	Proposed RP ₁₀ FPA _c	Current RP ₉ FPA _c	Difference
Secondary	\$0.00269/kWh	\$0.00288/kWh	\$(0.00019)/kWh
Primary	\$0.00261/kWh	\$0.00279/kWh	\$(0.00018)/kWh
Large Transmission	\$0.00253/kWh	\$0.00270/kWh	\$(0.00017)/kWh

Based on a monthly usage of 1,100 kWh, the proposed change to the Secondary FPA_c per kWh rate will decrease the Fuel Adjustment Charge of an Ameren Missouri residential customer's bill from \$3.17 to \$2.96, a decrease of \$.21 per month.

The Accumulation Periods, Recovery Periods, and other specifications of Ameren Missouri's FAC are set out in its tariff sheets designated Sheet Nos. 98.15 through 98.21. Staff notes that as a result of Ameren Missouri's last rate case File No. ER-2011-0028, 12-month recovery periods were shifted to 8-month recovery periods beginning October 2011. File No. ER-2013-0031, RP6 true-up, is the last 12-month recovery period. File No. ER-2013-0033, RP7 true-up, is the first 8-month recovery period. As noted above, the true-up amounts for RP6 and RP7 are included in the calculation of Line 6 of the proposed 3rd Revised Sheet No. 98.21.

Staff reviewed proposed 3rd Revised Sheet No. 98.21, the direct testimony of Ameren Missouri witness Erik C. Wenberg and work papers in this filing, as well as, Ameren Missouri's monthly information submitted in compliance with 4 CSR 240-3.161(5) for AP10 and verified that the actual fuel and purchased power costs reflected therein match the fuel and purchased power costs in Ameren Missouri's proposed 3rd Revised Sheet No. 98.21 and the supporting schedules of witness Erik C. Wenberg. Staff reviewed Ameren Missouri's monthly reports and verified that the kWh billed shown on the monthly reports match the accumulation period sales used to calculate the FPA rates. Staff reviewed Ameren Missouri's monthly interest rates that are applied to 95% of the over/under Base Energy Cost amount and verified that the interest rates

and calculations of interest amounts are correct for AP10.

Staff Recommendation

Ameren Missouri timely filed 3rd Revised Sheet No. 98.21, and has complied with Commission Rule 4 CSR 240-3.161 (Electric Utility Fuel and Purchased Power Cost Recovery Mechanisms Filing and Submission Requirements), and Ameren Missouri's FAC embodied in its tariff.

Commission Rule 4 CSR 240-20.090(4) provides in part:

[T]he commission shall either issue an interim rate adjustment order approving the tariff schedules and the FAC rate adjustments within sixty (60) days of the electric utility's filing or, if no such order is issued, the tariff schedules and the FAC rate adjustments shall take effect sixty (60) days after the tariff schedules were filed.

Ameren Missouri requested that 3rd Revised Sheet No. 98.21, filed July 26, 2012, become effective on September 24, 2012, the beginning of the first billing cycle of Ameren Missouri's October 2012 billing month. Thus, the proposed tariff sheet was filed with 60 days' notice. Therefore, Staff recommends the Commission issue an order approving the following proposed tariff sheet, as filed on July 26, 2012, to become effective on September 24, 2012, as requested by Ameren Missouri:

MO.P.S.C. Schedule No. 5

3rd Revised Sheet No. 98.21 Canceling 2nd Revised Sheet No. 98.21.

Staff has verified that Ameren Missouri is not delinquent on any assessment and has filed its 2011 Annual Report. Ameren Missouri is current on its submission of its Surveillance Monitoring reports as required in 4 CSR 240-20.090(10) and its monthly reports as required by 4 CSR 240-3.161(5). Staff is not aware of any other matter before the Commission that affects or is affected by this filing, except as noted herein.

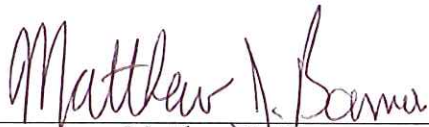
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In the Matter of the Adjustment of Union)
Electric Company d/b/a Ameren Missouri's)
Fuel Adjustment Clause for the 10th)
Accumulation Period) Case No. ER-2013-0030

AFFIDAVIT OF MATTHEW J. BARNES

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

Matthew J. Barnes, of lawful age, on oath states: that he participated in the preparation of the foregoing Staff Recommendation in memorandum form, to be presented in the above case; that the information in the Staff Recommendation was provided to him; that he has knowledge of the matters set forth in such Staff Recommendation; and that such matters are true to the best of his knowledge and belief.



Matthew J. Barnes

Subscribed and sworn to before me this 24th day of August, 2012.





Notary Public

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

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Electric Company d/b/a Ameren Missouri's)
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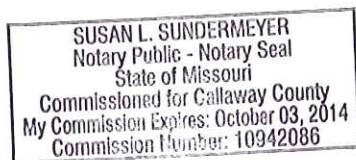
AFFIDAVIT OF MICHELLE BOCKLAGE

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

Michelle Bocklage of lawful age, on oath states: that she participated in the preparation of the foregoing Staff Recommendation in memorandum form, to be presented in the above case; that the information in the Staff Recommendation was provided to her; that she has knowledge of the matters set forth in such Staff Recommendation; and that such matters are true to the best of her knowledge and belief.


Michelle Bocklage

Subscribed and sworn to before me this 24th day of August, 2012.




Notary Public

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AFFIDAVIT OF DAVID C. ROOS

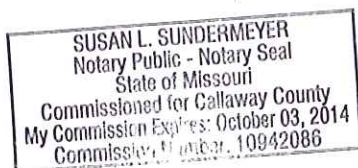
STATE OF MISSOURI)
) ss
COUNTY OF COLE)

David C. Roos, of lawful age, on oath states: that he participated in the preparation of the foregoing Staff Recommendation in memorandum form, to be presented in the above case; that the information in the Staff Recommendation was provided to him; that he has knowledge of the matters set forth in such Staff Recommendation; and that such matters are true to the best of his knowledge and belief.



David C. Roos

Subscribed and sworn to before me this 24th day of August, 2012.





Notary Public