

BUSINESS

Ameren seeks another rate hike

Ameren Missouri wants additional \$47.7 million to cover fuel, power costs.

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About 200 people gave up part of their afternoon last Thursday to attend a public hearing on Ameren Missouri's proposed \$376 million electric rate increase.

None of them probably knew that, less than an hour before the meeting at River View State University, Ameren sought an additional \$17.7 million bump in rates to cover increased fuel and purchased power costs.

The adjustment, known as the Fuel Adjustment Charge, would increase bills for the 1.2 million customers in the utility's service area by \$1.40 a month. The utility filed the request with the Public Service Commission last week.

Ameren asks the Public Service Commission three times a year to adjust its costs for coal, natural gas and other fuel used to generate electricity as well as any bulk power it purchases on the wholesale market. And 95 percent of the money the utility makes from sales of excess power to wholesale customers outside of its service area — so called "off-system sales" — is used to offset those fuel costs.

In last week's filing, Ameren said its fuel and purchased power costs for the four months from February through May actually decreased compared with what had been projected. That's good for consumers. But off-system sales were lower than estimated, so the utility received less money than expected to purchase coal and natural gas, and transport the fuel via pipeline or train to its power plants.

All of this, Ameren said, adds up to a need to increase rates for its 1.2 million electric customers beginning this fall, even while the broader rate case is still pending.

The PSC is expected to issue a ruling on the fuel surcharge request in September.

In the meantime, the commission continues with its series of public hearings on the larger rate case next month.

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