BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Union Electric Company d/b/a Ameren Missouri's Tariffs to Adjust its Revenues for Electric Service

File No. ER-2021-0240

STAFF'S NOTICE OF START OF FIRST RESRAM PRUDENCE REVIEW AND REQUEST FOR VARIANCE

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COMES NOW Staff of the Missouri Public Service Commission, by and through undersigned counsel, and for its *Notice of Start of First RESRAM Prudence Review* ("Notice"), informs the Commission that, as part of this general rate proceeding, the Staff has initiated its first RESRAM ("Renewable Energy Standard Rate Adjustment Mechanism") prudence review as provided by Union Electric Company d/b/a Ameren Missouri's ("Ameren Missouri" or "Company") tariff and Commission Rule 20 CSR 4240-20.100(6)11 and 20.100(6)26. In further support, Staff states as follows:

<u>Notice</u>

1. Ameren Missouri's RESRAM was approved by the Commission in Case No. EA-2018-0202.

2. Commission Rule 20 CSR 4240-20.100(6)26 provides in part that "A prudence review of the costs subject to the RESRAM shall be conducted no less frequently than at intervals established in the rate proceeding in which the RESRAM is established."

3. In turn, Ameren Missouri's RESRAM tariff (MO. P.S.C. Schedule No. 6, Original Sheet No. 93.3) states in pertinent part:

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PRUDENCE REVIEWS:

A prudence review shall be conducted no less frequently than every twenty-four (24) months. RES Compliance Costs which are determined by the Commission to have been imprudently incurred or incurred in violation of the terms of this rider shall be credited to customers through factor DA with interest using factor I. RES Compliance Costs included in the revenue requirement in a general rate proceeding shall not be subject to further prudence review hereunder.

4. Further, Commission Rule 20 CSR 4240-20.100(6)11 provides in part that:

Commission approval of proposed rate schedules, to establish or modify a RESRAM, shall in no way be binding upon the commission in determining the ratemaking treatment to be applied to RES compliance costs **during a subsequent general rate proceeding when the commission may undertake to review the prudence of such costs**. (Emphasis added)

5. Pursuant to the foregoing rules and tariff provisions, Staff is undertaking

its first RESRAM prudence review of Ameren Missouri's RESRAM as part of the

Company's general rate proceeding, Case No. ER-2021-0240.

6. Commission Rule 20 CSR 4240-20.100(6)20 provides for intervention

as follows:

A person or entity granted intervention in a rate proceeding in which a RESRAM is approved by the commission shall be a party to any subsequent related periodic adjustment proceeding or prudence review, without the necessity of applying to the commission for intervention; and the commission shall issue an order identifying them. In any subsequent general rate proceeding, such person or entity must seek and be granted status as an intervenor to be a party to that case. (Emphasis added)

Since Ameren Missouri's RESRAM was initially approved in a separate proceeding,

Case No. EA-2018-0202, and this prudence review is being done in the context of

Ameren Missouri's general rate case proceeding, Staff believes that the language in

bold above applies to this proceeding.

Variance

7. Staff is filing this Notice per Commission Rule 20 CSR 4240-20.100(6)26.B, which provides in part that "The staff shall file notice within ten (10) days of starting its prudence audit." However, Rule 20 CSR 4240-20.100(6)26.B also contains other timelines, such as when Staff's recommendation is to be submitted and when the Commission is to issue an order, which are out of place in a general rate proceeding although they could be useful in a stand-alone prudence review proceeding. Rule 20 CSR 4240-20.100(11) provides in part that "the commission may grant a variance from any provision of this rule for good cause shown." Since Staff plans to conduct its RESRAM prudence review as part of its direct case in Ameren Missouri's general rate case proceeding and any RESRAM prudence issues may be addressed by the parties in their prefiled testimony and at hearing as to be set forth in an approved procedural schedule, Staff requests the Commission grant a variance from the timeline provisions set forth in Rule 20 CSR 4240-20.100(6).

WHEREFORE, Staff prays the Commission accept this Notice of the start of its first Ameren Missouri RESRAM prudence review as part of Ameren Missouri's general rate case proceeding and grant the variance set forth above.

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Respectfully submitted,

/s/ Jeffrey A. Keevil

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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 electronic mail to counsel of record as reflected on the certified service list maintained by the Commission in its Electronic Filing Information System this 19th day of May 2021.

/s/ Jeffrey A. Keevil