

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

In the Matter of Union Electric Company d/b/a	)	
AmerenUE's Amendment of its Missouri Tariff	)	<u>Case No. ET-2008-0212</u>
Schedule No. 1, Schedule of Rates for Electric	)	Tariff File No. JE-2008-0393
Service Sheets No. 7, 8, and 11-17.	)	

STAFF RECOMMENDATION

Comes now the Staff of the Missouri Public Service Commission (Staff) in response to the December 21, 2007 filing of tariff sheets PSC Mo. No. 1, Sheets No. 7, 8, and 11-17 and the Motion For Expedited Treatment of Union Electric Company, d/b/a AmerenUE (AmerenUE), and the Missouri Public Service Commission's December 21, 2007 Order Directing Staff To File Expedited Recommendation.

Although the Commission has within nine (9) months of the effective date of the new "Net Metering and Easy Connection Act" (Act) part of Senate Bill 54 to promulgate initial rules, the effective date of the new Act is January 1, 2008. The Staff recommends that the AmerenUE tariff sheets be approved with less than thirty (30) days notice for good cause shown, pursuant to Section 393.140(11) RSMo. 2000, and that the Commission grant a variance to AmerenUE from Commission Rule 4 CSR 240-20.065 Net Metering until the Commission rescinds the present rule and adopts a new rule consistent with the new Act.

The Staff notes that the language in Senate Bill 54, i.e., Section 386.890.6(2) and Section 386.890.6(3)(b), regarding liability insurance is unclear. Section 386.890.6(2) states that for customer-generator systems of 10 kW or less, a customer generator whose system meets the standards and rules under subdivision (1) of this subsection shall not be required to purchase additional liability insurance beyond what is required under subdivision (1) of this subsection and subsection 4 of this section. Section 386.890.6(3)(b) states that for customer-generator

systems greater than 10 kW, the Commission shall by rule establish the qualifications for exemption from a requirement to purchase additional liability insurance. The problem with the lack of clarity is that liability insurance is not addressed in any other part of the new “Net Metering and Easy Connection Act” part of Senate Bill 54, other than Section 386.890.6(2) and Section 386.890.6(3)(b).

Wherefore the Staff recommends that the AmerenUE tariff sheets PSC Mo. No. 1, Sheets No. 7, 8, and 11-17 be approved with less than thirty (30) days notice for good cause shown, pursuant to Section 393.140(11) RSMo. 2000, and that the Commission grant a variance to AmerenUE from Commission Rule 4 CSR 240-20.065 Net Metering until the Commission rescinds the present rule and adopts a new rule consistent with the new Act.

Respectfully submitted,

/s/ Steven Dottheim

Steven Dottheim
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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 all counsel of record this 26th day of December 2007.

/s/ Steven Dottheim

MEMORANDUM

TO: Missouri Public Service Commission Official Case File
Case No. ET-2008-0212, Tariff File No. JE-2008-0393
Union Electric Company d/b/a AmerenUE

FROM: James C. Watkins, Project Coordinator
David W. Elliott, Utility Engineering Specialist III

/s/ James C. Watkins / 12-26-07
Energy Department / Date

/s/ Steven Dottheim / 12-26-07
General Counsel's Office / Date

SUBJECT: Staff Recommendation for Expedited Approval of AmerenUE Tariff Sheets Filed to Revise Its Net Metering Tariff Sheets To Comply With The New "Net Metering And Easy Connection Act" (Section 386.890, RSMo Cum. Supp. 2007)

On December 21, 2007, Union Electric Company d/b/a AmerenUE (UE or Company) of St. Louis, Missouri, filed with the Commission nine (9) tariff sheets to revise its Net Metering tariff sheets with a proposed thirty-day effective date of January 20, 2007. The Company also filed its Motion For Expedited Treatment, requesting an effective date of January 1, 2008, the effective date of the new "Net Metering And Easy Connection Act" (Act) part of Senate Bill 54, which changes the energy pricing and billing terms for the purchase of electric energy from and sale of electric energy to Customer-Generators.

Currently, the Act provides that the value of the electric energy purchased from a Customer-Generator is netted against the value of the electric energy delivered to the customer-generator in calculating the customer-generator's bill or bill credit. The new Act provides that the electric energy purchased from a Customer-Generator is netted against the electric energy delivered to the Customer-Generator, then the net energy is priced out to determine the Customer-Generator's bill or bill credit. If the electricity supplied by Company exceeds the electricity supplied by the Customer-Generator, the net amount of the bill will be determined by application of the rate schedule for the Customer-Generator's service classification. If the electricity supplied by the Customer-Generator exceeds the electricity supplied by Company, the net amount of the bill will be determined by application of the non-time-differentiated Standard Rates For Purchases from Qualifying Facilities.

The Missouri Public Service Commission Energy Department Staff (Staff) has reviewed the filed tariff sheets and believe they conform to the requirements of the Act with one possible exception. The Act does not specify a minimum amount of liability insurance that the Company may require to be carried by the Customer-Generator; however, Company proposes in this tariff filing to require Customer-Generators to agree to carry no less than \$100,000 of liability insurance for generators larger than 10 kW. No liability insurance would be required for generators of 10 kW or less. The Staff believes that these limits are reasonable based on the limits established by the Commission's current Net Metering Rule (4 CSR 240-20.065), which is no less than \$100,000 for all Customer-Generators, and should be allowed to be in effect at least until such time as the Commission revises its Net Metering Rule.

The Staff has reviewed the filed tariff sheets and recommends issuing an order approving the following tariff sheets, as filed on December 21, 2007, to go into effect for service on and after January 1, 2008, as requested by Company in its Motion for Expedited Treatment, for good cause shown pursuant to Section 393.140(11) RSMo 2000:

P.S.C. MO. SCHEDULE No. 1

1 st	Revised Sheet No. 7	Cancelling	Original Sheet No. 7
1 st	Revised Sheet No. 8	Cancelling	Original Sheet No. 8
1 st	Revised Sheet No. 11	Cancelling	Original Sheet No. 11
1 st	Revised Sheet No. 12	Cancelling	Original Sheet No. 12
1 st	Revised Sheet No. 13	Cancelling	Original Sheet No. 13
1 st	Revised Sheet No. 14	Cancelling	Original Sheet No. 14
2 nd	Revised Sheet No. 15	Cancelling	Original Sheet No. 15
1 st	Revised Sheet No. 16	Cancelling	Original Sheet No. 16
1 st	Revised Sheet No. 17	Cancelling	Original Sheet No. 17

The Staff further recommends that the Commission grant Company's request for a variance from the Commission's current Net Metering Rule (4 CSR 240-20.065) as requested in Paragraph 3 of its Motion For Expedited Treatment.

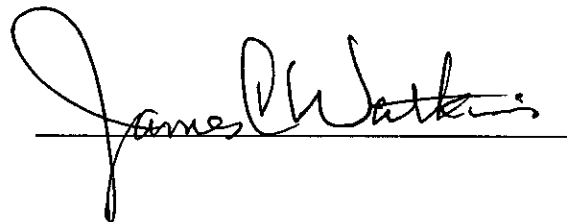
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of Union Electric Company d/b/a)
AmerenUE's Amendment of its Missouri Tariff, Schedule) **Case No. ET-2008-0212**
No. 1, Schedule of Rates for Electric Service Sheets No. 7,) **File No. JE-2008-0393**
8, and 11-17.

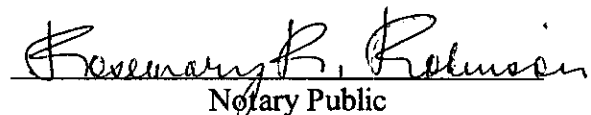
AFFIDAVIT OF JAMES C. WATKINS

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

James C. Watkins, of lawful age, on oath states: that he has participated in the preparation of the foregoing Staff Recommendation; that he has knowledge of the matters set forth in such recommendation; and that such matters are true to the best of his knowledge and belief.



Subscribed and sworn to before me this 26th day of December, 2007.



Notary Public

My commission expires 9-23-2008

