

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

In the Matter of the Tariff Filing of Union Electric)
Company d/b/a AmerenUE, to Implement a)
General Rate Increase for Retail Electric Service)
Provided to Customers in its Missouri Service)
Area.)

Case No. ER-2007-0002
Tariff No. YE-2007-0007

**STAFF'S RESPONSE TO AMERENUE'S TEST YEAR PROPOSAL
AND STAFF'S TRUE-UP RECOMMENDATION**

COMES NOW the Staff of the Missouri Public Service Commission (Staff), in accordance with the Commission's July 11, 2006 order that, *inter alia*, suspended tariffs filed by AmerenUE, and states:

1. In its July 11, 2006 Order the Commission ordered:

The Staff of the Missouri Public Service Commission, the Office of the Public Counsel, and any persons or entities requesting intervention shall file, on or before August 7, 2006, a pleading either indicating concurrence in Union Electric Company d/b/a AmerenUE's recommended test year or recommending alternatives to that test year.

and

The Staff of the Missouri Public Service Commission, the Office of the Public Counsel, and any intervenors shall file, on or before August 7, 2006, a pleading offering a recommendation concerning a true-up.

2. The Staff understands AmerenUE proposes a historical test year of the 12 months ended June 30, 2006 (once AmerenUE files supplemental direct testimony on or before September 30, 2006), updated through January 1, 2007 for known and measurable changes, and that AmerenUE does not recommend there be a second hearing for purposes of "trueing-up" items after the main evidentiary hearing the Commission has presently scheduled in March of 2007.

3. The Staff concurs in an historical test year of the 12 months ended June 30, 2006 updated for known and measurable changes through January 1, 2007.

4. The Staff recommends no true-up audit be conducted and no true-up hearing be held in this case for changes after January 1, 2007.

WHEREFORE the Staff submits its concurrence with AmerenUE in the use of an historical test year of the 12 months ending June 30, 2006, adjusted and updated for known and measurable changes through January 1, 2007; and the Staff recommends no true-up audit be conducted and no true-up hearing be held in this case for changes after January 1, 2007.

Respectfully submitted,

/s/ Nathan Williams
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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 7th day of August 2006.

/s/ Nathan Williams