

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of Union Electric Company d/b/a)	
AmerenUE's Tariffs Increasing Rates for Electric)	<u>Case No. ER-2007-0002</u>
Service Provided to Customers in the Company's)	Tariff No. YE-2007-0007
Missouri Service Area)	

ORDER DIRECTING STAFF TO EXPLAIN PORTIONS OF THE TIER I
AND TIER II STIPULATIONS AND AGREEMENTS

Issue Date: April 5, 2007

Effective Date: April 5, 2007

On March 15, 2007, several parties filed a partial stipulation and agreement resolving various issues that would otherwise have been presented to the Commission for decision. That stipulation and agreement was referred to as the Tier I agreement. On March 26, a second partial stipulation and agreement was filed. That stipulation and agreement was referred to as the Tier II agreement. No party has opposed either stipulation and agreement and both are before the Commission for its approval.

In reviewing the stipulations, the Commission has found that it has questions about the treatment of rate case expense. The Tier I agreement lists "Test Year Rate Case Expense" as an item that has been adjusted. The Tier II agreement indicates that an additional \$5.5 million will be included in Staff's revenue requirement calculations as settlement of several issues including an item listed as "Annual recovery of Rate Case Expense." Before it acts on the stipulations and agreements, the Commission would like to know more about the handling of rate case expense. Specifically, if possible, the Commission would like to know the amount of rate case expense that was included in the

test year, the amount of rate case expense that the parties agreed should be included in the revenue requirement for this case, and how that amount is to be amortized and recovered in rates.

So that it can obtain answers to its questions, the Commission will direct its Staff to file a pleading giving such answers as Staff is able to offer. Any other party wishing to respond to Staff's pleading will be given an opportunity to do so.

IT IS ORDERED THAT:

1. No later than 5:00 p.m. on April 9, 2007, the Commission's Staff shall file a pleading providing the information described in the body of this order.
2. Any party wishing to respond to Staff's pleading shall do so no later than 5:00 p.m. on April 10, 2007.
3. This order shall become effective on April 5, 2007.

BY THE COMMISSION



Colleen M. Dale
Secretary

(S E A L)

Morris L. Woodruff, Deputy Chief Regulatory Law
Judge, by delegation of authority
pursuant to Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri,
on this 5th day of April, 2007.