STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 22nd day of November, 2011.

In the Matter of Union Electric Company d/b/a Ameren Missouri's Tariff Filing to Implement Changes to Its Electric Energy Efficiency Programs	))))	**File No. ET-2012-0011** Tariff No. YE-2012-0188

NOTICE REGARDING TARIFF FILING

Issue Date: November 22, 2011

On October 25, 2011, Union Electric Company, d/b/a Ameren Missouri, filed a tariff designed to implement changes to its residential energy efficiency programs. That tariff carries a November 24 effective date.

The roots of this tariff filing go back to Ameren Missouri's most recent rate case, ER-2011-0028. In that case, Ameren Missouri threatened to drastically reduce its spending on energy efficiency programs unless the Commission approved its proposed revenue recovery plan. The Commission refused to approve that plan in the rate case and Ameren Missouri responded by allowing all its energy efficiency tariffs to expire on September 30, 2011. Currently, Ameren Missouri has no electric energy efficiency tariffs in effect.

Ameren Missouri indicates the proposed tariff filing is designed to bridge the gap between the expiration of its former energy efficiency programs, which expired on September 30, and the Commission's issuance of an order regarding Ameren

Missouri's Missouri Energy Efficiency Investment Act (MEEIA) filing, which the company intends to file sometime in the first quarter of 2012. In the MEEIA filing Ameren Missouri will presumably propose a new cost recovery mechanism for the Commission's consideration.

Ameren Missouri's "bridge tariff" would take effect on November 24, and will expire on June 30, 2012. The "bridge tariff" would allow Ameren Missouri to spend approximately $5.1 million on energy efficiency programs, a substantial reduction from its former spending level of $42.7 million.

On November 14, the Commission's Staff filed a recommendation regarding Ameren Missouri's "bridge tariff". Staff expresses concern that Ameren Missouri's drastic reduction in spending will reduce the availability of cost-effective energy efficiency measures that are desired by Ameren Missouri's customers. Staff is also concerned that Ameren Missouri make its MEEIA filing by January 31, 2012, to allow the Commission sufficient time to approve that MEEIA plan before the "bridge tariff" expires on June 30, 2012. Despite its concerns, Staff recommends the Commission approve Ameren Missouri's "bridge tariff" on the basis that an inadequate tariff is better than no tariff at all.

The Missouri Department of Natural Resources (MDNR) also filed a recommendation on November 14. MDNR shares Staff's concern about Ameren Missouri's "bridge tariff", but agrees that, despite its problems, a flawed tariff is preferable to no tariff at all.

On November 14, Public Counsel filed a motion asking the Commission to reject Ameren Missouri's "bridge tariff" as wholly inadequate to meet the company's obligation to offer energy efficiency programs for the benefit of its ratepayers. Furthermore, Public Counsel urges the Commission to order Ameren Missouri to immediately file new tariffs to re-institute the residential and business energy efficiency programs that Ameren Missouri allowed to expire in September 2011. Unfortunately, Public Counsel cites no specific legal authority that would allow the Commission to order Ameren Missouri to spend additional money on energy efficiency at this time.

Rejecting or suspending Ameren Missouri's "bridge tariff" would deprive ratepayers of even the reduced energy efficiency benefits to be derived from Ameren Missouri's limited tariff without any ability to force Ameren Missouri to immediately spend more money on energy efficiency programs. Therefore, nothing is to be gained by rejecting or suspending the tariff.

The Commission is not, however, powerless in these matters. While it cannot assume management control of the company by ordering Ameren Missouri to spend additional money on energy efficiency programs, Ameren Missouri at some point in the future will once again come before the Commission in a rate case. At that time the Commission will look closely at the company's willingness to reduce the long-run cost of providing service to its ratepayers by pursuing energy efficiency, as well as the prudence of any decisions Ameren Missouri may make to obtain additional energy supplies that might not be needed if energy efficiency programs were appropriately implemented.

For purposes of this case, the Commission agrees with its Staff and DNR that even an inadequate energy efficiency tariff is better than no tariff at all. The

Commission will not approve that inadequate tariff, but will take no action to prevent it from going into effect by operation of law on its effective date, November 24, 2011.

BY THE COMMISSION

Steven C. Reed
Secretary

(S E A L)

Gunn, Chm., Davis, Jarrett, and
Kenney, CC., concur.

Woodruff, Chief Regulatory Law Judge