

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

In the Matter of the Application of Union)	
Electric Company d/b/a Ameren Missouri's)	Case No. GR-2021-0241
Tariffs to Adjust Its Revenues for Natural)	
Gas Service)	

MISSOURI SCHOOL BOARDS' ASSOCIATION
STATEMENT OF POSITION

Comes Now the Missouri School Boards' Association (hereinafter "MSBA"), by and through counsel, RSBIII, LLC, Richard S. Brownlee, III, files its Statement of Position in the above referenced matter. In support of its position, MSBA states the following:

1. The Commission ordered a Pilot in Ameren's last rate case to collect data regarding accuracy of methods of forecasting school's winter that are used by various school gas purchasing groups. Covid-19 caused remote learning last winter and the February 2021 Polar Vortex resulted in abnormal natural gas consumption data for schools during last winter. For these reasons MSBA supports Ameren's request to extend the Pilot for this winter (November 2021 through April 2022).

2. Ameren's proposed tariff does not comply with Section 393.310 RSMo. on two counts as it applies to school transportation:

- a. Inclusion of PGA in schools' cash-out tariff provisions should be deleted, and
- b. Inclusion of spot market penalty multipliers in schools' cash-out tariff provisions should be deleted.

3. Ameren's PGA is the price Ameren charges its retail sales customers based on projected annual gas costs plus under recover of prior year gas costs. The Commission recently approved recover of Ameren's abnormal February 2021 Polar Vortex gas costs over a three-year

period. Schools that aggregate purchasing of natural gas under Section 303.310 RSMo. have already paid dearly for Polar Vortex costs and should not be subjected to subsidizing PGA sales customers. Schools purchase their own gas supply and pay the utility for transportation transport their gas. No other Missouri, Iowa, Nebraska or Kansas utility charges PGA to school transportation customers. Furthermore, Section 393.310 RSM. specifies that gas corporations charge transportation schools their “cost” thus projected and prior under recoveries for retail gas purchase are not applicable to schools in the aggregation program.

It is standard industry practice for transportation customers to nominate daily gas deliveries in advance of actual delivery. To the extent weather or other factors result in actual consumption different than nominated, an “imbalance” results. This Commission recently approved Spire Missouri’s tariff whereby the imbalance is netted against the following month which has been workable since 2002 for Spire East and was approved by the Commission for Spire West in Spire’s most recent rate case. MSBA prefers the Spire method which represents about 80% of MSBA’s the statewide school aggregate purchasing program. However, if Ameren’s current method of monetary reconciliation, or “cash-out,” is approved, then application of a 110% multiplier to spot market gas prices when school pay Ameren for an imbalance of over 5% and 90% multiplier when Ameren pays schools should be ordered to be deleted such that actual spot market gas “cost” paid by Ameren complies with Section 393.310 RSMo.

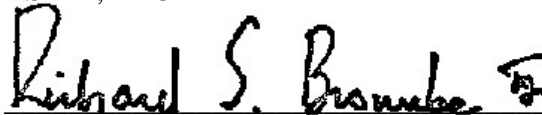
4. Missouri schools as customers of gas utilities operate under a unique statutory system. Missouri Revised Statute Section 393.310 states at Paragraphs 4 and 5 (bold italics are added for reference and emphasis):

“4. The tariffs required pursuant to subsection 3 of this section shall, at a minimum: (1) Provide for the aggregate purchasing of natural gas supplies and pipeline transportation services on behalf of eligible school entities in accordance with aggregate purchasing

contracts negotiated by and through a not-for-profit school association; (2) *Provide for the resale of such natural gas supplies, including related transportation service costs, to the eligible school entities at the gas corporation's cost of purchasing of such gas supplies and transportation*, plus all applicable distribution costs, plus an aggregation and balancing fee to be determined by the commission, not to exceed four-tenths of one cent per therm delivered during the first year; and (3) Not require telemetry or special metering, except for individual school meters over one hundred thousand therms annually.

5. The commission may suspend the tariff as required pursuant to subsection 3 of this section for a period ending no later than November 1, 2002, and shall approve such tariffs upon finding that implementation of the aggregation program set forth in such tariffs will not have any negative financial impact on the gas corporation, its other customers or local taxing authorities, and that the aggregation charge is sufficient to generate revenue at least equal to all incremental costs caused by the experimental aggregation program. Except as may be mutually agreed by the gas corporation and eligible school entities and approved by the commission, such tariffs shall not require eligible school entities to be responsible for pipeline capacity charges for longer than is required by the gas corporation's tariff for large industrial or commercial basic transportation customers.”


Respectfully submitted,
RSBIII, LLC



Richard S. Brownlee III, MO Bar #22422
Attorney for Missouri School Boards' Association
121 Madison Street
Jefferson City, MO 65101
(573) 616-1911
rbrownlee@rsblobby.com

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, emailed or hand-delivered to all parties on the official service list for this case on this 7th day of December, 2021.


Richard S. Brownlee III, Attorney