

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

In the Matter of Union Electric Company d/b/a)
Ameren Missouri's Changes to Company's) File No. GR-2020-0372
Purchased Gas Adjustment (PGA) Clause.)

RESPONSE TO STAFF RECOMMENDATION

Pursuant to the *Order Directing Response* issued by the Missouri Public Service Commission (“Commission”) on December 22, 2021, Union Electric Company d/b/a Ameren Missouri (“Ameren Missouri” or “Company”) responds to the *Staff Recommendation Regarding Ameren Missouri’s 2019-2020 Actual Cost Adjustment Filing* and its attached Memorandum, (collectively, “Staff Recommendation”).¹

I. Introduction

1. The Staff Recommendation included a request for the Commission to order the Company to establish specific ACA account balances as of August 31, 2020. Additionally, while Staff did not recommend any dollar adjustments, it specifically requested, and the Commission's Order required, the Company to respond to the following sections of the Staff Recommendation:

Section II. Reliability Analysis and Gas Supply Planning

- A. Reserve Margin on Panhandle for the Columbia/Rolla Region;
- B. Texas Eastern Transmission Corporation Reserve Margins – Cape Girardeau System
- C. Design Flow Modeling

Section IV. Hedging

Ameren Missouri believes the information contained herein will be valuable to Staff and the Commission.

¹The Staff Recommendation was submitted to the Commission on December 15, 2021.

Section II. Reliability Analysis and Gas Supply Planning

A. Reserve Margin – Panhandle – Columbia/Rolla Region

2 Staff encourages the Company to evaluate its capacity needs for the Columbia region on an annual basis and its capacity needs for the Wentzville system.

3 Ameren Missouri will continue to evaluate its capacity needs for the region on an annual basis. Previously the Company procured additional Southern Star capacity and additional delivered supply into the region. The Company continues to evaluate new connections along the Panhandle Eastern Pipeline as well as improvements to our own system to increase the reserve margin for both the Columbia and Wentzville systems.

B. Texas Eastern Transmission Corporation Reserve Margins – Cape Girardeau System

4 Staff encourages Ameren Missouri to evaluate its capacity needs for the Cape Girardeau region on an annual basis.

5 Ameren Missouri has notified TETCO of 1,500dth capacity reduction prior to October 31st, 2021. Per the terms of the contract, capacity changes require two years written notice prior to October 31st. Therefore, this reduction will take effect as of November 1st, 2023. Ameren will continue to evaluate its capacity needs for the region on an annual basis.

C. Design Flow Modeling

6 Staff recommends Ameren Missouri continue to develop the modeling system for the TETCO, NGPL, and PEPL systems, and that it closely monitor the capacity of city gates and its distribution system in the Wentzville area.

7 Ameren Missouri continues to model all of its delivery systems, and will continue to closely monitor and evaluate alternatives to improve system reliability and capacity to adequately serve existing customers as well as support future load growth for the Wentzville area. Ameren Missouri has

reviewed city gate capacity and we will plan and adequately address any concerns that develop related thereto.

1. Hedging

13. Staff had no dollar adjustments related to hedging. However, Staff recommended that the Company:

- Evaluate its hedging strategy in a manner that balances actual benefits to customers while balancing market price risk.
- Carefully plan for the price protected volumes based on reasonably forecasted normal requirements consistent with its hedging goal.

14. Ameren Missouri will continue to review its hedging strategies, including financially hedging summer storage injections, and plan consistent with its hedging goals.

WHEREFORE, Ameren Missouri requests that the Commission accept its response to Staff's recommendations and give them due consideration in rendering any applicable decision.

Respectfully submitted,

By: /s/ Jermaine Grubb

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing document was served on all parties of record via electronic mail (e-mail) on this 14th day of January 2022.

/s/Jermaine Grubbs
Jermaine Grubbs