

MEMORANDUM

TO: Missouri Public Service Commission Official Case File,
Case No. GR-2006-0333, File No. JG-2006-0640
Union Electric Company d/b/a Ameren UE

FROM: Thomas Imhoff, Energy Department – Tariffs/Rate Design

/s/ Thomas Imhoff 02/24/06
Utility Operations Division/Date

/s/ Lera Shemwell 02/24/06
General Counsel's Office/Date

SUBJECT: Staff Recommendation for Union Electric d/b/a Ameren UE's Optional Winter
Season PGA Filing - Effective March 8, 2006 and Motion for Expedited Treatment

DATE: February 24, 2006

On February 22, 2006, Union Electric Company d/b/a Ameren UE (UE or Company), of St. Louis, Missouri, filed four (4) tariff sheets requesting an effective date of March 8, 2006. These tariff sheets were filed to reflect changes in UE's Purchased Gas Adjustment (PGA) factors as a result of estimated changes in the cost of natural gas for the remaining winter season. UE has also filed a Motion for Expedited Treatment (Motion) concerning this Unscheduled PGA Filing. UE requests that the tariff sheets go into effect on March 1, 2006.

For the area served by Panhandle Eastern Pipe Line Company (PEPL), including the cities of Columbia, Jefferson City, Mexico, and Wentzville; and excluding the Rolla Service Area, the effect of these changes will decrease the PGA factor for the remaining 2005 -2006 winter season to \$0.9500 per hundred cubic feet (Ccf) from the PGA of \$0.9977 per Ccf currently in effect. This represents a decrease of \$.0477 per Ccf.

For the Rolla Service Area, including the cities of Rolla and Owensville, formerly served under the tariff of Aquila Inc. d/b/a Aquila Networks – MPS' Eastern System, the effect of these changes will decrease the PGA factor for the remaining 2005 -2006 winter season to \$1.3823 per Ccf from the PGA of \$1.3986 per Ccf currently in effect. This represents a decrease of \$.0163 per Ccf.

For the area served by Texas Eastern Transmission Corporation (TETCO), including the city of Cape Girardeau, the effect of these changes will decrease the PGA factor for the remaining 2005 -2006 winter season to \$1.1111 per Ccf from the PGA of \$1.2685 per Ccf currently in effect. This represents a decrease of \$.1574 per Ccf.

For the area served by Natural Gas Pipeline Company of America (NGPL), including the community of Marble Hill, the effect of these changes will decrease the PGA factor for the remaining 2005 -2006 winter season to \$0.7890 per Ccf from the PGA of \$0.8749 per Ccf currently in effect. This represents a decrease of \$.0859 per Ccf.

Case No. GR-2006-0333, under which these changes were filed, was established to track the Company's PGA factors to be reviewed in its 2005-2006 ACA filing. Case Nos. GR-2005-0102, and GR-2006-0087 were established to track the Company's PGA factors to be reviewed in its 2003-2004, and 2004-2005 ACA filings, respectively. This rate change should be on an interim, subject to refund status pending final Commission decisions in ACA Case Nos GR-2005-0102, GR-2006-0087 and GR-2006-0333.

Staff has verified that this company has filed its 2005 annual report and is not delinquent on any of its 2005 assessment. Staff is not aware of any other matter before the Commission that affects or is affected by this filing.

Although UE filed its tariff sheet with a requested effective date of March 8, 2006, UE's Motion requests an earlier effective date of March 1, 2006. While Staff has not had an opportunity to verify the numbers contained in the instant filing, given the interim nature of the filing, the amount of the decrease contained therein, and the need to assist Missouri consumers by promptly implementing a decrease in natural gas rates, which Staff believes constitutes good cause, Staff recommends that the filing and Motion be approved on an expedited basis, to become effective on March 1, 2006. Therefore, Staff recommends that the following tariff sheets, filed on February 22, 2006, be approved, interim subject to refund:

P.S.C. MO. No. 2

91 st Revised SHEET No. 30	Cancelling 90 th Revised SHEET No. 30
4 th Revised SHEET No. 30.1	Cancelling 3 rd Revised SHEET No. 30.1
97 th Revised SHEET No. 31	Cancelling 96 th Revised SHEET No. 31
92 nd Revised SHEET No. 32	Cancelling 91 st Revised SHEET No. 32

