

**STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION**

At a session of the Public Service Commission held at its office in Jefferson City on the 15<sup>th</sup> day of April, 2009.

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

In the Matter of Union Electric Company d/b/a )  
AmerenUE's Purchased Gas Adjustment Factors ) File No. GR-2008-0107  
to be Audited in its 2006-2007 Actual Cost Adjustment )

## Order Directing Adjustment of an ACA Balance

Issue Date: April 15, 2009

Effective Date: April 15, 2009

The Missouri Public Service Commission is ordering Union Electric Company d/b/a AmerenUE (“AmerenUE”) to decrease the actual cost adjustment (“ACA”) balance for its Texas Eastern Transmission Corporation (“TETCO”) service area by a total of \$15,398, and is holding this file open for the parties to seek further relief based on forthcoming information.

### A. Background

This action began with AmerenUE's filing, on October 15, 2007, of a "Request for Waiver and Motion for Expedited Treatment." That request related to information required under the Purchased Gas Adjustment ("PGA") clause<sup>1</sup> as stipulated in an

<sup>1</sup> No provision of law creates PGAs, but two provisions of law refer to them. A PGA is the mechanism through which “[f]inancial gains or losses associated with price volatility mitigation efforts [flow]” under 4 CSR 240-40.018(1)(B). PGAs are the “rate adjustments in the purchase price of natural gas which are approved by the commission” under § 393.275. ***State ex rel. Midwest Gas Users’ Ass’n v. Public Serv.***

earlier action.<sup>2</sup> After granting that request and other interim relief, the Commission closed the file.

The file re-opened on December 13, 2008, when the Commission's staff ("Staff") filed a verified recommendation as to AmerenUE's 2006/2007 ACA.<sup>3</sup> On January 15, 2009, AmerenUE filed a response to the recommendation. On January 26, 2009, Staff filed a response to AmerenUE's response. On February 20, 2009, AmerenUE filed a reply.

On February 24, 2009, the Commission ordered the parties to file a list of any issues in dispute. On March 24, 2009, the parties jointly filed a response. Their response stipulates to facts, relief, and the deferral of certain matters, as follows.

#### B. Deferred Matters

AmerenUE and Staff ask the Commission to defer the disposition of certain matters, and hold this file open for such matters, including the following.

As to the Cape Girardeau region, AmerenUE and Staff agree that it is appropriate to re-analyze appropriate capacity and supply plans. Also, AmerenUE and Staff agree to an updated reliability study, including data from the winter of 2008/2009, which may support decisions on:

- reserve margin; and

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**Com'n of the State of Mo.**, 976 S.W.2d 470, 477 (Mo. App., W.D. 1998). That opinion defines the PGA as a rate factor through which a utility passes its own fluctuating costs for gas directly to its customers without a rate action. *Id.* at 474. **Midwest Gas Users' Ass'n** also describes conditions under which a PGA is lawful, including using an the ACA. *Id.* at 480-84. An ACA examines and adjusts for prudence the costs passed through the PGA. *Id.*

<sup>2</sup> **In the Matter of Union Electric Company d/b/a AmerenUE for Authority to File Tariffs Increasing Rates for Natural Gas Service Provided to Customers in the Company's Missouri Service Area**, Case No. GR-2007-0003, Stipulation and Agreement filed on March 8, 2007, page 5, paragraph 6.

<sup>3</sup> The amended pleading, filed on December 15, 2008, is also verified.

- reliability and gas supply for the winter of 2009/2010.

AmerenUE will file the updated reliability study by May 29, 2009.

As to the reliability of AmerenUE's propane facility, AmerenUE plans to:

- complete a full evaluation during the winter of 2009/2010; and
- upon completion of such evaluation, provide an update to its demand study for this area.

AmerenUE will provide such demand study update no later than May 31, 2010.

As to the Panhandle Eastern Pipeline Company and Rolla service areas, AmerenUE and Staff ask to defer a determination of ACA amounts, pending resolution of AmerenUE's refund claims against Missouri Pipeline Company and Missouri Gas Company.

Therefore, the Commission will hold this file open for such deferred matters.

### C. TETCO Area

In contrast to those deferred matters, the AmerenUE and Staff have resolved the ACA amount for the TETCO service area. AmerenUE showed an over-collection in the information, but the information contained an error. The error had the effect of understating how much AmerenUE paid for gas, thus overstating AmerenUE's over-collection:

<b>\$ Over-Collected</b>	<i>AmerenUE's Information</i>	<i>Staff Correction</i>	<i>Difference</i>
<i>Firm Sales</i>	1,992,022	1,980,504	11,518
<i>Interruptible Sales</i>	524,343	520,463	3,880
<i>Total</i>	2,516,365	2,500,967	15,398

Those amounts have support in the affidavit accompanying Staff's recommendation,

with which AmerenUE agrees. The Commission need not convene a hearing on that matter because no party has asked for one.<sup>4</sup> Ruling on the matter now, rather than waiting for a resolution of deferred matters, will more quickly facilitate relief from over-collection for customers in the TETCO service area. Therefore, the Commission will order AmerenUE to reduce its 2006/2007 ACA balance for the TETCO service area by a total of \$15,398.

**THE COMMISSION ORDERS THAT:**

1. AmerenUE shall decrease the 2006/2007 ACA balance for its Texas Eastern Transmission Corporation service area by a total of \$15,398.
2. This file shall remain open pending further orders of the Commission.
3. This order shall become effective immediately upon issuance.

**BY THE COMMISSION**



Colleen M. Dale  
Secretary

( S E A L )

Clayton, Chm., Murray, Davis, Jarrett,  
and Gunn, CC., concur.

Jordan, Regulatory Law Judge

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<sup>4</sup> *State ex rel. Rex Deffenderfer Ent., Inc. v. Pub. Serv. Com'n*, 776 S.W.2d 494, 496 (Mo. App. 1989).