

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

In the Matter of Union Electric Company d/b/a)
Ameren Missouri's Purchased Gas Adjustment)
(PGA) Clause)

Case No. GR-2016-0236
Tracking No. JG-2017-0055

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission in the above-captioned matter and files its Staff Recommendation as set forth in the accompanying Memorandum (which is incorporated herein by reference) concerning the October 14, 2016, tariff filing by Union Electric Company d/b/a Ameren Missouri ("Ameren Missouri" or "Company"), and further states as follows:

1. On October 14, 2016, Ameren Missouri filed two (2) tariff sheets bearing an effective date of November 1, 2016. These tariff sheets were filed to reflect changes to the Company's Regular Purchased Gas Adjustment (RPGA)/Purchased Gas Adjustment (PGA) factors. The proposed tariff sheets also reflect adjustments to the Company's Actual Cost Adjustment (ACA) factors.

2. Ameren Missouri's proposed tariff sheets include two separate PGA rates—one for its customers in the Rolla System service area, and one for customers in all other service areas. Rates paid by customers in the Rolla System service area include an "Incremental ACA factor," which is a credit to customers reflecting a refund of overcharges by MoGas Pipeline, LLC. This Incremental ACA factor is not included in the PGA rate for the Rolla System; rather, the credit is applied as a separate line item on a customer's bill.

3. For the Company's residential natural gas customers, other than those in the Rolla service area, the tariff sheets reflect an increase in the Total PGA rate to

\$0.0378 from \$0.0000 per Ccf for the first 30 Ccfs the customer uses. For all usage in excess of 30 Ccfs, the proposed PGA rate represents an increase to \$0.8330 per Ccf from \$0.7952.

4. For those residential customers in the Company's Rolla System service area, the proposed tariff sheets reflect an increase in the PGA rate to \$0.2294 from \$0.1786 per Ccf for the first 30 Ccfs. For all usage in excess of 30 Ccfs, the PGA rate will increase to \$1.0246 from \$0.9738. However, these Rolla System service area rates do not include the Incremental ACA factor credit noted above of (\$0.0916) per Ccf, which Ameren Missouri includes as a line item credit on customers' bills.

5. The Company's filing also reflects adjustments to the Company's ACA factors. The ACA tracks the Company's over- or under-collections based on its actual cost of gas during a previous period. Staff's Procurement Analysis Unit (PAU) will review the Company's ACA filing and may recommend adjustments to the ACA account balance to be applied to a future filing. Due to the limited time available to review the documentation supporting the ACA factors represented in this filing, the PAU has requested permission to submit its results and recommendations regarding the information included in this ACA filing to the Commission on or before December 18, 2017.

6. Case No. GR-2016-0236, under which these changes were filed, was established to track the Company's PGA factors to be reviewed in its 2015-2016 ACA filing. Case No. GR-2015-0271 was established to track the Company's PGA factors to be reviewed in its 2014-2015 ACA filing. Any rate change in this case should be

implemented on an interim basis, subject to refund, pending final Commission decisions in ACA Case Nos. GR-2016-0236 and GR-2015-0271.

7. As explained in the Staff Recommendation set forth in the accompanying Memorandum, Staff has reviewed the PGA factors in this matter and determined that the rates on the proposed tariff sheets were calculated in conformance with the Company's PGA clause. Therefore, Staff recommends the Commission approve the tariff sheets on an interim basis, subject to refund pending a final Commission decision in ACA Case Nos. GR-2016-0236 and GR-2015-0271.

8. Staff also recommends the Commission order PAU Staff to file the results of its review of the ACA factors represented in this filing no later than December 18, 2017.

9. Staff has verified that Ameren Missouri has filed its annual report, and is not delinquent on its PSC assessment. Staff is not aware of any other matter before the Commission that affects or is affected by this filing except as noted herein.

10. Staff is of the opinion that good cause for approval of these tariff sheets on less than thirty (30) days' notice is demonstrated by Ameren Missouri's Commission-approved PGA clause allowing for ten (10) business days' notice for PGA change filings.

WHEREFORE, Staff recommends the Commission issue an order approving the following tariff sheets on an interim basis, subject to refund pending a final Commission decision in Case Nos. GR-2016-0236 and GR-2015-0271, and that the Commission order PAU Staff to file the results of its ACA review in this docket no later than December 18, 2017:

Respectfully submitted,

/s/ Jeffrey A. Keevil

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to counsel of record this 24th day of October, 2016.

/s/ Jeffrey A. Keevil

MEMORANDUM

TO: Missouri Public Service Commission Official Case File,
Case No. GR-2016-0236, Tariff No. JG-2017-0055
Union Electric Company d/b/a Ameren Missouri

FROM: Michael J. Ensrud, Procurement Analysis Unit

/s/ David M. Sommerer 10/24/2016 /s/ Jeffrey A. Keevil 10/24/2016
Commission Staff Division/Date Staff Counsel's Office/Date

SUBJECT: Staff Recommendation for Union Electric Company d/b/a Ameren Missouri
PGA Tariff Filing Effective November 1, 2016

DATE: October 24, 2016

On October 14, 2016, Union Electric Company d/b/a Ameren Missouri (“Ameren Missouri” or “Company”), of St. Louis, Missouri, filed two (2) tariff sheets bearing an effective date of November 1, 2016. These tariff sheets were filed to reflect changes in Ameren Missouri’s Purchased Gas Adjustment (PGA) factors as a result of estimated changes in the cost of natural gas. Ameren Missouri requests the tariff sheets go into effect on November 1, 2016. The proposed tariff sheets also reflect adjustments to the Company’s Actual Cost Adjustment (ACA) factors.

For the Company’s residential natural gas customers, other than those in the Rolla service area, the tariff sheets reflect an increase in the Total PGA rate to \$0.0378 from \$0.0000 per Ccf for the first 30 Ccfs the customer uses. For all usage in excess of 30 Ccfs, the proposed PGA rate represents an increase to \$0.8330 per Ccf from \$0.7952.

For those residential customers in the Company’s Rolla System service area, the proposed tariff sheets reflect an increase in the PGA rate to \$0.2294 from \$0.1786 per Ccf for the first 30 Ccfs. For all usage in excess of 30 Ccfs, the PGA rate will increase to \$1.0246 from \$0.9738. However, these Rolla System service area rates do not include the Incremental ACA factor credit of (\$0.0916) per Ccf, which Ameren Missouri includes as a line item credit on customers’ bills.

Case No. GR-2016-0236, under which these changes were filed, was established to track the Company’s PGA factors to be reviewed in its 2015-2016 ACA filing. Case No. GR-2015-0271 was established to track the Company’s PGA factors to be reviewed in its 2014-2015 ACA filing.

These rate changes should be implemented on an interim, subject to refund status pending final Commission decisions in ACA Case Nos. GR-2016-0236 and GR-2015-0271.

Staff has verified that Ameren Missouri has filed its annual report, and is not delinquent on its PSC assessment. Staff is not aware of any other matter before the Commission that affects or is affected by this filing other than as set forth above.

OFFICIAL CASE FILE MEMORANDUM

MO PSC Case No. GR-2016-0236, Tariff No. JG-2017-0055

October 24, 2016

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Staff has reviewed this filing and has determined it was calculated in conformance with Ameren Missouri's PGA Clause. Staff is of the opinion that good cause for approval of these tariff sheets on less than thirty (30) days' notice is demonstrated by Ameren Missouri's Commission-approved PGA clause allowing for notice of ten (10) business days for PGA change filings.

Due to the limited time available to review the documentation supporting the ACA factors submitted in this filing, the Procurement Analysis Unit (PAU) requests permission to submit its results and recommendations regarding the information included in this ACA filing to the Commission on or before December 18, 2017.

Therefore, Staff recommends the Commission issue an order approving the following tariff sheets, as filed on October 14, 2016, on an interim basis, subject to refund:

P.S.C. MO. No. 2

109th Revised SHEET No. 30 Cancelling 108th Revised SHEET No. 30

23rd Revised SHEET No. 30.1 Cancelling 22nd Revised SHEET No. 30.1

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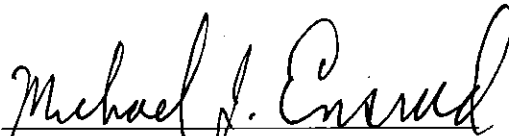
Case No. GR-2016-0236

AFFIDAVIT OF MICHAEL J. ENSRUD

STATE OF MISSOURI)
)
COUNTY OF COLE) ss.

COMES NOW MICHAEL J. ENSRUD and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing Staff Recommendation in Memorandum form; and that the same is true and correct according to his best knowledge and belief.

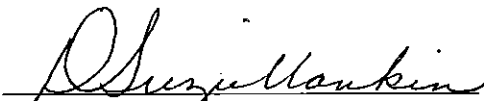
Further the Affiant sayeth not.


MICHAEL J. ENSRUD

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 21st day of October 2016.

D. SUZIE MANKIN
Notary Public - Notary Seat
State of Missouri
Commissioned for Cole County
My Commission Expires: December 12, 2016
Commission Number: 12412070


Notary Public