

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

In the Matter of the Tariff Filing of Union Electric)	
Company d/b/a AmerenUE, for Authority to File)	
Tariffs Increasing Rates for Natural Gas Service)	<u>Case No. GR-2007-0003</u>
Provided to Customers in its Missouri Service)	Tariff No. JG-2008-0381
Area.)	

**STAFF RECOMMENDATION TO APPROVE TARIFF SHEETS FILED IN
ACCORDANCE WITH STIPULATION AND AGREEMENT TO REVISE THE
ENERGY EFFICIENT NATURAL GAS REBATE PROGRAM**

COMES NOW the Staff of the Missouri Public Service Commission (Staff) and for its recommendation states as follows:

1. On December 20, 2007, Union Electric Company d/b/a AmerenUE (UE or Company) filed tariff sheets proposing to revise and continue its Energy Efficient Natural Gas Rebate Program (Rebate Program). For the reasons explained in Staff's Memorandum (attached hereto as Appendix A, with supporting Table 1, and incorporated by reference herein), the tariff sheets filed by UE are in compliance with the Stipulation and Agreement approved by the Commission in Case No. GR-2007-0003.

2. In addition, the revisions contained in the tariff sheets filed by the Company reflect the agreement of the members of the Residential and Commercial Energy Efficiency Collaborative, composed of representatives of UE, the Staff, Office of Public Counsel, and Missouri Department of Natural Resources.

WHEREFORE, for the forgoing reasons, the Staff recommends the Commission approve Revised Tariff SHEET No's 78, 79, 80, and 81, of UE's P.S.C. Mo. No. 2 tariff as filed by the Company on December 20, 2007, with and effective date of January 28, 2008.

Respectfully submitted,

/s/ **Robert S. Berlin**

Robert S. Berlin
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Missouri Bar No. 51709

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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 all counsel of record this 15th day of January 2008.

/s/ **Robert S. Berlin**

MEMORANDUM

To: Missouri Public Service Commission Official Case File, Case No. GR-2007-0003
Tariff File No. JG-2008-0381, Union Electric Company d/b/a AmerenUE

From: Anne Ross, Energy Department – Tariffs/Rate Design

/s/ Thomas M. Imhoff 01/15/2008
Utility Operations Division/Date

/s/ Robert S. Berlin 01/15/2008
General Counsel's Office/Date

Subject: Staff Recommendation to Approve Tariff Sheets Filed in Accordance with Stipulation and Agreement to Revise the Energy Efficient Natural Gas Equipment Rebate Program

Date: 01/15/2008

On December 20, 2007, Union Electric Company d/b/a AmerenUE (UE or Company) filed tariff sheets proposing to revise and continue its Energy Efficient Natural Gas Rebate Program (Rebate Program). The purpose of the Rebate Program is to encourage more effective utilization of natural gas by providing economic incentives to customers who choose high-efficiency natural gas equipment with the Energy Star (ES) rating. The program is administered by UE, with guidance and oversight by the Residential and Commercial Energy Efficiency Collaborative (Collaborative), composed of representatives of UE, Missouri Public Service Commission Staff (Staff), Office of Public Counsel, and MO Department of Natural Resources.

The Rebate Program is available to UE's natural gas customers, and provides rebates to Residential natural gas customers for ES-rated furnaces and/or programmable thermostats, and to General Service customers for ES-rated natural gas utilization equipment. The Rebate Program is voluntary and available to any participant once. The participant should receive the rebate within eight to ten weeks after a properly completed application form is submitted. Rebate forms are available on the Company's website (www.ameren.com). A description of the Rebate Program requirements can be found on sheets 78-81 of the Company's tariffs.

The expenditures of the Rebate Program for 2006-2007 were reviewed by the collaborative members on December 6, 2007. The 2007 results for each component of the program are shown in Table 1.

The Stipulation and Agreement (S&A) to Case No. GR-2007-0003 increased the funding for this program to \$100,000 annually (par. 17, p. 8 of S&A). When added to the \$13,300 remaining from the prior year, this provides \$113,300 for the upcoming program year.

The Collaborative decided to leave the residential furnace and programmable thermostat rebates at their current levels (\$200 and \$25, respectively), and to increase the commercial high-efficiency equipment rebate from \$375 to \$475. The agreement reached by the Collaborative regarding the allocation of funds to the various program components, the maximum rebate/customer, and the expected number of participants is shown in the following table:

Component	2008 Rebate	Allocated Funds	Expected No. of Rebates
Residential Furnace	\$200	\$ 83,000	415
Programmable Thermostat	\$ 25	\$ 6,000	240
Commercial Equipment	\$475	\$ 24,300	51
Total		\$113,300	

In addition, the Collaborative agreed that if funds for one component are exhausted before the end of the program, a maximum of 10% (or \$11,330) may be reallocated among the three components.

The Staff has reviewed this filing and has determined that the proposed tariff sheets comport with the S&A approved in Case No. GR-2007-0003. The Staff has verified that the Company has filed its annual report and is not delinquent on any assessment. Staff has reviewed this filing and is not aware of any issue currently pending before the Commission that affects, or is affected by, this filing.

Staff therefore recommends approval of the following tariff sheets, as filed on December 20, 2007 with an effective date of January 28, 2008:

P.S.C Mo. No. 2

5th Revised SHEET No. 78 Cancelling 4th Revised SHEET No. 78
4th Revised SHEET No. 79 Cancelling 3rd Revised SHEET No. 79
3rd Revised SHEET No. 80 Cancelling 2nd Revised SHEET No. 80
4th Revised SHEET No. 81 Cancelling 3rd Revised SHEET No. 81

AmerenUE Energy Efficient Natural Gas Rebate Program							
Program Status as of January 10, 2008							
	Rebate Amount	Total Allocated	Total Rebate Paid Out	Remaining Program Funds⁽¹⁾	Reserved - Not Yet Claimed/Paid⁽²⁾	Total Number of Rebates Reserved	Total Number of Rebates Paid Out
Furnaces	\$200	\$41,600	\$37,400	\$4,200	\$4,200	208	187
Thermostats	\$25	\$2,250	\$2,525	(\$275)	N/A	Not applicable	94
Comm. Equip	\$375	\$12,000	\$2,625	\$9,375	\$1,125	10	7
Total		\$55,850	\$42,550	\$13,300	\$5,325		
(1) Collaborative agreed to transfer \$275 from Commercial Equipment to Residential Thermostats to pay 7 additional rebate requests.							
(2) This carry-over can be used to honor unclaimed rebate amounts from 2007 program year, as well as new rebate requests.							
Summary							
Program Goal				\$55,850			
Residential Furnace Paid				\$37,400			
Thermostats Paid				\$2,525			
Commercial Equipment Paid				\$2,625			
Funds Remaining from 2007 Plan Year				\$13,300			

Table 1

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

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

AFFIDAVIT OF ANNE ROSS

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

Anne Ross, of lawful age, on oath states: that she has participated in the preparation of the foregoing Staff Recommendation in memorandum form, to be presented in the above case; that the information in the Staff Recommendation was given by her; that she has knowledge of the matters set forth in such Staff Recommendation; and that such matters are true to the best of her knowledge and belief.



Anne Ross

Subscribed and sworn to before me this 15th day of January, 2008.



DAWN L. HAKE
My Commission Expires
March 16, 2009
Cole County
Commission #05407643



Notary Public