

**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	)	<b><u>File No. GR-2014-0238</u></b>
Adjustment Tariff Filing	)	Tariff No. JG-2015-0163

**STAFF RECOMMENDATION TO DECREASE PGA RATE**

**COMES NOW** the Staff of the Missouri Public Service Commission, by and through counsel, and for its recommendation in this matter hereby respectfully states:

1. On October 16, Union Electric Company d/b/a Ameren Missouri (Ameren Missouri or Company) submitted revised tariff sheets designed to implement a decrease in its PGA rate for the upcoming winter season. The tariff sheets bear an effective date of November 1, 2014.

2. Ameren Missouri initiated this docket in February 2014 with a tariff filing that adjusted its PGA rate for the 2014 spring and summer season. This October 16 filing represents Ameren Missouri's mandatory winter season PGA filing, which is required by the Company's tariff.

3. Ameren Missouri's proposed tariff sheets include two separate PGA rates—one for its customers in the Rolla System service area, and one for all other Ameren Missouri gas customers. 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.

4. For the Company's natural gas customers, other than those in the Rolla service area, the tariff sheets reflect a decrease in the total PGA rate to \$0.1878 from

\$0.2378 per Ccf for the first 30 Ccfs the customer uses. For all usage in excess of 30 Ccfs, the proposed PGA rate represents a decrease to \$.9830 per Ccf from \$1.0330.

5. For those customers in the Company's Rolla System, the proposed tariff sheets reflect a decrease in the total PGA rate to \$0.3688 from \$0.4445 per Ccf for the first 30 Ccfs. For all usage in excess of 30 Ccfs, the PGA rate will decrease to \$1.1640 from \$1.2397.

6. The total PGA includes two factors—the Regular Purchased Gas Adjustment (RPGA), which represents the Company's best estimate of its gas costs for the upcoming winter season, and the Actual Cost Adjustment (ACA), which tracks the Company's over- or under-collections based on its actual cost of gas during a previous PGA period. Staff's Procurement Analysis Unit (PAU) will review Ameren Missouri's ACA filing and may recommend adjustments to the ACA account balance to be applied to a future PGA filing.

7. As explained in Staff's *Memorandum*, attached here as Appendix A and incorporated by reference, 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 sheet on an interim basis, subject to refund.

8. Also, Staff recommends the Commission order PAU Staff to file the results of its review of the ACA factor filed in this matter no later than December 18, 2015.

9. Case No. GR-2014-0238, under which these changes were filed, was established to track the Company's PGA factors to be reviewed in its 2013-2014 ACA filing. Case No. GR-2014-0061 was established to track the Company's PGA factors to

be reviewed in its 2012-2013 ACA filing. This rate change should be on an interim, subject to refund status pending final Commission decisions in ACA Case Nos. GR-2014-0238 and GR-2014-0061.

10. Staff has verified that Ameren Missouri has filed its annual report and is not delinquent on any assessment. Staff is not aware of any issue currently pending before the Commission that affects or is affected by this filing, other than the cases mentioned above.

11. Finally, Staff is of the opinion that good cause for approval of these tariff sheets on less than 30 days' notice is demonstrated by the Company's Commission-approved PGA clause allowing for 10 business days' notice for PGA change filings.

**WHEREFORE**, Staff recommends Commission approve the following tariff sheets on an interim basis, subject to refund, and that the Commission order PAU Staff to file the results of its ACA review in this docket no later than December 18, 2015:

P.S.C. MO. No. 2

105th Revised SHEET No. 30	Cancelling 104th Revised SHEET No. 30
19th Revised SHEET No. 30.1	Cancelling 18th Revised SHEET No. 30.1

Respectfully Submitted,

**/s/ John D. Borgmeyer**

John D. Borgmeyer  
Deputy Legal Counsel  
Missouri Bar No. 61992

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Missouri Public Service Commission  
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**CERTIFICATE OF SERVICE**

I hereby certify that true and correct copies of the foregoing were served electronically to all counsel of record this 24<sup>th</sup> day of October, 2014.

***/s/ John D. Borgmeyer***

## MEMORANDUM

TO: Missouri Public Service Commission Official Case File,  
Case No. GR-2014-0238, File No. JG-2015-0163  
Union Electric Company d/b/a Ameren Missouri

FROM: Kim Cox, Energy Department – Tariffs/Rate Design

/s/ Thomas M. Imhoff 10/24/2014                      /s/ John D. Borgmeyer 10/24/2014  
Utility Operations Division/Date                      Staff Counsel's Office/Date

SUBJECT: Staff Recommendation for Union Electric d/b/a Ameren Missouri Scheduled  
Winter Season PGA Tariff Filing - Effective November 1, 2014

DATE: October 24, 2014

On October 16, 2014, 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, 2014. 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, 2014.

For all of its natural gas service areas, other than the Rolla Service Area, the PGA rate filed by Ameren Missouri will decrease to \$0.1878 per hundred cubic foot ("Ccf") for the first 30 Ccf from the current PGA rate of \$0.2378 per Ccf. For all Ccfs in excess of the first 30 Ccf, the PGA rate filed by Ameren Missouri will decrease to \$.9830 per Ccf from the current PGA rate of \$1.0330 per Ccf. These changes represent a decrease of \$0.0500 per Ccf.

For its Rolla Service Area, the PGA rate filed by Ameren Missouri will decrease to \$0.3688 per Ccf for the first 30 Ccf from the current PGA rate of \$0.4445 per Ccf. For all Ccfs in excess of the first 30 Ccf, the PGA rate filed by Ameren Missouri will decrease to \$1.1640 per Ccf from the current PGA rate of \$1.2397 per Ccf. These changes represent a decrease of \$0.0757 per Ccf. However, these Rolla Service Area PGA rates do not include the Incremental ACA factor, which Ameren Missouri includes as a line item credit on customers' bills for the MoGas Pipeline, LLC ("MoGas") refund from the MoGas settlement due to overcharges by that pipeline.

Case No. GR-2014-0238, under which these changes were filed, was established to track the Company's PGA factors to be reviewed in its 2013-2014 ACA filing. Case No. GR-2014-0061 was established to track the Company's PGA factors to be reviewed in its 2012-2013 ACA filing. This rate change should be on an interim, subject to refund status pending final Commission decisions in ACA Case Nos. GR-2014-0238 and GR-2014-0061.

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.

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 ten (10) business days notice for PGA change filings. Therefore, Staff recommends the following tariff sheets as filed on November 1, 2014, be approved on an interim basis, subject to refund:

P.S.C. MO. No. 2

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105<sup>th</sup> Revised SHEET No. 30 Cancelling 104<sup>th</sup> Revised SHEET No. 30  
19<sup>th</sup> Revised SHEET No. 30.1 Cancelling 18<sup>th</sup> Revised SHEET No. 30.1

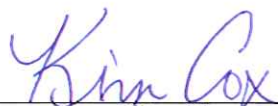
**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI**

In the Matter of Union Electric	)	Case No. GR-2014-0238
Company d/b/a Ameren Missouri's	)	File No. JG-2015-0163
Purchased Gas Adjustment Tariff Filing	)	

**AFFIDAVIT OF KIM COX**

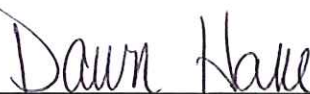
STATE OF MISSOURI    )  
                                  ) ss  
COUNTY OF COLE     )

Kim Cox, 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.

  
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Kim Cox

Subscribed and sworn to before me this 23<sup>rd</sup> day of October, 2014.

DAWN L. HAKE Notary Public - Notary Seal State of Missouri Commissioned for Cole County My Commission Expires: June 16, 2017 Commission Number: 13407643
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Notary Public