

**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 (PGA))	Case No. GR-2008-0107
Factors to be Audited in its 2006-2007 Actual)	
Cost Adjustment.)	

STAFF'S RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission and for its Recommendation, at Appendix A, states:

1. On October 15, 2007, Union electric Company d/b/a AmerenUE (UE or Company), of St. Louis, Missouri, filed a *Request for Waiver and Motion for Expedited Treatment*. This Request asks for a waiver from UE's tariff provision of supplying certain Actual Cost Adjustment (ACA) information concurrently with the annual winter Purchased Gas Adjustment (PGA) factor that was agreed to in UE's most recent rate case (GR-2007-0003).

2. On October 18, 2007, UE filed four (4) tariff sheets requesting an effective date of November 1, 2007. These tariff sheets were filed to reflect changes in UE's PGA factors as a result of estimated changes in the cost of natural gas for the upcoming winter season (November through March) and changes in the ACA factor.

3. These changes were established under Case No. GR-2008-0107 to track the Company's PGA factors to be reviewed in its 2006-2007 ACA filing. Case No. GR-2006-0333 was established to track the Company's PGA factors to be reviewed in its 2005-2006 ACA filing. This rate change should be on an interim, subject to refund status pending final Commission decisions in ACA Case Nos. GR-2006-0333 and GR-2008-0107.

4. Staff has verified that this company has filed its annual report and is not

delinquent on any of its assessment. Staff is not aware of any other matters before the Commission that affects or is affected by this filing.

5. Staff has determined that the tariff sheet was calculated in conformance with AmerenUE's PGA clause.

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

WHEREFORE, the Staff recommends that the tariff sheet be approved interim subject to refund only (P.S.C. MO. No. 2; 93rd Revised Sheet No. 30, Canceling 92nd Revised Sheet No. 30; 6th Revised Sheet No. 30.1, Canceling 5th Revised Sheet No. 30.1; 99th Revised Sheet No. 31, canceling 98th Revised Sheet No. 31; and 94th Revised Sheet No. 32, Canceling 93rd Revised Sheet No. 32, to become effective November 1, 2007.

Respectfully submitted,

/s/ Lera L. Shemwell

Lera L. Shemwell
Deputy General Counsel
Missouri Bar No. 43792

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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 29th day of October, 2007.

/s/ Lera L. Shemwell

MEMORANDUM

TO: Missouri Public Service Commission Official Case File,
Case No. GR-2008-0107 File No. JG-2008-0244
Union Electric Company d/b/a Ameren UE

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

<u>/s/ Thomas M. Imhoff 10/26/07</u> Utility Operations Division/Date	<u>/s/ Lera Shemwell 10/26/07</u> General Counsel's Office/Date
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SUBJECT: Staff Recommendation for Union Electric d/b/a Ameren UE's Winter Season PGA
Filing - Effective November 1, 2007

DATE: October 26, 2007

On October 15, 2007, Union Electric Company d/b/a Ameren UE (UE or Company), of St. Louis, Missouri, filed a "Request for Waiver and Motion for Expedited Treatment" (Request). This Request asks for a waiver from UE's tariff provision of supplying certain Actual Cost Adjustment (ACA) information concurrently with the annual winter Purchased Gas Adjustment (PGA) factor that was agreed to in UE's most recent rate case, GR-2007-0003. This information is normally requested by the Procurement Analysis Department (PAD) during the course of their annual audit. In UE's rate case, GR-2007-003, with the exception of the Rolla Service Area, all of UE's service areas were combined into one PGA.

On October 18, 2007, UE filed four (4) tariff sheets requesting an effective date of November 1, 2007. These tariff sheets were filed to reflect changes in UE's PGA factors as a result of estimated changes in the cost of natural gas for the upcoming winter season and changes in the ACA factor. The winter season includes the months of November through March. UE requests that the tariff sheets go into effect on November 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 increase the PGA factor for the 2007-2008 winter season to \$0.8959 per hundred cubic feet (Ccf) from the PGA of \$0.8656 per Ccf currently in effect. This represents an increase of \$.0303 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 2007-2008 winter season to \$1.3503 per Ccf from the PGA of \$1.3907 per Ccf currently in effect. This represents a decrease of \$.0404 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 2007-2008 winter season to \$0.8959 per Ccf from the PGA of \$0.9984 per Ccf currently in effect. This represents a

decrease of \$0.1025 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 2007-2008 winter season to \$0.8959 per Ccf from the PGA of \$0.9489 per Ccf currently in effect. This represents a decrease of \$.0530 per Ccf.

Case No. GR-2008-0107, under which these changes were filed, was established to track the Company's PGA factors to be reviewed in its 2006-2007 ACA filing. Case No. GR-2006-033 was established to track the Company's PGA factors to be reviewed in its 2005-2006 ACA filing. This rate change should be on an interim, subject to refund status pending final Commission decisions in ACA Case Nos. GR-2006-0333 and GR-2008-0107.

Due to the limited time available to review the documentation supporting the ACA factor represented in this filing, the Procurement Analysis Department (PAD) has requested permission to submit its results and recommendations regarding the information included in this ACA filing to the Commission on or before December 31, 2007.

Staff has verified that this company has filed its annual report and is not delinquent on any of its 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 that it was calculated in conformance with AmerenUE'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 AmerenUE's Commission-approved PGA clause allowing for ten (10) business days notice for PGA change filings. Therefore, Staff recommends that the following tariff sheets be approved, interim subject to refund:

P.S.C. MO. No. 2

93 rd Revised SHEET No. 30	Cancelling 92 nd Revised SHEET No. 30
6 th Revised SHEET No. 30.1	Cancelling 5 th Revised SHEET No. 30.1
99 th Revised SHEET No. 31	Cancelling 98 th Revised SHEET No. 31
94 th Revised SHEET No. 32	Cancelling 93 rd Revised SHEET No. 32

**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 (PGA) Factors to be)
Audited in its 2006-2007 Actual Cost)
Adjustment)

Case No. GR-2008-0107

AFFIDAVIT OF THOMAS M. IMHOFF

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

Thomas M. Imhoff, of lawful age, on oath states: that he 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 provided to him; that he has knowledge of the matters set forth in such Staff Recommendation; and that such matters are true to the best of his knowledge and belief.



Thomas M. Imhoff

Subscribed and sworn to before me this 25th day of October, 2007.



SUSAN L. SUNDERMEYER
My Commission Expires
September 21, 2010
Callaway County
Commission #06942086



Notary Public

My commission expires 9-21-10