

**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. YE-2007-0008
Area.)	

**STAFF’S RESPONSE TO AMERENUE’S TEST YEAR PROPOSAL
AND STAFF’S TRUE-UP RECOMMENDATION**

COMES NOW the Staff of the Missouri Public Service Commission (Staff), in accordance with the Commission’s July 11, 2006 Order Directing Notice, Suspending Tariff, Setting Hearings and Directing Filings that, *inter alia*, suspended tariffs filed by AmerenUE, and states:

1. In its July 11, 2006 Order the Commission ordered:

The Staff of the Missouri Public Service Commission, the Office of the Public Counsel, and any persons or entities requesting intervention shall file, on or before August 7, 2006, a pleading either indicating concurrence in Union Electric Company d/b/a AmerenUE’s recommended test year or recommending alternatives to that test year.

and

The Staff of the Missouri Public Service Commission, the Office of the Public Counsel, and any intervenors shall file, on or before August 7, 2006, a pleading offering a recommendation concerning a true-up.

2. The Staff understands AmerenUE proposes an historical test year of the 12 months ended June 30, 2006 (once AmerenUE files supplemental direct testimony on or before September 30, 2006), updated through September 30, 2006, for known and measurable changes, and that AmerenUE does not recommend a true-up audit to address changes occurring after

September 30, 2006 and a true-up hearing after the primary evidentiary hearing the Commission has currently scheduled for March of 2007.

3. The Staff concurs in an historical test year of the 12 months ended June 30, 2006 updated for known and measurable changes through September 30, 2006.

4. The Staff recommends no true-up audit be conducted and no true-up hearing be held in this case for changes after September 30, 2006, 2007.

WHEREFORE the Staff submits its concurrence with AmerenUE in the use of an historical test year of the 12 months ending June 30, 2006, adjusted and updated for known and measurable changes through September 30, 2006; and the Staff recommends no true-up audit be conducted and no true-up hearing be held in this case for changes after September 30, 2006/2007.

Respectfully submitted,

/s/ Lera L. Shemwell

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or emailed to all counsel of record this 7th day of August 2006.

/s/ Lera Shemwell