

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 30th day
of October, 2008.

In the Matter of the Verified Petition of Union Electric)	
Company, d/b/a AmerenUE, to Change Its Infrastructure)	<u>Case No. GT-2009-0038</u>
System Replacement Surcharge.)	Tariff No. JG-2009-0093

ORDER APPROVING ISRS RATES AND REJECTING TARIFF

Issue Date: October 30, 2008

Effective Date: November 9, 2008

On August 4, 2008, Union Electric Company, d/b/a AmerenUE, filed a verified petition to establish an infrastructure system replacement surcharge (ISRS). AmerenUE's petition was accompanied by an implementing tariff. The Commission has suspended that tariff until December 2, 2008.

In its application, AmerenUE seeks to establish its ISRS rate schedule to reflect costs incurred in connection with ISRS-eligible infrastructure system replacements placed in service from November 1, 2007, through May 31, 2008. The total ISRS revenue requirement being requested is \$410,130. The specific infrastructure system replacements for which AmerenUE seeks ISRS recognition are set forth in Appendix A to its application.

Section 393.1015.1(2), RSMo, requires the Commission to publish notice of AmerenUE's ISRS filing. Therefore, on August 7, 2008, the Commission directed that notice of the filing be mailed to the county commission of the counties served by AmerenUE. It also directed that notice be given to the media serving the area served by AmerenUE and to the members of the General Assembly representing that area. In

addition, the Commission directed notice to each party in AmerenUE's most recent gas rate case. In the same order, the Commission directed that any person wishing to intervene in this matter file an application to intervene no later than August 27, 2008. No applications to intervene were received.

Section 393.1015.2(2), RSMo, allows the Staff of the Commission to file a report regarding AmerenUE's ISRS petition no later than 60 days after it was filed. Staff filed its report on October 2, 2008, advising the Commission to approve AmerenUE's petition with a reduction in the ISRS revenues as shown in Appendix B to Staff's Memorandum.

The reduction recommended by Staff included \$15,036 as a correction to the percentage of retirements to plant additions, which Staff believed had resulted in the over-collection of funds in AmerenUE's previous ISRS filing. Staff also recommended a reduction of \$4,286 representing the difference in accumulated depreciation and deferred income taxes through the effective date of the tariff as opposed to the filing date. Staff recommended incremental ISRS surcharge revenues be authorized in the annual pre-tax amount of \$390,809. Staff also recommended the Commission reject the tariff sheet (Filing No. JG-2009-0093) as filed, but authorize AmerenUE to file an ISRS tariff with rates as reflected in the Staff Report.

On October 14, 2008, AmerenUE filed its Response to Staff Report. In its response, AmerenUE states that "for purposes of this case" it accepts the recommendation of Staff. AmerenUE further requests the Commission order ISRS rates as set forth in Staff's Report.

Based on AmerenUE's verified petition, Staff's report, and AmerenUE's response to Staff's report, the Commission concludes that AmerenUE shall be permitted,

pursuant to Sections 393.1009, 393.1012, and 393.1015, RSMo, and 4 CSR 240-3.265, to collect ISRS rates as set out in Appendix B to the Staff Report. Therefore, the Commission shall reject the tariffs as submitted by AmerenUE and authorize AmerenUE to file a revised tariff with ISRS rates as reflected in Staff's Report.

THE COMMISSION ORDERS THAT:

1. The tariff filed by Union Electric Company, d/b/a AmerenUE, on August 4, 2008, and assigned tariff number JG-2009-0093, is rejected. The tariff sheet rejected is:

P.S.C. MO. No. 5
2nd Revised Sheet No. 34, Canceling 1st Revised Sheet No. 34

2. Union Electric Company, d/b/a AmerenUE, is authorized to file revised tariff sheets designed to collect an Infrastructure System Replacement Surcharge sufficient to recover appropriate annual pre-tax revenues in the amount of \$390,809 and setting out an ISRS rate for each customer class as reflected in Appendix B of the Staff Report.

3. This order shall become effective on November 9, 2008.

BY THE COMMISSION



Colleen M. Dale
Secretary

(S E A L)

Davis, Chm., Murray, Clayton,
Jarrett, and Gunn, CC., concur.

Dippell, Deputy Chief Regulatory Law Judge