

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

In the matter of the verified application)	
and petition of Union Electric Company)	
d/b/a AmerenUE to establish an)	Case No.: GT-2008-0184
Infrastructure System Replacement)	Tariff No. YG-2008-0354
Surcharge.)	

STAFF RECOMMENDATION

COMES NOW the Staff of the Commission and submits its Memorandum concerning Union Electric Company d/b/a AmerenUE's request to establish an Infrastructure System Replacement Surcharge.

1. On November 30, 2007, AmerenUE, filed a tariff sheet with the Commission to establish, for the first time, Infrastructure System Replacement Surcharge (ISRS) rates.

2. In its Verified Petition, AmerenUE indicates the rate is designed to recover costs incurred in connection with ISRS-eligible infrastructure system replacements made during the period beginning October 1, 2006 through October 31, 2007.

3. On December 3, 2007, the Commission issued its Order Suspending Tariff, Directing Notice and Setting Intervention Date. The Commission suspended AmerenUE's ISRS tariff sheet until March 29, 2008. There were no intervenors.

4. Staff recommends that the ISRS rates to be charged to AmerenUE's customers should collect \$1,211,459 in revenues annually, noting that the ISRS process is subject to true-up. Therefore, any shortfalls or over-collections that occur during the period this ISRS is in effect, will be corrected in future ISRS filings.

5. Staff recommends the Commission approve Ameren's proposed customer notices as in compliance with the requirements of the Commission's Rule. 4 CSR 240-3.265 Natural Gas Utility Petitions for Infrastructure System Replacement Surcharges.

6. Based upon the Staff's conclusions, the Staff recommends that the Commission issue an order in this case that:

1. Implements the tariff sheet filed by AmerenUE on March 29, 2008;
2. Authorizes AmerenUE to collect an ISRS sufficient to recover the authorized annual pre-tax revenues in the amount of \$1,211,459 ; and
3. Approves the ISRS-related Customer Notices.

WHEREFORE Staff respectfully recommends the Commission issue its order as suggested above.

Respectfully submitted,

/s/ Lera L. Shemwell

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

Attorney for the Staff of the
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102
(573) 751-7431 (Telephone)
(573) 751-9285 (Fax)
lera.shemwell@psc.mo.gov

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 January, 2008.

/s/ Lera L. Shemwell