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

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In the Matter of Union Electric Company d/b/a ) Ameren Missouri's Changes to Company's Purchased Gas Adjustment (PGA) Factors To be reviewed in its 2016-2017 ACA Filing

Case No. GR-2017-0341 Tariff No. JG-2017-0266

## STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission in the above-captioned matter and files its Staff Recommendation as set forth in the accompanying Memorandum (which is incorporated herein by reference) concerning the June 16, 2017, tariff filing by Union Electric Company d/b/a Ameren Missouri ("Ameren Missouri" or "Company"), and further states as follows:

1. On June 16, 2017, Ameren Missouri filed two tariff sheets with a requested effective date of July 1, 2017, to reflect changes in Ameren Missouri's Purchased Gas Adjustment ("PGA") factors as a result of estimated changes in the cost of natural gas and to reflect a PGA Filing Adjustment Factor ("FAF") adjustment.

2. As explained in the accompanying Memorandum, for Residential service in all of its natural gas service areas other than the Rolla Service Area, the Total PGA rate filed by Ameren Missouri will increase to \$0.0878 per hundred cubic foot ("Ccf") for the first 30 Ccf, from the current Total PGA rate of \$0.0378 per Ccf. For all volumes in excess of the first 30 Ccf, the Total PGA rate filed by Ameren Missouri will increase to \$0.8830 per Ccf, from the current Total PGA rate of \$0.8330 per Ccf. Each change represents an increase of \$0.0500 per Ccf.

3. As also explained in the accompanying Memorandum, for Residential service in its Rolla Service Area, the PGA rate filed by Ameren Missouri will increase to

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\$0.2994 per Ccf for the first 30 Ccf, from the current PGA rate of \$0.2294 per Ccf. For all volumes in excess of the first 30 Ccf, the PGA rate filed by Ameren Missouri will increase to \$1.0946 per Ccf, from the current PGA rate of \$1.0246 per Ccf. These changes represent an increase of \$0.0700 per Ccf. However, these Rolla Service Area PGA rates do not include the Incremental ACA factor of (\$0.0916) per Ccf, which Ameren Missouri includes as a line item credit on customers' bills for a refund from a previous settlement.

4. Case No. GR-2017-0341, under which these changes were filed, was established to track the Company's PGA factors to be reviewed in its 2016-2017 Actual Cost Adjustment ("ACA") filing. Case No. GR-2016-0236 was established to track the Company's PGA factors to be reviewed in its 2015-2016 ACA filing. This rate change should be implemented on an interim basis, subject to refund, pending final Commission decisions in ACA Case Nos. GR-2017-0341 and GR-2016-0236.

5. Staff has verified that the Company has filed its annual report and is not delinquent on its assessment. Staff is not aware of any other matter before the Commission that affects or is affected by this filing except as set forth above.

6. As explained in the accompanying Memorandum, Staff has reviewed this filing and has determined that 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.

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WHEREFORE, Staff recommends the Commission issue an order approving the

following tariff sheets as filed on June 16, 2017, on an interim basis, subject to refund:

P.S.C. MO. No. 2

110th Revised Sheet No. 30, Cancelling 109th Revised Sheet No. 30 24th Revised Sheet No. 30.1, Cancelling 23rd Revised Sheet No. 30.1

Respectfully submitted,

## /s/ Jeffrey A. Keevil

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Attorney for the Staff of the Missouri Public Service Commission

## CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to counsel of record this 23<sup>rd</sup> day of June, 2017.

## /s/ Jeffrey A. Keevil

# **MEMORANDUM**

- TO: Missouri Public Service Commission Official Case File, Case No. GR-2017-0341, File No. JG-2017-0266 Union Electric Company, d/b/a Ameren Missouri
- **FROM:** Henry E. Warren, Procurement Analysis Operational Analysis Department

/s/ David M. Sommerer6/23/2017/s/ Jeffrey A. Keevil6/23/2017Commission Staff Division/DateStaff Counsel's Office/Date

- **SUBJECT:** Staff Recommendation for Union Electric Company, d/b/a Ameren Missouri Optional PGA Tariff Filing Effective July 1, 2017
- **DATE:** June 23, 2017

On June 16, 2017, 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 July 1, 2017. 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 and to reflect a "PGA Filing Adjustment Factor" (FAF) adjustment pursuant to Sheet No. 23 of the Company's PGA Clause. Ameren Missouri requests the tariff sheets go into effect on July 1, 2017.

For Residential service in all of its natural gas service areas, other than the Rolla Service Area, the Total PGA rate filed by Ameren Missouri will increase to \$0.0878 per hundred cubic foot (Ccf) for the first 30 Ccf from the current Total PGA rate of \$0.0378 per Ccf. For all volumes in excess of the first 30 Ccf, the Total PGA rate filed by Ameren Missouri will increase to \$0.8830 per Ccf from the current Total PGA rate of \$0.8330 per Ccf. Each change represents an increase of \$0.0500 per Ccf.

For Residential service in its Rolla Service Area, the PGA rate filed by Ameren Missouri will increase to \$0.2994 per Ccf for the first 30 Ccf from the current PGA rate of \$0.2294 per Ccf. For all volumes in excess of the first 30 Ccf, the PGA rate filed by Ameren Missouri will increase to \$1.0946 per Ccf from the current PGA rate of \$1.0246 per Ccf. These changes represent an increase of \$0.0700 per Ccf. However, these Rolla Service Area PGA rates do not include the Incremental ACA factor, -\$0.0916 per Ccf, 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-2017-0341, under which these changes were filed, was established to track the Company's PGA factors to be reviewed in its 2016-2017 Actual Cost Adjustment (ACA) filing. Case No. GR-2016-0236 was established to track the Company's PGA factors to be reviewed in its 2015-2016 ACA filing. This rate change should be implemented on an interim, subject

to refund status pending final Commission decisions in ACA Case Nos. GR-2017-0341 and GR-2016-0236.

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 other than as set forth above.

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 notice of ten (10) business days for PGA change filings. Therefore, Staff recommends the Commission issue an order approving the following tariff sheets as filed on June 16, 2017, on an interim basis, subject to refund:

P.S.C. MO. No. 2 110th Revised SHEET No. 30 Cancelling 109th Revised SHEET No. 30 24th Revised SHEET No. 30.1 Cancelling 23rd Revised SHEET No. 30.1

#### BEFORE THE PUBLIC SERVICE COMMISSION

### OF THE STATE OF MISSOURI

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In the Matter of Union Electric Company d/b/a Ameren Missouri's Changes to Company's Purchased Gas Adjustment (PGA) Clause

Case No. GR-2017-0341

### AFFIDAVIT OF HENRY E. WARREN, PhD

STATE OF MISSOURI ) ) SS. COUNTY OF COLE

COMES NOW HENRY E. WARREN, PhD and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing Staff Recommendation in Memorandum form; and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.

### JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 215t day of June 2017.



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