

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

In the Matter of KCP&L Greater Missouri)
Operations Company's Request for Authority to)
Implement a General Rate Increase for Electric) File No. ER-2016-0156
Service.)

AMEREN MISSOURI'S POSITION STATEMENT

COMES NOW Union Electric Company d/b/a Ameren Missouri (Ameren Missouri or Company), and for its position statement on the issues in this case states as follows:

1. At this time the Company has no position on Issues I.B and I.C, II, III.E., III.G, IV through XXII, and XXIV through XXIX. The Company reserves the right to take a position on any such issues depending on evidence adduced at hearing or arguments that may be made in briefs or otherwise in this case.

2. With respect to Issue I.A., *Return on Common Equity – what return on common equity should be used for determining rate of return* -- the Company's position is that a fair and reasonable return on equity reflecting the utility's cost of equity should be used for ratemaking purposes, in accordance with the standards enunciated in the seminal U.S. Supreme Court cases of *Hope* and *Bluefield*. A return on equity within GMO witness Hevert's recommended range would meet that standard.

3. With respect to Issue III, the Company takes the following positions:

A. *Has GMO met the criteria for the Commission to authorize it to continue to have a fuel adjustment clause? Yes.*

B. *Should the Commission authorize GMO to continue to have a fuel adjustment clause? Yes.*

- C. *What costs should flow through GMO's fuel adjustment clause?* Substantially the costs that are included in Ameren Missouri's current fuel adjustment clause (or corollary costs associated with the market(s) in which GMO participates), and any other costs approved by the Commission.
 - D. *What revenues should flow through GMO's fuel adjustment clause?* Substantially the revenues that are included in Ameren Missouri's current fuel adjustment clause (or corollary costs associated with the market(s) in which GMO participates), and any other costs approved by the Commission.
 - E. See paragraph 1.
 - F. *What is the appropriate sharing mechanism of the difference between actual and base fuel costs in GMO's FAC?* A sharing mechanism is not necessary at all, but if a sharing mechanism is to be included, it should be the current 95%/5% mechanism
 - G. See paragraph 1.
4. With respect to Issue XXIII, *Rate Case Expense*, the Company's position is that all prudently-incurred rate case expenses should be included in GMO's revenue requirement.

Respectfully submitted,

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CERTIFICATE OF SERVICE

The undersigned certifies that true and correct copies of the foregoing have been e-mailed or mailed, via first-class United States Mail, postage pre-paid, to the service list of record of this case on this 9th day of September, 2016.

James B. Lowery
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