BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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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 Provided to Customers in its Missouri Service Area.

Case No. GR-2007-0003

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission (Staff) and submits its recommendation in the above captioned case:

1. On March 15, 2007, the Missouri Public Service Commission (Commission) issued its Order Approving Stipulation and Agreement (Order) in Case No. GR-2007-0003, the Union Electric Company d/b/a AmerenUE (AmerenUE or Company) natural gas case. This Order approved an increase in the Company's overall Missouri jurisdictional gross annual natural gas revenues of \$6.0 million.

2. On March 29, the Company filed a second substitute tariff sheet, Sheet No. 42.1 to address concerns expressed at the March 29 Agenda meeting.

3. Staff has reviewed the tariff sheets as filed by AmerenUE on March 21, 2007, as substituted on March 27, and substituted again on March 29, and is of the opinion that this sheet now resolves the issues raised in Agenda meetings.

4. Staff is further of the opinion that good cause for approval of these tariff sheets on less than thirty days notice is demonstrated by the Commission's Order Approving the Stipulation and Agreement in which the parties recommended an effective date of April 1, 2007.

WHEREFORE Staff recommends approval of the tariff sheets as outlined in the attached recommendation with an April 1, 2007 effective date.

Respectfully submitted,

<u>/s/ Lera L. Shemwell</u> Lera L. Shemwell Missouri Bar No. 43792

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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 March 2007.

/s/ Lera L. Shemwell