

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of Union Electric Company)	
d/b/a AmerenUE's Purchased Gas)	<u>Case No. GR-2008-0366</u>
Adjustment (PGA) Factors)	Tariff No. JG-2009-0279

ORDER APPROVING INTERIM RATES

Issue Date: October 23, 2008

Effective Date: November 1, 2008

On October 17, 2008, Union Electric Company d/b/a AmerenUE (AmerenUE or Company) of St. Louis, Missouri, filed four (4) tariff sheets requesting changes in AmerenUE's Purchased Gas Adjustment (PGA) factors as the result of estimated changes in the cost of natural gas for the upcoming winter season and changes in the ACA factor. The tariff sheets are proposed to become effective November 1, 2008.

The proposed changes are reductions to the PGA factors from AmerenUE's June 2008 filings.

Implementation of the tariff rates results in changes in natural gas costs in the following AmerenUE PGA areas:

1. For the area served by Panhandle Eastern Pipe Line Company (PEPL), including the cities of Columbia, Jefferson City, Mexico, and Wentzville; and excluding the Rolla Service Area, the effects of these changes reduces the PGA rate filed by UE on June 1, 2008 from \$1.1016 per hundred cubic feet (Ccf) to \$0.9950 per Ccf. The PGA rate for the 2007-2008 winter season was \$0.8959 Ccf. Based on average winter usage, a Residential customer's, bill is expected to be approximately \$51 higher than

last year, or an approximate 8% increase.

2. For the Rolla Service Area, including the cities of Rolla and Owensville, the effect of these changes will decrease the PGA factor for the 2008-2009 winter season to \$1.2142 per Ccf from \$1.2938 Ccf filed by UE on June 1, 2008. The PGA rate for the 2007-2008 winter season was \$1.3503 per Ccf. Based on average winter usage, a Residential customer's, bill is expected to be approximately \$56 lower than last year, or an approximate 8% decrease.

3. For the area served by Texas Eastern Transmission Corporation (TETCO), including the city of Cape Girardeau, the effect of these changes reduces the PGA rate filed by UE on June 1, 2008 from \$1.1016 per Ccf to \$0.9950 per Ccf. The PGA rate for the 2007-2008 winter season was \$0.8959 per Ccf. Based on average winter usage, a Residential customer's, bill is expected to be approximately \$46 higher than last year, or an approximate 8% increase.

4. For the area served by Natural Gas Pipeline Company of America (NGPL), including the community of Marble Hill, the effect of these changes reduces the PGA rate filed by UE on June 1, 2008 from \$1.1016 per Ccf to \$0.9950 per Ccf. The PGA rate for the 2007-2008 winter season was \$0.8959 per Ccf. Based on average winter usage, a Residential customer's, bill is expected to be approximately \$45 higher than last year, or an approximate 8% increase.

The Commission's Staff filed its Memorandum and Recommendation on October 21, 2008. In its Memorandum and Recommendation, Staff supports the change in the costs and supports Commission approval and incorporation of the change in rates as expeditiously as possible, in that any rate change at this time is subject to

true-up in the ACA process. Staff noted AmerenUE has filed its annual report; however, it is delinquent on its second quarter payment on its 2008 assessment. Staff notes that, because AmerenUE's PGA clause allows for PGA change filings to take effect on ten days' notice, good cause has been shown pursuant to Section 393.140(11), RSMo 2000, to permit the tariffs to become effective on less than 30 days' notice. Staff recommends that the rates be approved on an interim basis, subject to refund, pending final Commission decisions in ACA Case Nos. GR-2008-0366 and GR-2008-0107. Staff is not opposed to AmerenUE's request.

Staff also recommends the Commission grant all other relief requested by the Procurement Analysis Department in Staff's Recommendation Memorandum of the October 21, 2008 Staff Recommendation. Relief requested includes permission for Staff to submit its results and recommendation regarding the information included in this ACA filing to the Commission on or before December 31, 2009.

The Commission has reviewed the proposed tariff sheets and Staff's Memorandum and Recommendation. The Commission finds that the proposed tariff sheets conform to the Company's Commission-approved PGA Clause. After considering Staff's recommendation, and for good cause shown pursuant to Section 393.140(11), RSMo 2000, the Commission concludes that the proposed tariff sheets should be approved to become effective on November 1, 2008, on an interim basis, subject to refund, pending final Commission decisions in ACA Case Nos. GR-2008-0366 and GR-2008-0107.

THE COMMISSION ORDERS THAT:

1. Union Electric Company, d/b/a AmerenUE's request for approval of the

proposed tariff changes, is granted.

2. The proposed tariff sheets filed on October 17, 2008, by Union Electric Company d/b/a AmerenUE are approved on an interim basis, subject to refund, pending final Commission decisions in ACA Case Nos. GR-2008-0366 and GR-2008-0107, for service rendered on and after November 1, 2008. The specific tariff sheets approved are:

P.S.C. MO. No. 2

**95th Revised Sheet No. 30, Canceling 94th Revised Sheet No. 30
8th Revised Sheet No. 30.1, Canceling 7th Revised Sheet No. 30.1
101st Revised Sheet No. 31, Canceling 100th Revised Sheet No. 31
96th Revised Sheet No. 32, Canceling 95th Revised Sheet No. 32**

3. The Staff of the Commission shall file its results and recommendation regarding information included in the ACA filing on or before December 31, 2009.

4. This order shall become effective on November 1, 2008.

BY THE COMMISSION



Colleen M. Dale
Secretary

(S E A L)

Colleen M. Dale, Chief Regulatory Law
Judge, by delegation of authority pursuant to
Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri
on this 23rd day of October, 2008.