

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

In the Matter of Union Electric Company)
d/b/a AmerenUE's Purchased Gas)
Adjustment (PGA) Factors.)

Case No. GR-2008-0366
YG-2008-0683

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission (Staff) and for its Recommendation, states as follows:

1. On May 15, 2008, Union Electric Company d/b/a AmerenUE (UE or Company) filed four proposed tariff sheets bearing an effective date of June 1, 2008. These tariff sheets were filed to reflect changes in UE's Purchased Gas Adjustment (PGA) factors as a result of estimated changes in the cost of natural gas for the current summer season. UE has also filed a Motion for Waiver of Tariff Provision and for Expedited Treatment (Motion) regarding this Optional PGA Filing. The Staff is not opposed to UE's Motion. The above-captioned case was established to track the company's PGA factors to be reviewed in its 2007-2008 Actual Cost Adjustment (ACA) filing. Case No. GR-2008-0107 was established to track the Company's PGA factors to be reviewed in its 2006-2007 ACA filing.

2. For reasons explained in Staff's Memorandum, attached hereto as Appendix A and incorporated by reference, the PGA factor rate changes should be approved on an interim, subject to refund status, pending final Commission decisions in ACA Case Nos. GR-2008-0366 and GR-2008-0107.

WHEREFORE, for the reasons stated in Staff's Memorandum, the Staff respectfully requests that the Commission issue an order approving AmerenUE's tariff sheets in file no. YG-2008-0683, on an interim, subject to refund basis.

Respectfully submitted,

/s/Robert S. Berlin

Robert S. Berlin
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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 27th day of May 2008.

/s/ Robert S. Berlin

MEMORANDUM

TO: Missouri Public Service Commission Official Case File,
Case No. GR-2008-0366, File No. YG-2008-0683
Union Electric Company d/b/a Ameren UE

FROM: Thomas Imhoff, Energy Department – Tariffs/Rate Design

/s/ Thomas Imhoff 05/27/08 /s/ Robert S. Berlin 05/27/08
Utility Operations Division/Date General Counsel's Office/Date

SUBJECT: Staff Recommendation for Union Electric d/b/a Ameren UE's Optional PGA Filing -
Effective June 1, 2008, and Motion for Waiver of Tariff Provision and for Expedited
Treatment

DATE: May 27, 2008

On May 15, 2008, Union Electric Company d/b/a Ameren UE (UE or Company), of St. Louis, Missouri, filed four (4) tariff sheets requesting an effective date of June 1, 2008. These tariff sheets were filed to reflect changes in UE's Purchased Gas Adjustment (PGA) factors as a result of estimated changes in the cost of natural gas for the current summer season. UE has also filed a Motion for Waiver of Tariff Provision and for Expedited Treatment (Motion) concerning this Optional PGA Filing.

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 effect of these changes will increase the PGA factor for the 2008 summer season to \$1.1016 per hundred cubic feet (Ccf) from the PGA of \$0.8959 per Ccf currently in effect. This represents an increase of \$.2057 per Ccf.

For the Rolla Service Area, including the cities of Rolla and Owensville, formerly served under the tariff of Aquila Inc. d/b/a Aquila Networks – MPS' Eastern System, the effect of these changes will decrease the PGA factor for the 2008 summer season to \$1.2938 per Ccf from the PGA of \$1.3503 per Ccf currently in effect. This represents a decrease of \$.0565 per Ccf.

For the area served by Texas Eastern Transmission Corporation (TETCO), including the city of Cape Girardeau, the effect of these changes will increase the PGA factor for the 2008 summer season to \$1.1016 per Ccf from the PGA of \$0.8959 per Ccf currently in effect. This represents an increase of \$.2057 per Ccf.

For the area served by Natural Gas Pipeline Company of America (NGPL), including the community of Marble Hill, the effect of these changes will increase the PGA factor for the 2008 summer season to \$1.1016 per Ccf from the PGA of \$0.8959 per Ccf currently in effect. This represents an increase of \$.2057 per Ccf.

UE's Motion requests to waive a portion of Section II(B)(1) of its P.S.C. 5th Revised Sheet No. 24. This portion of the tariff reflects the number of units of demand purchased during the base period by the respective charges in effect on the first date of the filing month divided by the firm sales volumes during the same base period. UE is requesting a waiver from the number of units of demand purchased in this calculation. UE wants to use the number of units of demand purchased for this calculation. In light of the high natural gas prices, Staff is supporting this request. It will provide customers in the Rolla and Owensville areas a decrease in their gas costs when they need it the most.

Case No. GR-2008-0366, under which these changes were filed, was established to track the Company's PGA factors to be reviewed in its 2007-2008 ACA filing. Case No. GR-2008-0107 was established to track the Company's PGA factors to be reviewed in its 2006-2007 ACA filing. This rate change should be on an interim, subject to refund status pending final Commission decisions in ACA Case Nos GR-2008-0107 and GR-2008-0366.

Staff has verified that this company has filed its annual report and is not delinquent on any of its assessment. Staff is not aware of any other matter before the Commission that affects or is affected by this filing.

Staff recommends that the filing and Motion be approved on an expedited basis, to become effective on June 1, 2008. Therefore, Staff recommends that the following tariff sheets, filed on May 15, 2008, be approved, interim subject to refund:

P.S.C. MO. No. 2

94 th Revised SHEET No. 30	Cancelling 93 rd Revised SHEET No. 30
7 th Revised SHEET No. 30.1	Cancelling 6 th Revised SHEET No. 30.1
100 th Revised SHEET No. 31	Cancelling 99 th Revised SHEET No. 31
95 th Revised SHEET No. 32	Cancelling 94 th Revised SHEET No. 32

**In the Matter of Union Electric Company d/b/a
AmerenUE's Purchased Gas Adjustment
(PGA) Factors.**

AFFIDAVIT OF THOMAS M. IMHOFF

STATE OF MISSOURI)
) ss:
COUNTY OF COLE)

Thomas M. Imhoff

Subscribed and affirmed before me this 27th day of May 2008.



Susan L. Sundermeyer
NOTARY PUBLIC