

Exhibit No.:  
Issues: Fuel Adjustment Clause - True-  
Up of Thirty-Third Recovery  
Period  
Witness: J. Neil Graser  
Type of Exhibit: Direct Testimony  
Sponsoring Party: Union Electric Co.  
Case No.: EO-2021-\_\_\_\_\_  
Date Testimony Prepared: April 1, 2021

**MISSOURI PUBLIC SERVICE COMMISSION**

**DIRECT TESTIMONY**

**OF**

**J. NEIL GRASER**

**St. Louis, Missouri  
April, 2021**

**DIRECT TESTIMONY**

**OF**

**J. Neil Graser**

**Case No. EO-2021-\_\_\_\_\_**

1 **Q: Please state your name and business address.**

2 A: My name is J. Neil Graser. My business address is One Ameren Plaza, 1901 Chouteau  
3 Ave., St. Louis, Missouri.

4 **Q: By whom and in what capacity are you employed?**

5 A: I am employed by Ameren Services Company (“Ameren Services”) as Manager, Power  
6 and Fuels Accounting. Ameren Services provides various corporate support services to  
7 Union Electric Company d/b/a Ameren Missouri (“Company” or “Ameren Missouri”),  
8 including settlement and accounting related to fuel, purchased power, and off-system  
9 sales.

10 **Q: What is the purpose of your testimony?**

11 A: My testimony supports the thirty-third true-up filing being made by Ameren Missouri  
12 under 20 CSR 4240-20.090(9) and the Company’s approved fuel adjustment clause  
13 (“FAC”). The terms of the FAC are reflected in the FAC tariff -- Rider FAC -- on file  
14 with the Commission.

15 **Q: What is the purpose of this true-up filing in the context of Ameren Missouri’s FAC?**

16 A: The purpose of this true-up filing is to identify the calculated difference between Actual  
17 Net Energy Costs (Factor “ANEC” in Rider FAC)<sup>1</sup> and Net Base Energy Costs (Factor

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<sup>1</sup> Capitalized terms not otherwise defined in this testimony have the meaning given them in the Company’s FAC tariff, Rider FAC.

1 “B” in Rider FAC), Interest (Factor “I” in Rider FAC), prudence disallowance amounts  
2 (Factor “P” in Rider FAC), and true-up amounts (Factor “TUP” in Rider FAC) that were  
3 over- or under-recovered from customers during the thirty-third Recovery Period<sup>2</sup>  
4 prescribed by the FAC.

5 **Q: Please briefly explain the FAC process, including the accumulation periods, filing**  
6 **dates, recovery and true-up periods.**

7 A: The FAC process is outlined in the Company’s FAC tariff. It begins with an  
8 Accumulation Period which covers a four-month period in which the Company’s ANEC  
9 are accumulated and compared to the B calculated in accordance with the FAC tariff. The  
10 difference between B and ANEC, plus or minus factors I, P, and TUP total the amount  
11 recovered from or refunded to customers for the Recovery Period at issue, based upon an  
12 estimate or projection of the kilowatt-hour (“kWh”) sales that are expected during the  
13 Recovery Period. This recovery, over the eight-month Recovery Period at issue in this  
14 docket, occurs via application to customer bills of Fuel Adjustment Rates (“FAR”)  
15 (which are differentiated by voltage, as provided for in the FAC tariff). New FAR rates  
16 take effect every four months. After a Recovery Period, a true-up is filed which finalizes  
17 two things. First, B is recalculated for the accumulation period months based upon S105  
18 Midcontinent Independent System Operator, Inc. (“MISO”) settlement statements.<sup>3</sup> The  
19 MISO settlement statements provide the kWh data for the amount of energy Ameren  
20 Missouri purchased to serve its load and is multiplied by B to determine the dollars of net  
21 base energy costs. Second, actual kWh sales data from the Recovery Period at issue are  
22 applied to the balance to be recovered from or refunded to customers for the Recovery

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<sup>2</sup> This sum has been included in the new FAR rates filed in the 36<sup>th</sup> Accumulation Period docket filed concurrently with this filing, as described in my direct testimony filed in that docket.

<sup>3</sup> “S105” stands for 105 days after the end of the period covered by the settlement statement.

1 Period at issue. Taking into account the newly calculated difference between ANEC and  
2 B and the sales data based upon actual kWh, an under- or over-recovery amount will  
3 remain to be collected from or refunded to customers. That amount is then included in  
4 the next FAR rate adjustment filing.

5 **Q: What was the timing of the accumulation and recovery relating to this true-up?**

6 A: The Accumulation Period was October 1, 2019 through January 31, 2020. The Recovery  
7 Period for that Accumulation Period was the billing months of June 2020 through  
8 January 2021.

9 **Q: Why would there be a difference between the accumulated over- or under-recovery  
10 and the amount collected during the Recovery Period?**

11 A: As noted earlier, B needs to be recalculated with MISO S105 settlement statements, as  
12 those amounts are not available when the FAR rate adjustment filing for the Recovery  
13 Period at issue is originally filed.<sup>4</sup> The FAR rates are calculated based upon estimated  
14 kWh sales for the Recovery Period. Since the FAR rates are based upon an estimated  
15 number, once actual sales are recorded, a difference will always exist between the  
16 estimate and the actual kWh billed.

17 **Q: What was the over- or under-recovery for the Recovery Period at issue in this  
18 filing?**

19 A: There was an over-recovery of \$1,014,918 from customers for the 33<sup>rd</sup> Recovery Period  
20 due to the difference between actual and estimated kWh sales and recalculations using  
21 the S105 data. After applying the interest to be recovered for the subject Accumulation  
22 Period of \$352,414, which was calculated using the Company's short-term borrowing

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<sup>4</sup> Because of the timing of the issuance of MISO settlement statements and the required timing of FAR filings under Rider FAC, when the FAR filings are made MISO S14 settlement statement data must be used. The S14 settlement data is preliminary; the S105 data reflects the actual kilowatt-hour data.

1 rate as provided for in the FAC tariff and the Commission's FAC rules, there was a total  
2 over-recovery from customers for the 33<sup>rd</sup> Recovery Period of \$662,504. Schedule JG-  
3 TU to this testimony contains the details of the calculation that produce the net amount to  
4 be refunded to customers.

5 **Q: How will that sum be reflected in customer rates?**

6 A: As earlier noted, it has been included as part of the adjustment to the FAR rates being  
7 filed concurrently with the initiation of this docket.

8 **Q: Does this conclude your direct testimony?**

9 A: Yes, it does.

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

In the Matter of the Adjustment of Union Electric Company )  
d/b/a Ameren Missouri's Fuel Adjustment Clause for ) File No. EO-2021-  
the 33rd Recovery Period )

**AFFIDAVIT OF J. NEIL GRASER**

**STATE OF MISSOURI** )  
 ) ss  
**CITY OF ST. LOUIS** )

J. Neil Graser, being first duly sworn on his oath, states:

1. My name is J. Neil Graser. I work in the City of St. Louis, Missouri, and I am employed by Ameren Services as Manager, Power & Fuels Accounting.

2. Attached hereto and made a part hereof for all purposes is my Direct Testimony on behalf of Union Electric Company d/b/a Ameren Missouri consisting of 4 pages and Schedule JG-TU, all of which have been prepared in written form for filing in the above-referenced docket.

3. Under penalty of perjury, I declare that the foregoing is true and correct to the best of my knowledge and belief.

**James Neil**  
**Graser**  
|s|  
J. Neil Graser

Digitally signed by James  
Neil Graser  
Date: 2021.03.24 15:14:06  
-05'00'

Sworn this 24 day of March 2021.