

Exhibit No.:
Issues: Production Cost Model
Witness: Shawn E. Lange
Sponsoring Party: MO PSC Staff
Type of Exhibit: Surrebuttal Testimony
Case No.: ER-2014-0258
Date Testimony Prepared: February 6, 2015

MISSOURI PUBLIC SERVICE COMMISSION

REGULATORY REVIEW DIVISION

SURREBUTTAL TESTIMONY

OF

SHAWN E. LANGE

UNION ELECTRIC COMPANY d/b/a AMEREN MISSOURI

CASE NO. ER-2014-0258

Jefferson City, Missouri
February 2015

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

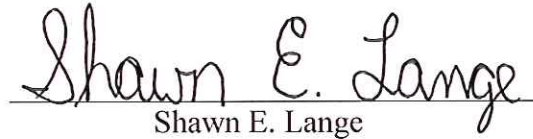
In the Matter of Union Electric Company)
d/b/a Ameren Missouri's Tariff to Increase)
Its Revenues for Electric Service)

Case No. ER-2014-0258

AFFIDAVIT OF SHAWN E. LANGE

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

Shawn E. Lange, of lawful age, on his oath states: that he has participated in the preparation of the following Surrebuttal Testimony in question and answer form, consisting of 2 pages of Surrebuttal Testimony to be presented in the above case, that the answers in the following Surrebuttal Testimony were given by him; that he has knowledge of the matters set forth in such answers; and that such matters are true to the best of his knowledge and belief.


Shawn E. Lange

Subscribed and sworn to before me this 6th day of February, 2015.

SUSAN L. SUNDERMEYER
Notary Public - Notary Seal
State of Missouri
Commissioned for Callaway County
My Commission Expires: October 28, 2018
Commission Number: 14942086


Notary Public

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SURREBUTTAL TESTIMONY

OF

SHAWN E. LANGE

UNION ELECTRIC COMPANY d/b/a AMEREN MISSOURI

CASE NO. ER-2014-0258

13 Q. Please state your name and business address.

14 A. My name is Shawn E. Lange and my business address is Missouri Public
15 Service Commission, P.O. Box 360, Jefferson City, MO 65102.

16 Q. Are you the same Shawn E. Lange that filed direct testimony in this
17 proceeding?

18 A. Yes, I am.

19 Q. What is the purpose of your surrebuttal testimony?

20 A. Mr. Peters states in his rebuttal testimony (Pg. 20, line 16, through Pg. 21, line
21 2) "Ameren Missouri has discussed the possible resolution of five issues with which we have
22 identified disagreement with the direct testimony of Staff and/or the MIEC. These are the
23 method in which normalized market prices are developed and outside of the model
24 adjustments to off-system sales revenues to reflect costs and revenues for real time load and
25 generation deviations, bilateral margins and swap margins and real time RSG-MWP margins.
26 Ameren Missouri believes we have reached an agreement in principle with Staff and the
27 MIEC on these issues, and will continue to work with these and other interested parties to
28 achieve a stipulation and agreement regarding Net Base Energy Costs incorporating these
items." The purpose of my surrebuttal testimony is to present the Production Cost model

Surrebuttal Testimony of
Shawn E. Lange

1 results after Staff has incorporated the listed changes as well as incorporating all changes
2 known and measurable as of December 31, 2014.

3 Q. What are the results?

4 A. Staff estimates the variable fuel and purchased power expense for Ameren
5 Missouri for the true-up period, as defined in the Rate Revenue Section of Staff's Cost of
6 Service Report, ending December 31, 2014, to be \$656,831,330 including off-system sales,
7 and \$712,327,030 excluding off-system sales. For this rate case, the model was run with and
8 without off-system sales to estimate the level of off-system sales. Staff has only had since the
9 afternoon of Tuesday, January 27, 2015, with this true-up information, therefore Staff may be
10 required to make further changes and to address those changes as part of its true-up testimony
11 in this case.

12 Q. Does this conclude your surrebuttal testimony?

13 A. Yes, it does.