

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

**FILED<sup>2</sup>**  
JUL 10 2000

Missouri Public  
Service Commission

In the Matter of Union Electric Company	)	
d/b/a AmerenUE's Tariff Revision	)	
Designed to be Reviewed in its 1999-2000	)	Case No. GR-2000-579
Actual Cost Adjustment for the Missouri	)	
Service Area of the Company.	)	

**MOTION FOR WAIVER TO MAKE AN UNSCHEDULED  
SUMMER PURCHASED GAS ADJUSTMENT FILING**

**COMES NOW** Union Electric Company d/b/a AmerenUE ("AmerenUE" or "Company") and in support of its Motion for Waiver to Make an Unscheduled Summer Purchased Gas Adjustment Filing, states as follows:

1. Pursuant to the Stipulation and Agreement ("Stipulation") approved by the Missouri Public Service Commission ("Commission") in Case No. GO-97-405, AmerenUE's tariff permits it to make only two scheduled Purchased Gas Adjustment ("PGA") filings each year—one for rates which are applicable to the summer period and another for rates which are applicable to the winter period. In addition, the tariff permits the Company to make an unscheduled winter PGA filing if certain conditions are met. See P.S.C. Mo. No. 2, 3<sup>rd</sup> Revised Sheet No 22, *et seq.* The Stipulation approved by the Commission specifically provided that it did not limit AmerenUE's authority to seek a variance or waiver from any AmerenUE tariff provisions or Commission rules which govern AmerenUE's PGA.

2. The purpose of this Motion is to request that the Commission grant AmerenUE such a waiver, pursuant to its authority under Section 393.140(11) RSMo. (1994), so as to permit the Company to make the unscheduled summer PGA filing that is

being submitted herewith. AmerenUE has proposed an effective date for this filing of July 24, 2000. This effective date is 10 business days from the date of this filing, which interval is required for unscheduled winter PGA filings pursuant to AmerenUE's tariff. See P.S.C. Mo. No. 2, 3<sup>rd</sup> Revised Sheet No. 23.

3. This unscheduled filing is required because of the significant increase in the market price of natural gas that has occurred since AmerenUE's last PGA filing on March 17, 2000. As the Commission may be aware, in recent weeks the market price of gas has risen to a level in excess of \$4.00 per MMBtu, while the price of gas currently reflected in AmerenUE's rates only ranges from \$2.46 per MMBtu to \$2.60 per MMBtu within AmerenUE's three discreet Missouri service areas served by different interstate pipelines. Because of the disparity between the market price of gas and the price of gas currently reflected in AmerenUE's rates, the Company's payments for gas supplies are significantly exceeding its receipts for gas service.

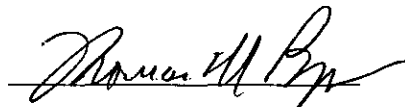
4. As the Commission is aware, there are many factors that have contributed to the recent increase in gas prices. Demand for gas has increased steadily in the past few years. Sharp increases in the price of petroleum and other alternative fuels have also had an impact on gas prices, as has reduced storage inventories nationwide and relatively low drilling activity in the recent past. AmerenUE has been working with the Commission Staff, the Office of the Public Counsel and other Missouri LDCs in an effort to explore alternatives for addressing the increase in gas costs. AmerenUE participated in the workshop held by Staff on June 26, 2000 that specifically addressed the issue of rising gas costs, and the Company is committed to continue to cooperate with these parties to find workable ways to mitigate the impact of gas costs on its customers. But AmerenUE

believes it is also appropriate and necessary for the Commission to approve this proposed tariff waiver now, to prevent the Company's cumulative balance of undercollected gas costs from continuing to increase.

5. If this undercollection of gas costs is permitted to continue unabated, it will have a significant, adverse effect on the Company's customers. When AmerenUE files a subsequent scheduled winter PGA, customers will have to pay rates which reflect not only the then-prevailing cost of gas, but also the shortfall which AmerenUE will have incurred this summer, due to the escalation in gas prices. By granting this waiver, the Commission will mitigate the shortfall in AmerenUE's gas cost recovery this summer, moderate gas rates for a following winter and insure that more accurate price signals are provided to gas customers during both periods.

**WHEREFORE**, for the reasons stated herein, AmerenUE respectfully requests that the Commission issue an order granting this motion, and permitting the PGA tariff sheets filed herewith to become effective on the proposed effective date.

Respectfully submitted,



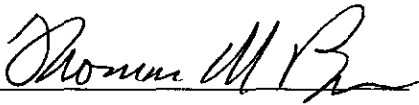
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**CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been mailed to the following counsel on  
this 7<sup>th</sup> day of July, 2000.

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