# BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Union Electric Company d/b/a Ameren	)
Missouri's Tariffs to Increase Its Revenues for	) File No. ER-2016-0179
Electric Service.	)

### **NOTICE OF NEW CHARGE TYPE**

COMES NOW Union Electric Company d/b/a Ameren Missouri ("Ameren Missouri" or the "Company"), by and through counsel, and for its notice that the Midcontinent Independent System Operator, Inc. ("MISO") has implemented a "new charge type," as that phrase is defined in the Company's Rider FAC, states as follows:

- 1. The Company's Rider FAC and, specifically, Original Tariff Sheet Nos. 74.5 to 74.7 (part of Mo. P.S.C. Schedule No. 6 on file with the Commission), provides a process by which the Company is to notify the Commission of new charge types or schedules that may be instituted by a regional transmission operator ("RTO") that operates a centrally administered market. Charge types/schedules represent specific credits and charges authorized by the RTO's tariff and are utilized in the settlements of the utility's RTO market activity. The charge types/schedules in place at the time the Company's current Rider FAC are reflected on Tariff Sheet Nos. 74.10 74.12.
- 2. Before costs or revenues under a new charge type/schedule (not previously on file or for a notice that has not previously been given) can be included in a Fuel Adjustment Rate ("FAR") filing,<sup>2</sup> the Company is required to provide notice, as it is doing here. The notice is

<sup>&</sup>lt;sup>1</sup> The tariff sheets define a "charge type" to include new schedules.

<sup>&</sup>lt;sup>2</sup> FAR filings occur three times per year, on or before April 1, August 1 and December 1, and cover changes in net energy costs tracked in the FAC for each of the three accumulation periods provided for in Rider FAC. FAR rates change three times per year, with the changes occurring on the first day of the February, June and October billing months.

required to "identify the proposed accounts affected by such change [i.e., the new charge type/schedule], provide a description of the new charge type demonstrating that it possesses the characteristics of, and is of the nature of, the costs or revenues listed in factors PP or OSSR as the case may be, and identify the preexisting market settlement charge types(s) which the new charge type replaces or supplements." Sheet No. 74.5, Item "B".

- 3. The information required in the notice is provided in detail on Exhibit A attached hereto and incorporated herein by this reference.
- 4. As indicated and explained in detail in Exhibit A, MISO has implemented two new schedules, Schedule 26-C and Schedule 26-D. Both these new schedules will reflect charges arising from the revenue requirements associated with Targeted Market Efficiency Projects (TMEPs).
- 5. Ameren Missouri expects charges arising under these new schedules to begin appearing on its MISO settlement statements for market activity starting sometime in 2019. Under Rider FAC, a notice such as this must be filed no less than 60 days before sums arising under a new charge type are included in an FAR filing. The first FAR filing in 2019 will occur in late March (by April 1, 2019 at the latest). Unless timely challenged per the terms of Rider FAC, the Commission need take no action in response to this notice.

WHEREFORE, Ameren Missouri hereby timely submits notice of the two new schedules described in detail on Exhibit A hereto, as required by Rider FAC.

## Respectfully submitted:

#### /s/ James B. Lowery

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## Attorneys for Union Electric Company d/b/a Ameren Missouri

Dated: September 6, 2018

## **CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a true and correct copy of the foregoing document was served on all parties of record via electronic mail (e-mail) on this 6th day of September, 2018.

/s/James B. Lowery

James B. Lowery

#### **EXHIBIT A**

MISO has established two new transmission schedules, effective April 18, 2018. The MISO Transmission Owners developed new Schedules 26-C and 26-D to set forth the methodology for recovery of revenue requirements for construction of Targeted Market Efficiency Projects (TMEPs). The TMEPs are a new interregional transmission project type between MISO and PJM intended to reduce historical congestion along the border between MISO and PJM to benefit customers and improve coordination between the two RTOs. The two schedules parallel one another in most respects, with differing provisions in Schedule 26-C to provide for recovery of costs for TMEPs constructed by MISO Transmission Owners and in Schedule 26-D to provide for recovery of costs for TMEPs constructed by PJM Transmission Owners.

These schedules will produce expenses for Ameren Missouri, which will be recorded in FERC Account 565 using the activity codes S26C and S26D, respectively. These new transmission schedules possess the characteristics of, and are of the nature of, existing transmission charges, specifically MISO Schedules 26 and 26-A, in that they represent the ability of transmission projects with broad market benefits to recover their costs across multiple transmission pricing zones, rather than just the pricing zone in which they are physically located.