# BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Tariff Filings of Union	)	
Electric Company, d/b/a Ameren Missouri, to	)	Case No. ER-2014-0258
Increase Its Revenues for Retail Electric Service.	)	

# MOTION FOR EXPEDITED CONSIDERATION AND APPROVAL OF TARIFF SHEETS FILED IN COMPLIANCE WITH COMMISSION REPORT AND ORDER ON LESS THAN THIRTY DAYS' NOTICE

COMES NOW Union Electric Company d/b/a Ameren Missouri ("Ameren Missouri" or "Company"), and pursuant to the Commission's *Report and Order* in the above-captioned case issued April 29, 2015 (the "Report and Order") and 4 CSR 240-2.080(16), hereby files its Motion for Expedited Consideration and Approval of Tariff Sheets Filed in Compliance with Commission Report and Order on Less Than Thirty Days' Notice. In support of its Motion, Ameren Missouri states as follows:

- 1. On April 29, 2015, the Commission issued its *Report and Order* in this proceeding, to be effective on May 12, 2015. Among other things, the *Report and Order* authorizes Ameren Missouri to file tariffs complying with the *Report and Order*. Ordered ¶ 2.
- 2. Earlier today, Ameren Missouri caused to be filed with the Commission revised tariff sheets as authorized by the *Report and Order* to effectuate the decisions made by the Commission in the *Report and Order*. Those revised tariff sheets bear an issue date of May 6, 2015, with an effective date thirty days later in order to comply with 4 CSR 240-3.160.<sup>1</sup>
- 3. Section 393.140(11) specifies that, unless the Commission orders otherwise, a change shall not be made to any rate filed by an electrical corporation except after

<sup>&</sup>lt;sup>1</sup> Ameren Missouri has complied with this Commission rule by filing the compliance tariffs with a thirty day effective date, despite Ameren Missouri's belief that thirty days' notice is unnecessary under these circumstances, particularly given the specific provisions of Section 393.140(11) RSMo. (2000), discussed below.

thirty days' notice to the Commission and publication for thirty days as required by order of the Commission. However, Section 393.140(11) expressly provides that, for good cause shown, the Commission may allow tariff changes without requiring thirty days' notice. Good cause exists to make the Company's compliance tariffs effective on or before the operation of law date in this case (May 30, 2015<sup>2</sup>) because the Commission has already found that Ameren Missouri is presently in a revenue deficiency position, and the Commission has already authorized the Company to file the tariffs that are filed concurrently with the filing of this Motion. The effect of the *Report and Order* is that the Commission has now found that just and reasonable rates are the rates reflected in the pending compliance tariffs, rather than the rates reflected in the current rate schedules to be superseded by those compliance tariffs.

4. As provided for in 4 CSR 240-2.080(16), the Company requests that the Commission approve the compliance tariffs no later than May 13, 2015 and that the Commission's approval order specify that the tariffs shall take effect on the operation of law date in this case (May 30, 2015).<sup>3</sup> As noted earlier, the Commission has good cause to do so. Furthermore, the Company states that by doing so, the Commission will avoid the harm that would be caused by failing to timely allow rates determined to have been just and reasonable to take effect as soon as possible. Moreover, there can be no negative effect on anyone – ratepayers or the Company – if the compliance tariffs are approved to be effective May 30, 2015 because

<sup>&</sup>lt;sup>2</sup> See August 20, 2014 *Order Adopting Procedural Schedule, Establishing Test Year, and Delegating Authority*, p. 3. <sup>3</sup> This will allow the Commission to provide 10 days or more for anyone wishing to seek rehearing of the Commission's compliance tariff approval order. *See Office of the Pub. Counsel v. Pub. Serv. Comm'n*, 409 S.W.3d

<sup>522 (</sup>Mo. App. W.D. 2013) (Recognizing the time to seek rehearing can be shortened, as was the case when the Commission issued its Report and Order in this case, and that so long as 10 or more days is provided the presumption of unreasonableness provided for in the opinion does not arise).

this will allow the rates determined by this Commission to be just and reasonable rates to in fact be charged for the electric service provided by the Company.<sup>4</sup>

- 5. This Motion was filed as soon as it could have been under the circumstances.
- 6. Included in the compliance tariffs is the rate schedule for the new Industrial Aluminum Smelter Service ("IAS") classification. For the reasons outlined below, the IAS rate schedule reflects seasonally differentiated rates (\$45.78 per MWh summer<sup>5</sup>; \$31.11 per MWh winter), just as do all of the Company's other non-lighting rate schedules.<sup>6</sup> This is in keeping with the Report and Order's approval of an "effective base rate" for the IAS class of \$36 per MWh (emphasis added). Providing for an "effective" base rate recognizes the seasonal differentiation of the Company's base rates and the reason for the seasonal differentiation: because there are significantly different operating and demand costs occurring in the summer and winter seasons. The IAS rates will reflect an effective base rate over each 12 month period of \$36 per MWh.
- 7. It is also worth noting that if the Commission does not continue Noranda's seasonal rates in this case, the effect will be to provide Noranda with a rate *below* \$36/MWh for calendar year 2015. This is because Noranda paid the lower winter rate in the first several months of 2015, but then it would switch to a flat rate just as the higher summer rates were about to take effect. This additional financial benefit to Noranda in 2015 would be paid for by a concomitant financial *detriment* to Ameren Missouri's shareholders in 2015—in other words, if Noranda is allowed to switch from seasonal to flat rates in mid-year, Ameren Missouri's rates

<sup>&</sup>lt;sup>4</sup> As stated on page 14 of the *Report and Order*, the public interest is in fact served by the establishment of just and reasonable rates.

<sup>&</sup>lt;sup>5</sup> The summer months under Ameren Missouri's rate schedules are the four billing months of June to September and the winter months are the eight billing months of October to May.

<sup>&</sup>lt;sup>6</sup> This is also true of the existing Large Transmission Service rate under which Noranda takes service today.

will not have covered its cost to serve Noranda in calendar year 2015. In Ameren Missouri's view this is not a fair result, nor one that the Commission's order contemplated.

8. As was mentioned, seasonal rates are applied to all of Ameren Missouri's non-lighting rate classes, and there is no reason that they should not be applied to the new IAS rate schedule that the Commission has created. The logic supporting seasonal rates—that electricity costs and demands are higher during summer peak periods—is as applicable to the IAS rate schedule as it is to all of the other rate schedules. And over the course of a full year, Noranda's costs will be the same whether they pay a seasonal rate or a flat rate; i.e., for each full year of operation of Noranda's new base rate established by the Report and Order, Noranda's base rate will be \$36 per MWh. It is only when the rate structure is changed mid-year that financial benefits and detriments occur.

WHEREFORE, for the foregoing reasons and for good cause shown, Ameren Missouri respectfully requests that the Commission grant this Motion for Expedited Consideration and Approval of Tariff Sheets Filed in Compliance with Commission Report and Order On Less Than Thirty Days' Notice, approve the tariff sheets Ameren Missouri has filed to be effective for service rendered on and after May 30, 2015, and for such other and further relief as the Commission deems appropriate under the circumstances.

### Respectfully submitted:

#### /s/ James B. Lowery

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## **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 May, 2015.

/s/James B. Lowery

James B. Lowery