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April 17, 2015

Ms. Natelle Dietrich Director of Tariff, Safety, Economic, and Engineering Analysis Missouri Public Service Commission 200 Madison Street, PO Box 360 Jefferson City, MO 65102-0360

Re: EW-2011-0139 Workshop Docket

Dear Ms. Dietrich:

As you know, I represent Ameren Missouri, which provided the Staff with preliminary comments on the marked-up Staff version of the current fuel adjustment clause ("FAC") rules ("Staff mark-up") on January 23, 2015. I write regarding the upcoming workshop scheduled to occur on April 27. I have been authorized to indicate that Kansas City Power & Light Company, Kansas City Power and Light Company – Greater Missouri Operations (collectively, "KCP&L"), and The Empire District Electric Company ("Empire") support the agenda for the upcoming workshop outlined in this letter. KCP&L and Empire also submitted preliminary comments to the Staff back in January.

Given the fairly minimal level of controversy experienced over the past nine years in terms of applying the existing rules, the electric utilities were surprised to see the extensive mark-up provided by the Staff. There have been many (probably a dozen or more) prudence reviews of FACs over the past 8 years or so, and dozens of adjustments/true-ups. While in rate cases different parties have taken different positions on certain FAC issues, for the most part (the recent controversies about "complete explanations" being a notable exception), the controversies have not been grounded in questions about the rules or their application, and there have not been extensive controversies relating to prudence reviews, adjustments and the like.

With that background, we believe several threshold issues ought to be discussed before moving to the consideration of any possible specific rule changes and suggest that the following Agenda be followed for the first workshop:

- 1. Opening Remarks (Presumably by one or more Commissioners and/or yourself or whomever else on the Staff is Staff's primary spokesperson).
- 2. Introductions

- 3. Discussion of purpose(s) of the FAC rules.
- 4. Discussion of what has worked under the current FAC rules.
- 5. Discussion of problems/concerns that have arisen, if any, with current FAC rules.
- 6. Discussion, in light of Items 3 and 4, of whether material changes to the FAC rules are needed at all. This would include a discussion of provisions that ought to be considered for elimination, material change, or material additions, and why.
- 7. Discussion of the best process for considering any changes thought warranted, including whether Staff's mark-up is the appropriate starting place.
- 8. Next steps process for productive continuation of any review of the rules contemplated by the original rules or believed necessary.

Please let me know if you have any questions, comments, or concerns about this Agenda. We look forward to engaging in discussions on the 27<sup>th</sup>.

Sincerely,

/s/ James B. Lowery

James B. Lowery