

Exhibit No.:
Issues: Fuel Adjustment Clause
Witness: Matthew J. Barnes
Sponsoring Party: MO PSC Staff
Type of Exhibit: Rebuttal Testimony
Case No.: ER-2014-0258
Date Testimony Prepared: January 16, 2015

MISSOURI PUBLIC SERVICE COMMISSION

REGULATORY REVIEW DIVISION

REBUTTAL TESTIMONY

OF

MATTHEW J. BARNES

UNION ELECTRIC COMPANY d/b/a AMEREN MISSOURI

CASE NO. ER-2014-0258

*Jefferson City, Missouri
January 2015*

**** Denotes Highly Confidential Information ****

STAFF Exhibit No. 203
Date 2-23-15 Reporter XF
File No. ER-2014-0258

NP

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

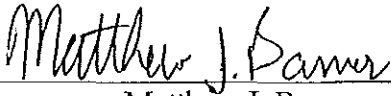
In the Matter of Union Electric Company)
d/b/a Ameren Missouri's Tariff to Increase)
Its Revenues for Electric Service)

Case No. ER-2014-0258

AFFIDAVIT OF MATTHEW J. BARNES

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

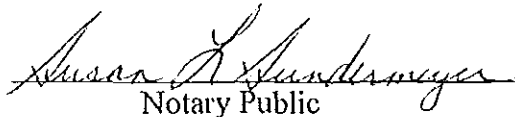
Matthew J. Barnes, of lawful age, on his oath states: that he has participated in the preparation of the following Rebuttal Testimony in question and answer form, consisting of 3 pages of Rebuttal Testimony to be presented in the above case, that the answers in the following Rebuttal Testimony were given 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.



Matthew J. Barnes

Subscribed and sworn to before me this 16th day of January, 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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MATTHEW J. BARNES

UNION ELECTRIC COMPANY d/b/a AMEREN MISSOURI

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REBUTTAL TESTIMONY

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MATTHEW J. BARNES

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 Matthew J. Barnes and my business address is Missouri Public
15 Service Commission, P.O. Box 360, Jefferson City, MO 65102.

16 Q. What is your position at the Commission?

17 A. I am a Utility Regulatory Auditor IV in the Energy Unit of the Regulatory
18 Review Division.

19 Q. Are you the same Matthew J. Barnes that contributed to Staff's Revenue
20 Requirement Cost of Service Report ("COS") filed on December 5, 2014, and to Staff's Class
21 Cost-of-Service Rate Design Report ("CCOS") filed on December 19, 2014?

22 A. Yes, I am.

23 Q. What is the purpose of your rebuttal testimony?

24 A. The purpose of my rebuttal testimony is to explain a correction to Staff's fuel
25 adjustment clause ("FAC") Base Factor ("BF") it filed in Staff's CCOS. I will respond to
26 Missouri Industrial Energy Consumer's ("MIEC") witness Maurice Brubaker's FAC proposal
27 in his direct testimony. I will also address Office of the Public Council's ("OPC") witness
28 Lena M. Mantle's suggestions to either delete or change language in Union Electric Company
d/b/a Ameren Missouri's ("Ameren Missouri") current FAC tariff sheet.

1 **Correction to Staff's FAC Base Factor**

2 Q. Please explain the corrections to Staff's FAC Base Factor ("BF") rates filed in
3 the CCOS.

4 A. Staff first corrects the summer BF rate from ** _____ ** per kWh to
5 ** _____ ** per kWh and the winter BF rate from ** _____ ** per kWh to
6 ** _____ ** per kWh.¹ The BF rates filed in the CCOS included replacement power
7 insurance that should have been excluded from the calculation of the BF rates. Replacement
8 power insurance is not a variable cost that should flow through the FAC as a "fuel and
9 purchased power expense."

10 Q. Did the BF rates change by removing replacement power insurance from the
11 BF calculations?

12 A. Yes. The summer BF rate is reduced from ** _____ ** per kWh to
13 ** _____ ** per kWh and the winter BF rate is reduced from ** _____ ** per kWh to
14 ** _____ ** per kWh.

15 **Response to MIEC Witness Maurice Brubaker**

16 Q. What is your understanding of Mr. Brubaker's FAC proposal on behalf of the
17 MIEC concerning Noranda?

18 A. Mr. Brubaker proposes to create a new tariff rate schedule applicable to
19 Aluminum Smelters under rate classification 10(M) and leave the current Large Transmission
20 Service rate schedule 12(M) unchanged for future use by other large transmission customers.
21 Noranda is currently the only customer on the Large Transmission Service rate.

22 Q. Does Staff support Mr. Brubaker's proposal to move Noranda from the Large
23 Transmission Service rate schedule 12(M) to the new rate schedule 10(M)?

¹ Staff's Class Cost of Service, page 41, line 14 filed December 19, 2014.

Rebuttal Testimony of
Matthew J. Barnes

1 A. Not at this time. Staff witness Michael S. Scheperle explains Noranda's
2 proposals and Staff's recommendation in more detail in his rebuttal testimony.

3 **Response to OPC Witness Lena M. Mantle**

4 Q. On page 25, lines 13 through 15, of Ms. Mantle's direct testimony, she
5 suggests removal of the "Adjustment For Reduction of Service Classification 12(M) Billing
6 Determinants" from Ameren Missouri's current FAC tariff sheet or at a minimum change the
7 language. How do you respond?

8 A. Staff does not agree that the language should be deleted from Ameren
9 Missouri's current FAC tariff sheet. However, if the Commission decides the language
10 should be changed, as Ms. Mantle suggests as an alternative, the Commission should set the
11 exclusion of off-system sales amount to no more than the fixed costs set in this rate case.

12 Q. Does Staff recommend an amount for the Commission to set in this case?

13 A. Yes. Staff witness Sarah Kliethermes recommends an amount in her rebuttal
14 testimony.

15 Q. Does this conclude your testimony?

16 A. Yes.