

Exhibit No.:
Issues: Fuel Adjustment Clause
Witness: Matthew J. Barnes
Sponsoring Party: MO PSC Staff
Type of Exhibit: Surrebuttal Testimony
Case No.: ER-2014-0258
Date Testimony Prepared: February 6, 2015

MISSOURI PUBLIC SERVICE COMMISSION

REGULATORY REVIEW DIVISION

SURREBUTTAL TESTIMONY

OF

MATTHEW J. BARNES

UNION ELECTRIC COMPANY d/b/a AMEREN MISSOURI

CASE NO. ER-2014-0258

*Jefferson City, Missouri
February 2015*

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

Staff Exhibit No. 204
Date 2-23-15 Reporter KF
File No. ER-2014-0258

NP

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

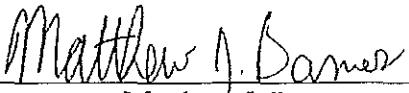
In the Matter of Union Electric Company)
d/b/a Ameren Missouri's Tariff to Increase)
Its Revenues for Electric Service)

Case No. ER-2014-0258

AFFIDAVIT OF MATTHEW J. BARNES

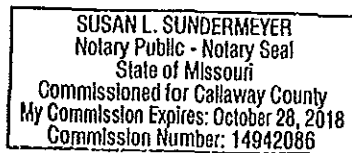
STATE OF MISSOURI)
) ss
COUNTY OF COLE)

Matthew J. Barnes, of lawful age, on his oath states: that he has participated in the preparation of the following Surrebuttal Testimony in question and answer form, consisting of 2 pages of Surrebuttal Testimony to be presented in the above case, that the answers in the following Surrebuttal 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 6th day of February, 2015.





Notary Public

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SURREBUTTAL TESTIMONY

OF

MATTHEW J. BARNES

UNION ELECTRIC COMPANY d/b/a AMEREN MISSOURI

CASE NO. ER-2014-0258

Q. Please state your name and business address?

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

Q. What is your position at the Commission?

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

Q. Are you the same Matthew J. Barnes that contributed to Staff's Revenue Requirement Cost of Service Report filed on December 5, 2014, and to Staff's Class Cost of Service Rate Design Report ("CCOS") filed on December 19, 2014, and rebuttal testimony filed on January 16, 2015?

A. Yes, I am.

Q. What is the purpose of your rebuttal testimony?

A. The purpose of my surrebuttal testimony is to provide the Missouri Public Service Commission ("Commission") additional information on Mr. Brubaker's Fuel Adjustment Clause ("FAC") proposal on behalf of Missouri Industrial Energy Consumer's ("MIEC") concerning Noranda.

Additional Fuel Adjustment Clause Information

Q. Please respond to Mr. Brubaker's rebuttal testimony concerning Noranda?

Surrebuttal Testimony of
Matthew J. Barnes

1 A. Mr. Brubaker's proposal is to remove Noranda's energy component from the
2 FAC but to not remove its fuel and purchased power costs net off-system sales revenues.¹ If
3 Noranda is removed from the FAC, the risk of fuel and purchased power costs net off-system
4 sales revenues shift to all other rate classes.

5 Q. How would this shift of the risk of fuel and purchased power costs net off-
6 system sales revenues impact all other rate classes?

7 A. Staff's CCOS Report includes Ameren Missouri's Base Factors of
8 ** _____ ** per kWh and ** _____ ** per kWh for summer and winter, respectively.
9 If the Commission accepts Mr. Brubaker's proposal, Ameren Missouri's Base Factors for all
10 other customers increase to ** _____ ** per kWh and ** _____ ** per kWh for
11 summer and winter respectively.² Staff witness Sarah Kliethermes describes in more detail in
12 her rebuttal and surrebuttal testimony the shifts in costs to the other rate classes if the
13 Commission accepts Noranda's proposal.

14 Q. Do you provide other Base Factor scenarios for the Commission's
15 consideration when it determines whether or not Noranda should be included or excluded
16 from Ameren's FAC?

17 A. Yes. In *Staff's Report to Ameren Missouri's Noranda Proposal*, I provide
18 three BF scenarios:

19 Scenario 1: Staff's BF calculation that includes Noranda;

20 Scenario 2: Staff's BF calculation that excludes Noranda's portion of kWh sales;

21 Scenario 3: Staff's BF calculation that excludes Noranda's portion of kWh sales and
22 its portion of fuel and purchased power costs net off-system sales revenues.

23 Q. Does this conclude your testimony?

24 A. Yes.

¹ The formula for the Base Factors = Dollars divided by kWh Sales.

² Staff's Base Factors will be updated in True-up Direct testimony that will be filed March 17, 2015.