

Exhibit No.:
Issues: Production Cost Model
Witness: Shawn E. Lange
Sponsoring Party: MO PSC Staff
Type of Exhibit: Surrebuttal Testimony
Case No.: ER-2014-0258
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Service Commission

MISSOURI PUBLIC SERVICE COMMISSION

REGULATORY REVIEW DIVISION

SURREBUTTAL TESTIMONY

OF

SHAWN E. LANGE

UNION ELECTRIC COMPANY d/b/a AMEREN MISSOURI

CASE NO. ER-2014-0258

*Jefferson City, Missouri
February 2015*

Staff Exhibit No. 225
Date 2-23-15 Reporter KF
File No. ER-2014-0258

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CASE NO. ER-2014-0258

Q. Please state your name and business address.

A. My name is Shawn E. Lange and my business address is Missouri Public Service Commission, P.O. Box 360, Jefferson City, MO 65102.

Q. Are you the same Shawn E. Lange that filed direct testimony in this proceeding?

A. Yes, I am.

Q. What is the purpose of your surrebuttal testimony?

A. Mr. Peters states in his rebuttal testimony (Pg. 20, line 16, through Pg. 21, line 2) "Ameren Missouri has discussed the possible resolution of five issues with which we have identified disagreement with the direct testimony of Staff and/or the MIEC. These are the method in which normalized market prices are developed and outside of the model adjustments to off-system sales revenues to reflect costs and revenues for real time load and generation deviations, bilateral margins and swap margins and real time RSG-MWP margins. Ameren Missouri believes we have reached an agreement in principle with Staff and the MIEC on these issues, and will continue to work with these and other interested parties to achieve a stipulation and agreement regarding Net Base Energy Costs incorporating these items." The purpose of my surrebuttal testimony is to present the Production Cost model

Surrebuttal Testimony of
Shawn E. Lange

1 results after Staff has incorporated the listed changes as well as incorporating all changes
2 known and measurable as of December 31, 2014.

3 Q. What are the results?

4 A. Staff estimates the variable fuel and purchased power expense for Ameren
5 Missouri for the true-up period, as defined in the Rate Revenue Section of Staff's Cost of
6 Service Report, ending December 31, 2014, to be \$656,831,330 including off-system sales,
7 and \$712,327,030 excluding off-system sales. For this rate case, the model was run with and
8 without off-system sales to estimate the level of off-system sales. Staff has only had since the
9 afternoon of Tuesday, January 27, 2015, with this true-up information, therefore Staff may be
10 required to make further changes and to address those changes as part of its true-up testimony
11 in this case.

12 Q. Does this conclude your surrebuttal testimony?

13 A. Yes, it does.