

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

In the matter of Union Electric Company	)	Case No. GR-2009-0337
d/b/a AmerenUE's Purchased Gas	)	
Adjustment (PGA) Factors.	)	

**STAFF RECOMMENDATION**

**COMES NOW** the Staff of the Missouri Public Service Commission (Staff), through the undersigned counsel, and submits this Recommendation to the Missouri Public Service Commission (Commission), respectfully stating the following:

1. On March 17, 2009, Union Electric Company d/b/a Ameren UE (AmerenUE or Company), filed four (4) tariff sheets with an effective date of April 1, 2009.
2. Along with the March 17, 2009 tariff filings, AmerenUE filed a Motion for Waiver of Tariff Provision and for Expedited Treatment.
3. AmerenUE is requesting the Commission approve the tariffs on an expedited basis as approval will “(a) “provide reduced natural gas rates for customers; (b) it will allow AmerenUE to change is RPGA factors consistent with the beginning of the April billing month; and (c) it will permit a closer matching of rates charged to customers with the costs AmerenUE is paying to its suppliers.”
4. AmerenUE also requests a waiver of its P.S.C 6<sup>th</sup> Revised Sheet No. 24, Section II(B)(1), for the PGA calculation for the Rolla service area. AmerenUE states using the tariff equation will result in an inaccurate calculation.
5. Staff has reviewed this filing and recommends that the Commission approve the rates on the proposed tariff sheets. See Staff’s Recommendation as Attachment A to this pleading.

6. Pursuant to Section 393.140(11) RSMo (2000), the Commission has authority to waive the 30-day notice requirement for tariffs for good cause shown. Staff recommends immediate approval of these tariff sheets on less than thirty (30) days notice because of the need to assist Missouri consumers by promptly implementing a decrease in natural gas rates, and AmerenUE's Commission approved PGA clause allows for ten (10) business days notice for PGA change filings.
7. Staff recommends prompt approval of these rates on an interim, subject to refund basis only, pending evaluation of the prudence of the Company's gas purchasing processes and procedures.

**WHEREFORE**, the Staff recommends the Commission (1) grant AmerenUE's Motion for expedited treatment; (2) waive the Section II(B)(1) PGA calculation requirements of AmerenUE's P.S.C 6<sup>th</sup> Revised Sheet No. 24, and (3) approve the four tariffs submitted by AmerenUE.

Respectfully submitted,

**/s/ Jennifer Hernandez**

Jennifer Hernandez

Legal Counsel

Missouri Bar No. 59814

Lera L. Shemwell

Deputy Counsel

Missouri Bar No. 43792

Attorneys for the Staff of the  
Missouri Public Service Commission

P. O. Box 360

Jefferson City, MO 65102

(573) 751-8706 (Telephone)

(573) 751-9285 (Fax)

[jennifer.hernandez@psc.mo.gov](mailto:jennifer.hernandez@psc.mo.gov)

### **Certificate of Service**

I hereby certify that a true and correct copy of the foregoing was served on the parties of record this 20th day of March, 2009, either by hand delivery, electronic mail or First Class United States Mail, postage prepaid.

**/s/ Jennifer Hernandez**

## MEMORANDUM

TO: Missouri Public Service Commission Official Case File,  
Case No. GR-2009-0337 File No. JG-2009-0662  
Union Electric Company d/b/a Ameren UE

FROM: Tom Solt, Energy Department – Tariffs/Rate Design

/s/ Thomas M. Imhoff 03/20/09  
Utility Operations Division/Date

/s/ Jennifer Hernandez 03/20/09  
General Counsel's Office/Date

SUBJECT: Staff Recommendation for Union Electric d/b/a Ameren UE's Motion for Waiver of  
Tariff Provision and for Expedited Treatment, and its Optional PGA Filing -  
Effective April 1, 2009

DATE: March 24, 2009

On March 17, 2009, Union Electric Company d/b/a Ameren UE (UE or Company), of St. Louis, Missouri, filed four (4) tariff sheets requesting an effective date of April 1, 2009. These tariff sheets were filed to reflect changes in UE's PGA factors as a result of estimated changes in the cost of natural gas. UE requests that the tariff sheets go into effect on April 1, 2009. The Company concurrently filed a Motion for Waiver of Tariff Provision and for Expedited Treatment.

For the area served by Panhandle Eastern Pipe Line Company (PEPL), including the cities of Columbia, Jefferson City, Mexico, and Wentzville; and excluding the Rolla Service Area, the effects of these changes reduce the PGA rate filed by AmerenUE on November 1, 2008, from \$.9950 per hundred cubic feet (Ccf) to \$.7500 per Ccf. This change represents a decrease of approximately 25% per Ccf.

For the Rolla Service Area, including the cities of Rolla and Owensville, the effect of these changes will reduce the PGA factor filed by AmerenUE on November 1, 2008, from \$1.2142 per Ccf to \$.9500 per Ccf. This change represents a decrease of approximately 22% per Ccf.

For the area served by Texas Eastern Transmission Corporation (TETCO), including the city of Cape Girardeau, the effect of these changes reduces the PGA rate filed by AmerenUE on November 1, 2008, from \$.9950 per Ccf to \$.7500 per Ccf. This change represents a decrease of approximately 25% per Ccf..

For the area served by Natural Gas Pipeline Company of America (NGPL), including the community of Marble Hill, the effect of these changes reduces the PGA rate filed by AmerenUE on November 1, 2008, from \$.9950 per Ccf to \$.7500 per Ccf. This change represents a decrease of approximately 25% per Ccf..

Case No. GR-2009-0337, under which these changes were filed, was established to track the Company's PGA factors to be reviewed in its 2008-2009 ACA filing. Case No. GR-2008-0366 was

established to track the Company's PGA factors to be reviewed in its 2007-2008 ACA filing. Case No. GR-2008-0107 was established to track the Company's PGA factors to be reviewed in its 2006-2007 ACA filing. This rate change should be on an interim, subject to refund status pending final Commission decisions in ACA Case Nos. GR-2009-0337, GR-2008-0366, and GR-2008-0107.

Staff has reviewed the Company's request for a waiver of a portion of Section II(B)(1) of its P.S.C. 6<sup>th</sup> Revised Sheet No. 24, a part of Rider A, the Purchased Gas Adjustment Clause, that provides, "For each natural gas supply purchased during the base period multiply the number of units of demand purchased during the base period by their respective charge(s) in effect on the first day of the filing month and divide by firm sales volumes during the base period." AmerenUE requests a waiver from the requirement to use the "number of units of demand purchased" in its calculation, instead using the maximum demand quantity of 5,860 MMBtu (as if that demand level had been taken the entire year) for the calculation of the PGA for the Rolla area customers with gas transported on the MoGas Pipeline, LLC, thus preventing an inaccurate calculation. The Company's request for waiver is reasonable. Staff recommends the Commission grant AmerenUE's request for waiver and for expedited treatment of this request, allowing the tariff sheets to become effective on April 1, 2009.

Staff has verified that this company has filed its annual report, and is not delinquent on its PSC assessment. Staff is not aware of any other matter before the Commission that affects or is affected by this filing.

Staff has also reviewed this filing and has determined that, with the exception of the request for waiver discussed above, it was calculated in conformance with AmerenUE's PGA Clause. Staff is of the opinion that good cause for approval of these tariff sheets and of the waiver request on less than thirty (30) days notice is demonstrated by AmerenUE's Commission-approved PGA clause allowing for ten (10) business days notice for PGA change filings. Therefore, Staff recommends that the following tariff sheets be approved, interim subject to refund:

P.S.C. MO. No. 2

---

96 <sup>th</sup> Revised SHEET No. 30	Cancelling 95 <sup>th</sup> Revised SHEET No. 30
9 <sup>th</sup> Revised SHEET No. 30.1	Cancelling 8 <sup>th</sup> Revised SHEET No. 30.1
102 <sup>nd</sup> Revised SHEET No. 31	Cancelling 101 <sup>st</sup> Revised SHEET No. 31
97 <sup>th</sup> Revised SHEET No. 32	Cancelling 96 <sup>th</sup> Revised SHEET No. 32

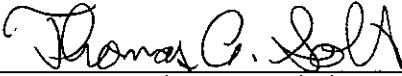
**BEFORE THE PUBLIC SERVICE COMMISSION**  
**OF THE STATE OF MISSOURI**

In the Matter of Union Electric Company     )  
d/b/a AmerenUE's Purchased Gas            )  
Adjustment (PGA) Factors                    )           Case No. GR-2009-0337

**AFFIDAVIT OF THOMAS A. SOLT**

STATE OF MISSOURI     )  
                              ) ss  
COUNTY OF COLE        )

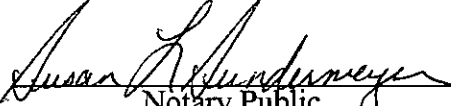
Thomas A. Solt, of lawful age, on oath states: that he participated in the preparation of the foregoing Staff Report in memorandum form, to be presented in the above case; that the information in the Staff Report was provided to him; that he has knowledge of the matters set forth in such Staff Report; and that such matters are true to the best of his knowledge and belief.

  
\_\_\_\_\_  
Thomas A. Solt

Subscribed and sworn to before me this 20<sup>th</sup> day of March, 2009.



SUSAN L. SUNDERMEYER  
My Commission Expires  
September 21, 2010  
Callaway County  
Commission #06942086

  
\_\_\_\_\_  
Notary Public