BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Union Electric Company d/b/a)	
Ameren Missouri's Purchased Gas Adjustment)	File No. GR-2021-0291
Tariff Filing.)	

AFFIDAVIT OF TIMOTHY L. EGGERS

STATE OF MISSOURI)
) ss
COUNTY OF ST. LOUIS)

Timothy L. Eggers, being first duly sworn on his oath, states:

- 1. My name is Timothy L. Eggers. I am employed by Union Electric Company d/b/a Ameren Missouri ("Ameren Missouri") as Manager, Gas Supply. I am responsible for forecasting and procuring gas supply and transportation for Ameren Missouri. The costs of such gas supply and transportation service are recovered from customers through the Company Rider A Purchased Gas Adjustment ("Rider PGA").
- 2. I have read the *Application*, and affirm that the information contained therein is true and correct to the best of my knowledge and belief under penalty of perjury.
- 3. During the March 23, 2021 workshop in File No. AO-2021-0264, I represented the Company explaining that recovery of the increased costs from the Polar Vortex, which during February, 2021 resulted in gas costs that equated to approximately double Ameren Missouri's entire annual budget, over a period of more than one year would benefit customers and the Company. I described two options to mitigate the rate impacts for customers before the Company's next annual reset of its Rider PGA rates on November 1, 2021.
- 4. In File No. GT-2022-0031, and consistent with comments provided at the March 23, 2021 workshop in File No. AO-2021-0264, Ameren Missouri pursued one of the options to

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¹ File No. AO-2021-0264, EFIS Item No. 8, at Slide 8.

mitigate the substantial rate impacts for customers: narrow amendments of the Company's Rider PGA at gas Tariff Sheet No. 26 to allow flexibility to extend the ACA recovery period beyond 12 months and up to 36 months. On September 23, 2021, the Commission issued a *Notice That Tariff Will Be Allowed To Go Into Effect*, and the revised gas Tariff Sheet No. 26 went into effect on September 25, 2021.

5. Ameren Missouri's currently effective gas Tariff Sheet No. 26, as revised through File No. GT-2022-0031, therefore provides the following regarding extending the ACA recovery period the normal beyond 12 months:

However, for good cause shown that an extraordinary event has occurred, the Company may (subject to Commission approval after opportunity for comment from any party) defer recovery beyond 12 months, and up to 36 months, and the amount deferred will be added to the subsequent ACA period's cumulative ACA account balance. Amounts deferred beyond 12 months will not be included in the calculation of the current period's ACA factor described in paragraph 7 below.

- 6. Through this affidavit, I attempt to summarize the extraordinary February 2021 Polar Vortex and explain why there is good cause to allow deferred recovery of the subject ACA costs as requested.
- 7. The Commission opened its investigation into the impacts of the February 2021 Polar Vortex, File No. AO-2021-0264, that same month (February of 2021), which recognized the extraordinary nature of the Event. Many other regulatory bodies, including the Federal Energy Regulatory Commission and other state utility commissions, have opened similar investigations.

- 8. As noted in the Commission's *Order Directing Staff to Investigate and Submit Report* effective February 24, 2021 in File No. AO-2021-0264, "[m]uch of the Midwest, including Missouri, experienced unseasonably cold temperatures in February 2021. Such temperatures resulted in rolling electrical blackouts and extreme natural gas price spikes in Missouri." *Order* at p. 1.
- 9. In Staff's Report in File No. AO-2021-0264, filed on April 30, 2021, Staff summarized the Event, and states at page 3: "The extreme cold temperatures, extended period of those temperatures, and precipitation contributed to what some have described as an '85 year event'." I agree the weather was extraordinary.
- 10. Natural gas prices soared during the Event due to many, often-times compounding factors along the supply chain, including but not limited to: natural gas production issues due to unseasonably cold weather; the President's Day holiday on February 15th triggering gas purchase for four gas days; limited trades setting prices; lack of natural gas supply being available for purchase; transportation congestion; and electricity generation unavailability. The price volatility was extraordinary it was unlike anything that I have seen in my more than 25 years in the natural gas industry.
- 11. Ameren Missouri's purchased gas costs for February 2021 were approximately \$60.6 million, while the Company's purchased gas costs for the entire calendar year 2020 were approximately \$31 million.²
- 12. If the ACA recovery period were not extended as sought in the *Application*, Ameren Missouri estimated that its PGA rates would more than double.³

² File No. AO-2021-0264, EFIS Item No. 8, at Slide 5.

³ File No. AO-2021-0264, EFIS Item No. 8, at Slide 7.

	13.	Good cause exists for the Commission to allow deferred recovery of the subject
ACA	costs as	requested and in accordance with the process described in the Company's revised
(curre	ntly effe	ctive) gas Tariff Sheet No. 26.

/s/ Timothy Eggers
Timothy L. Eggers

This 28th day of September, 2021.