BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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In the Matter of the First True-Up Filing Under the Commission-) Approved Fuel Adjustment Clause of) Union Electric Company d/b/a Ameren Missouri.)

Case No. ER-2010-0274

UNTION ELECTRIC COMPANY d/b/a AMEREN MISSOURI'S **RESPONSE TO THE STAFF'S DECEMBER 30. 2010 RECOMMENDATION**

COMES NOW Union Electric Company d/b/a Ameren Missouri ("Company" or "Ameren Missouri"), by and through counsel, and hereby responds to the Staff's above-referenced Recommendation. In this regard, Ameren Missouri states as follows:

1. On December 1, 2010, the Company filed an Application to implement the true-up of the First Recovery Period that has been completed under its fuel adjustment clause ("FAC").

2. On December 13, 2010, the Commission issued an Order and Notice establishing a deadline for applications to intervene of January 3, 2011.

3. On December 30, 2010, the Staff filed the above-referenced Recommendation. The Staff's Recommendation requests the Commission to order Ameren Missouri to include a credit of \$121,636, with accumulated monthly interest, in the adjustment to its "FPA" rate for Ameren Missouri's Sixth Recovery Period. The Company disagrees with the Staff's Recommendation. Instead, it is the Company's position that the true-up of the First Recovery Period that ended September 30, 2010 requires an additional charge of \$482,239, plus accumulated interest. The difference in the Staff's and the Company's positions arises from the failure to calculate the Net Base Fuel Costs ("NBFC") in the manner required by the FAC tariff.

4. The Staff's Recommendation reflects two principal bases for its recommendation. First, the Staff says it is "not convinced" that the NBFC were incorrectly established in the 2008 rate case

when the Company's FAC was first approved. Second, the Staff asserts that even if a mistake was made, the filed rate doctrine and the prohibition against retroactive ratemaking would preclude the Commission from remedying the mistake.

- 5. The Company disagrees with both of the Staff's bases.
- 6. 4 CSR 240-20.090(5)(D) provides that the Commission shall, within 60 days of the

utility's filing, either issue an order deciding whether the true-up filing by the utility is in accordance with its FAC rule, Section 386.266, RSMo., and the FAC tariff, or that the Commission will suspend the timeline in order to receive additional evidence and hold a hearing, if needed.

7. In view of the disagreement between the Staff and the Company, the Company requests

that the Commission schedule an early prehearing conference so that the parties can discuss an

appropriate procedure for resolving the Company's Application.

WHEREFORE, Ameren Missouri hereby requests that the Commission make and enter its order

setting an early prehearing conference in this case.

Respectfully submitted,

SMITH LEWIS, LLP

/s/James B. Lowery

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AmerenUE

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing document was served via e-mail on all counsel of record to the case in which the fuel adjustment clause in effect for the true-up filing made herein was approved, on this 10th day of January, 2010.

/s/James B. Lowery