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STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

At a Session of the Public Service
Commission held at its office
in Jefferson City on the
28th day of October, 1998.

In the matter of Union Electric Company's)
Purchased Gas Adjustment factors to be audited) Case No. GR-97-545
in its 1997-1998 Actual Cost Adjustment.)

ORDER APPROVING INTERIM RATES

Union Electric Company d/b/a AmerenUE (UE or Company) of St. Louis, Missouri, submitted three tariff sheets to the Commission on October 16, 1998, carrying an effective date of November 1, 1998. The tariff sheets were filed to reflect scheduled changes in UE's Purchased Gas Adjustment (PGA) factors as the result of changes in the cost of natural gas for the upcoming winter season. The winter season includes the months of November through March. Additionally, the Actual Cost Adjustment (ACA) and Refund factors changed.

The effect of these changes for the area served by Panhandle Eastern Pipe Line Company will increase the firm PGA factor for the 1998-1999 winter season to \$0.4183 per Ccf from a summer season firm PGA factor of \$0.3385 per Ccf. This represents an approximate 24% increase in gas costs to consumers.

The effect of these changes for the area served by Texas Eastern Transmission Corporation will increase the firm PGA factor for the 1998-1999 winter season to \$0.4659 per Ccf from a summer season firm PGA factor of \$0.3915 per Ccf. This represents an approximate 19% increase in gas costs to consumers.

The effect of these changes for the area served by Natural Gas Pipeline will increase the firm PGA factor for the 1998-1999 winter season to \$0.3409 per Ccf from a summer season firm PGA factor of \$0.3331 per Ccf. This represents an approximate 2% increase in gas costs to consumers.

The Staff of the Commission (Staff) filed a memorandum stating that the changes in UE's PGA were calculated in conformance with the Company's approved PGA Clause. Staff stated that UE's PGA Clause allows for ten (10) business days notice for filings reflecting PGA changes. Staff recommends that the Commission approve the tariff sheets to become

effective November 1, 1998, on an interim basis, subject to refund, pending a final Commission decision in UE's ACA Case No. GR-97-545. The Staff also requested that the Commission's Procurement Analysis Department be given the time necessary to conduct its audit of the ACA period and submit its results and recommendations regarding this ACA filing on or before August 1, 1999.

The Commission has reviewed the tariff sheets, Staff's recommendation and request, and finds that the tariff sheets conform to the Company's Commission approved PGA Clause and are therefore reasonable. After considering Staff's recommendation, and for good cause shown pursuant to Section 393.140(11), RSMo 1994, the Commission is of the opinion that the proposed tariff sheets should be approved to become effective on and after the requested effective date of November 1, 1998, interim subject to refund.

IT IS THEREFORE ORDERED:

1. That the tariff sheets submitted on October 16, 1998, by Union Electric Company of St. Louis, Missouri, are approved on an interim basis, subject to refund, to become effective on November 1, 1998. The tariff sheets approved are:

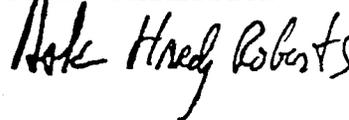
P.S.C. Mo. No. 2

76th Revised SHEET No. 30, Cancelling 75th Revised SHEET No. 30
82nd Revised SHEET No. 31, Cancelling 81st Revised SHEET No. 31
77th Revised SHEET No. 32, Cancelling 76th Revised SHEET No. 32

2. That the Commission's Procurement Analysis Department be given the time necessary to conduct its audit of this ACA period and submit its results and recommendations regarding this ACA filing on or before August 1, 1999.

3. That this order shall become effective on November 1, 1998.

BY THE COMMISSION



Dale Hardy Roberts

Secretary/Chief Regulatory Law Judge

(S E A L)

Lumpe, Ch., Crumpton, Murray,
Schemenauer, and Drainer, CC.,
concur.

Register, Regulatory Law Judge