

BV
CM
RO
76

5/22

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of Union Electric Company's)
Purchased Gas Adjustment Factors to be)
Audited in its 1996-1997 Actual Cost)
Adjustment.) **Case No. GR-96-430**

ORDER DIRECTING RESPONSE

This case was opened for the purpose of receiving the 1996-97 Purchased Gas Adjustment filings and Actual Cost Adjustment filing of Union Electric Company d/b/a AmerenUE (AmerenUE). On February 27, 1998, the Procurement Analysis Department of the Staff of the Commission (Staff) filed a memorandum indicating that Staff has reviewed the 1996-1997 Actual Cost Adjustment (ACA) filing of AmerenUE. Staff stated that it audited the billed revenues and actual gas costs for the period of April 1996 through March 1997, and examined the prudence of the Company's gas purchasing decisions. Staff states that AmerenUE did not adjust the ACA balance to reflect Staff's adjustment from the previous case, and that, as a result, AmerenUE should reduce the Natural Gas Pipeline ACA balance by \$76,720. Staff also states that AmerenUE recorded an overall net loss of \$309,287 (\$220,000 of which was charged to ratepayers) from the futures market pilot project. Staff recommends that the Commission issue an order requiring AmerenUE to establish the ACA account balances in its next ACA filing to reflect the following ending balances as of March 31, 1997 to be collected from (or refunded to) the ratepayers:

	Balance per AmerenUE Filing	Staff Adjustments	Ending Balances
Natural Gas Pipeline Co. of America:			
Firm Sales ACA	\$9,478	\$(76,720)	\$(67,242)
Firm Refund	\$2,881		\$2,881
Panhandle Eastern Pipe Line Co:			
Firm Sales ACA	\$(1,768,093)		\$(1,768,093)
Interruptible Sales ACA	\$(15,606)		\$(15,606)
Transportation without Reserve	\$41,008		\$41,008
Firm Refund	\$(37,267)		\$(37,267)
Interruptible Refund	\$(19,240)		\$(19,240)
Texas Eastern Transmission Corp:			
Firm Sales	\$(382,952)		\$(382,952)
Interruptible Sales	\$25,984		\$25,984
Transportation without Reserve	\$7		\$7
Firm Refund	\$336		\$336
Interruptible Refund	\$923		\$923
Transportation Refund	\$1,191		\$1,191

Staff further recommends that the Commission order the Company to respond to Staff's recommendation within fifteen days.

The Commission has reviewed the memorandum filed by Staff and determines that the Company shall file a response to Staff's recommendation no later than June 4, 1998.

IT IS THEREFORE ORDERED:

1. That the Company shall file a response to the recommendation of the Staff of the Commission no later than June 4, 1998.
2. That this order shall become effective on June 1, 1998.

BY THE COMMISSION



Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

(S E A L)

Lewis Mills, Deputy Chief Regulatory Law
Judge, by delegation of authority
pursuant to 4 CSR 240-2.120(1),
(November 30, 1995) and Section 386.240,
RSMo 1994.

Dated at Jefferson City, Missouri,
on this 22nd day of May, 1998.

RECEIVED

MAY 22 1998

COMMISSION COUNSEL
PUBLIC SERVICE COMMISSION