Exhibit No.:

Issues: Updated Billing Units
Witness: James R. Pozzo
Sponsoring Party: Union Electric Company
Type of Exhibit: Supplemental Direct Testimony
Case No.: ER-2008-0318

Date Testimony Prepared: June 16, 2008

MISSOURI PUBLIC SERVICE COMMISSION

CASE NO. ER-2008-0318

SUPPLEMENTAL DIRECT TESTIMONY

OF

JAMES R. POZZO

ON

BEHALF OF

UNION ELECTRIC COMPANY d/b/a AmerenUE

> St. Louis, Missouri June, 2008

1	SUPPLEMENTAL DIRECT TESTIMONY					
2		\mathbf{OF}				
3		JAMES R. POZZO				
4		CASE NO. ER-2008-0318				
5	Q.	Please state your name and business address.				
6	A.	James R. Pozzo, Ameren Services Company ("Ameren Services"), One				
7	Ameren Plaz	a, 1901 Chouteau Avenue, St. Louis, Missouri 63103.				
8	Q.	Are you the same James R. Pozzo who previously filed testimony in				
9	this case?					
10	A.	Yes.				
11	Q.	What is the purpose of your supplemental direct testimony in this				
12	proceeding?					
13	A.	My direct testimony in this case covered the test year consisting of the				
14	twelve month	as ending March 2008, and utilized nine months of actual billing usage for				
15	the period Ap	oril 2007 through December 2007 and three months forecasted usage for the				
16	period Januar	ry 2008 through March 2008. My direct testimony also contained a growth				
17	adjustment to	March 2008 and then a growth adjustment to June 2008.				
18	The p	urpose of my supplemental direct testimony is to update the development of				
19	the weather n	formalized billing units for 1) the customer classes of AmerenUE using				
20	actual data fo	or the 12 months ending March 2008 (by substituting actual data for forecast				
21	data for Janua	ary through March) and 2) to then adjust the normalized billing units for				
22	revenues and	sales for customer growth to March 2008 and then to September 2008, to				
23	coincide with	the end of the true-up period in this case. I am completing these updates in				

1	accordance with the Commission's Order Adopting Procedural Schedule and Test Year					
2	issued on May 29, 2008.					
3	Q.	Other than using updated data, were there any other changes that				
4	should be noted that are different than in your direct testimony?					
5	A.	Yes, in the supplemental billing units analysis presented with this				
6	testimony, I have made an adjustment to account for a change to cable television billing					
7	that has recently occurred. This is an adjustment to the Small General Service rate class,					
8	and slightly reduces sales and revenues for that class.					
9	Q.	Was the weather normalization method used for updating your				
10	analysis with actual data for January to March 2008 the same methodology					
11	described in	your direct testimony in this case?				
12	A.	Yes, the weather normalization method described in my direct testimony				
13	in this procee	ding is the same method I used to perform my updated analysis.				
14	Q.	Was the customer growth adjustment method used for updating your				
15	analysis with	actual data for January to March 2008 the same methodology				
16	described in	your direct testimony in this case?				
17	A.	Yes, the growth adjustment method described in my direct testimony in				
18	this proceeding	ng is the same method I used to perform my updated analysis, except that I				
19	have updated	customer growth to September 2008, rather than to June 2008.				
20	Q.	What were the results of your updated weather adjustment for the				
21	test year?					

1	A.	The weather adjustment for twelve months ending March 2008 is (\$74.4				
2	million) vers	us the (\$80.4 million) I had estimated using three months of forecasted data				
3	at the time my direct testimony was filed.					
4	Q.	What were the results of your updated growth adjustment for the test				
5	year?					
6	A.	The adjustment for customer growth through March 2008 is \$2.6 million,				
7	and for customer growth through September 2008 is \$20.6 million, for a total of \$23.2					
8	million for customer growth through September 2008. The total customer growth					
9	adjustment reflected in my direct testimony, using three months of forecasted data, was					
10	\$13.9 million	1.				
11	Q.	Taken together, how do the updated weather adjustment and updated				
12	growth adju	stment affect your original analysis filed on April 4, 2008 with your				
12 13	growth adju					
13	direct testim	nony?				
13 14	A. for customer	My original analysis, using three months of forecasted data and adjusting				
13 14 15	A. for customer \$2,074,567,5	My original analysis, using three months of forecasted data and adjusting growth through June, 2008, resulted in billing unit revenues of				
13141516	A. for customer \$2,074,567,5 analysis, using	My original analysis, using three months of forecasted data and adjusting growth through June, 2008, resulted in billing unit revenues of 47, as shown on Schedule JRP-E7 to my direct testimony. My updated				
13 14 15 16 17	A. for customer \$2,074,567,5 analysis, usin weather and	My original analysis, using three months of forecasted data and adjusting growth through June, 2008, resulted in billing unit revenues of 47, as shown on Schedule JRP-E7 to my direct testimony. My updated ag actual data for January through March 2008 with adjustments for normal				
13 14 15 16 17	A. for customer \$2,074,567,5 analysis, usir weather and billing unit re	My original analysis, using three months of forecasted data and adjusting growth through June, 2008, resulted in billing unit revenues of 47, as shown on Schedule JRP-E7 to my direct testimony. My updated ag actual data for January through March 2008 with adjustments for normal for customer growth through September, 2008 reflects a net increase in				
13 14 15 16 17 18	A. for customer \$2,074,567,5 analysis, usin weather and billing unit re \$2,099,672,0	My original analysis, using three months of forecasted data and adjusting growth through June, 2008, resulted in billing unit revenues of 47, as shown on Schedule JRP-E7 to my direct testimony. My updated ag actual data for January through March 2008 with adjustments for normal for customer growth through September, 2008 reflects a net increase in evenues of \$25.1 million, resulting in total billing unit revenues of				

Supplemental Direct Testimony of James R. Pozzo

- 1 Q. Does this conclude your supplemental direct testimony?
- 2 A. Yes, it does.

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Union Electric Company d/b/a AmerenUE for Authority to File Tariffs Increasing Rates for Electric Service Provided to Customers in the Company's Missouri Service Area.) Case No. ER-2008- <u>0318</u>)								
AFFIDAVIT OF JAMES R. POZZO									
STATE OF MISSOURI)) ss CITY OF ST. LOUIS)									
James R. Pozzo, being first duly sworn on his oath, states:									
1. My name is James R. Pozzo. I work in the City of St. Louis, Missouri, and I									
am employed by Ameren Services Company as a Rate Engineer in Regulatory Policy.									
2. Attached hereto and made a part hereof for all purposes is my Supplemental									
Direct Testimony on behalf of Union Electric Company d/b/a AmerenUE consisting of									
pages and Schedule JRP-E8, all of which have been prepared in written form for introduction									
into evidence in the above-referenced docket.									
3. I hereby swear and affirm tha	t my answers contained in the attached testimony								
to the questions therein propounded are true and correct. James R. Pozzo									
Subscribed and sworn to before me this 13^{4} day of June, 2008.									
_	Ranielle R. Moliop								
My commission expires:									

Danielle R. Moskop Notary Public - Notary Seal STATE OF MISSOURI St. Louis County My Commission Expires: July 21, 2009 Commission # 05745027

AmerenUE - Missouri Weather Normalized-12 months ending March 2008 January-March Actual

	Weather Normalization	March 2008 Growth	September 2008 Growth	Normal Adjusted Revenues
Residential	-\$54,247,918	-\$98,849	\$6,793,495	\$901,431,504
Small General Service	-\$7,741,288	\$1,602,707	\$3,344,457	\$242,382,935
Large General Service	-\$8,734,571	\$967,932	\$10,492,477	\$448,496,154
Small Primary Service	-\$2,627,622	\$97,537	-\$78	\$185,379,469
Large Primary Service	-\$1,082,356	\$0	\$0	\$162,744,098
Large Transmission Service	\$0	\$0	\$0	\$126,153,909
Large Transmission Line Losses	\$0	\$0	\$0	\$4,424,399
Lighting	\$0	\$0	\$0	\$28,605,874
MSD	\$0	\$0	\$0	\$53,664
Total	-\$74,433,755	\$2,569,327	\$20,630,351	\$2,099,672,004