

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of the Second True-up Filing Under the Commission-Approved Fuel Adjustment Clause of Union Electric Company d/b/a Ameren Missouri.))))	<u>File No. ER-2011-0321</u>
--	------------------	-------------------------------------

STAFF RECOMMENDATION

1. **COMES NOW** the Staff of the Missouri Public Service Commission (“Staff”), by and through counsel, and for its recommendation states as follows:

2. This is the second fuel adjustment clause true-up filing by Union Electric Company d/b/a Ameren Missouri.

3. Like Ameren Missouri’s first true-up filing at issue is the finality of the Commission’s approval of NBFC rates of 1.001 ¢/kWh for the months of June through September and 0.690 ¢/kWh for the months of October through May that are in Ameren Missouri’s Original Tariff Sheet No. 98.5 and First Revised Tariff Sheet No. 98.5 (“original NBFC rates”).

4. That issue is being briefed and heard in the case the Commission opened for Ameren Missouri’s first true-up filing, File No. ER-2010-0274. Staff fully argued the issue in the brief it filed on April 21, 2011, in response to Ameren Missouri’s initial brief. The last brief in that case is to be filed May 20, 2011, at which point the issue will be fully briefed and submitted to the Commission for decision.

5. In that case, File No. ER-2010-0274, at paragraph 37 in their *Stipulation of Facts*, Staff and Ameren Missouri formally agreed as follows:

The Company and the Staff agree that the Commission’s resolution of this issue, whether in favor of the Company’s position or the Staff’s position,

should apply to this first true-up filing and the Company's next four true-up filings, subject to the rights existing under Section 386.500 et seq., RSMo.

6. As indicated in the caption and above, this is the first of those next four true-up filings.

7. In the attached Memorandum (Appendix A), based on its examination and analysis of information filed by Ameren Missouri and the stipulation between Staff and Ameren Missouri in File No. ER-2010-0274, Staff recommends the Commission determine the true-up amount for Recovery period 2 consistently with how the Commission determines the true-up amount for Recovery Period 1 in File No. ER-2010-0274, and that whatever true-up amount the Commission determines for Recovery Period 2 be included in Ameren Missouri's first fuel adjustment clause FPA adjustment filing made after (1) the Commission's *Report and Order* in File No. ER-2010-0274 is final and not reviewable and (2) the Commission's Order in this case is effective.

8. As it states in Appendix A, Staff agrees with Ameren Missouri's calculations of the amounts Ameren Missouri either over- or under-collected during Recovery Period 2 depending on whether the Commission orders the winter NBFC rate and summer NBFC rate the Commission approved and ordered in Ameren Missouri's 2008 general electric rate case, Case No. ER-2008-0318, are the factors to be used for determining the amount against which actual costs during Accumulation Period 2 are to be compared. If they are, then the true-up amount for Recovery Period 2 is an over-collection of \$411,694 to be returned to Ameren Missouri customers; however, if they are not, then the true-up amount for Recovery Period 2 is an under-collection of \$2,097,030 to be charged to Ameren Missouri customers.

Staff has verified that Ameren Missouri has filed its 2010 annual report but Staff has not completed its initial review of the 2010 annual report. Staff has verified that Ameren Missouri is

not delinquent on any assessment. Staff is not aware of any other matter before the Commission that affects or is affected by this filing.

WHEREFORE, Staff recommends the Commission determine the true-up amount for Recovery Period 2 consistently with how the Commission determines the true-up amount for Recovery Period 1 in File No. ER-2010-0274, and that whatever true-up amount the Commission determines for Recovery Period 2 be included in Ameren Missouri's first fuel adjustment clause FPA adjustment filing made after (1) the Commission's *Report and Order* in File No. ER-2010-0274 is final and not reviewable and (2) the Commission's Order in this case is effective.

Respectfully submitted,

/s/ Nathan Williams

Nathan Williams
Deputy Staff Counsel
Missouri Bar No. 35512

Attorney for the Staff of the
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102
(573) 751-8702 (Telephone)
(573) 751-9285 (Fax)
nathan.williams@psc.mo.gov (e-mail)

Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 25th day of April 2011.

/s/ Nathan Williams

MEMORANDUM

TO: Missouri Public Service Commission Official Case File,
File No. ER-2011-0321
KCP&L Greater Missouri Operations Company

FROM: David Roos, Regulatory Economist III
Matthew Barnes, Utility Regulatory Auditor IV

DATE: /s/ John Rogers 4-25-2011 /s/ Nathan Williams 4-25-2011
Energy Department / Date Staff Counsel's Office / Date

SUBJECT: Staff's Analysis of and Recommendation Concerning Union Electric Company d/b/a Ameren Missouri Second Fuel Adjustment Clause True-up Filing Under the Provisions in 4 CSR 240-3.161(8) and 4 CSR 240-20.090(5).

DATE: April 25, 2011

On April 1, 2011, Union Electric Company d/b/a Ameren Missouri filed with the Commission, in the form of direct testimony and supporting schedules by Jeff L. Dodd, its second true-up filing under the provisions in 4 CSR 240-3.161(8) and 4 CSR 240-20.090(5).

The true-up amounts identified in this filing are the result of an under/over collection from Recovery Period 2 (February 1, 2010 through January 31, 2011) that followed its Accumulation Period 2 (June 1, 2009 through September 30, 2009). Normally the true-up amount for Recovery Period 2 would be included in the currently pending fuel and purchased power adjustment (FPA) rate adjustment filing (File No. ER-2011-0317); however, because the Commission has not resolved Ameren Missouri's assertion that the winter and summer net base fuel cost (NBFC) rates should be changed, which is an issue in this filing and in Ameren Missouri's true-up filing for Recovery Period 1 (File No. ER-2010-0274), Ameren Missouri is requesting that this true-up amount be included in the first adjustment filing that follows after the Commission's *Report and Order* in File No. ER-2010-0274.

Because they agree the issue should be treated the same for each accumulation period that it could affect, in File No. ER-2010-0274 the Missouri Public Service Commission Staff ("Staff") and Ameren Missouri have stipulated the Commission's resolution of the NBFC rates issue in that filing should apply to subsequent true-ups, including this one. Therefore, Staff views the true-up amount for this case to be dependent upon the Commission's findings regarding the NBFC rates in Case No. ER-2010-0274. According to Ameren Missouri's true-up filing in this case, if the Commission finds that the winter and summer NBFC rates the Commission approved and ordered in Ameren Missouri's 2008 general electric rate case, Case No. ER-2008-0318, are the appropriate rates, then

the true-up amount for Recovery Period 2 is an over-collection by Ameren Missouri of \$411,694; however, if the Commission finds that the NBFC rates the Commission approved and ordered in Rate Case ER-2008-0318 are not appropriate, then the true-up amount for Recovery Period 2 is an under-collection by Ameren Missouri of \$2,097,030.

Staff examined the direct testimony of Jeff L. Dodd, the supporting schedules Ameren Missouri provided with its application in this case, and the monthly information Ameren Missouri has submitted to the Commission. Staff also reviewed Ameren Missouri's monthly interest calculations and agrees with these calculations.

Based on its examination and analysis of information filed by Ameren Missouri and the stipulation between Staff and Ameren Missouri in File No. ER-2010-0274, Staff recommends the Commission order that the true-up amount for Recovery period 2 be treated consistent with how the Commission's order for treatment of the true-up amount for Recovery Period 1 in File No. ER-2010-0274, and that the ordered amount be included in the first FPA adjustment filing Ameren Missouri makes after the Commission's *Report and Order* in File No. ER-2010-0274 is final and not reviewable.

Staff has verified that Ameren Missouri has filed its 2010 annual report but Staff has not completed its initial review of the 2010 annual report. Staff has verified that Ameren Missouri is not delinquent on any assessment. Staff is not aware of any other matter before the Commission that affects or is affected by this filing.

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of the Second True-up)	
Filing Under the Commission-Approved)	
Fuel Adjustment Clause of Union)	Case No. ER-2011-0321
Electric Company d/b/a Ameren)	
Missouri)	

AFFIDAVIT OF MATTHEW J. BARNES

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

Matthew J. Barnes, of lawful age, on oath states: that he participated in the preparation of the foregoing Staff Recommendation in memorandum form, to be presented in the above case; that the information in the Staff Recommendation was provided to him; that he has knowledge of the matters set forth in such Staff Recommendation; and that such matters are true to the best of his knowledge and belief.



Matthew J. Barnes

Subscribed and sworn to before me this 25th day of April, 2011.





Notary Public

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Second True-up)	
Filing Under the Commission-Approved)	
Fuel Adjustment Clause of Union)	Case No. ER-2011-0321
Electric Company d/b/a Ameren)	
Missouri)	

AFFIDAVIT OF DAVID C. ROOS

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

David C. Roos, of lawful age, on oath states: that he participated in the preparation of the foregoing Staff Recommendation in memorandum form, to be presented in the above case; that the information in the Staff Recommendation was provided to him; that he has knowledge of the matters set forth in such Staff Recommendation; and that such matters are true to the best of his knowledge and belief.



David C. Roos

Subscribed and sworn to before me this 25th day of April, 2011.





Notary Public