

## MEMORANDUM

TO: Missouri Public Service Commission Official Case File,  
Case No. GR-2010-0180 File No. YG-2010-0608  
Union Electric Company d/b/a Ameren UE

FROM: Tom Solt, Energy Department – Tariffs/Rate Design

/s/ Thomas A. Solt 4/23/2010      /s/ Lera L. Shemwell 4/23/2010  
Utility Operations Division/Date      General Counsel's Office/Date

SUBJECT: Staff Recommendation for Union Electric d/b/a AmerenUE's Optional Purchased Gas Adjustment (PGA) Tariff Filing - Effective May 1, 2010

DATE: April 23, 2010

On April 16, 2010, Union Electric Company d/b/a Ameren UE (AmerenUE or Company), of St. Louis, Missouri, filed four (4) tariff sheets requesting an effective date of May 1, 2010. These tariff sheets were filed to reflect changes in AmerenUE's PGA factors as a result of estimated changes in the cost of natural gas and changes in the transportation rate in the Company's Rolla system. UE requests that the tariff sheets go into effect on May 1, 2010. Concurrently with its filing, AmerenUE also filed a Motion for Waiver of Tariff Provision and for Expedited Treatment (Motion).

For the area served by Panhandle Eastern Pipe Line Company (PEPL), including the cities of Columbia, Jefferson City, Mexico, and Wentzville; and excluding the Rolla Service Area, the PGA rate filed by AmerenUE will decrease to \$0.7100 from the current PGA rate of \$0.7500 per hundred cubic feet ("Ccf"). This represents a decrease of \$0.04 per Ccf.

For the area served by Texas Eastern Transmission Corporation (TETCO), including the city of Cape Girardeau, the PGA rate filed by AmerenUE will decrease to \$0.7100 from the current PGA rate of \$0.7500 per Ccf. This represents a decrease of \$0.04 per Ccf.

For the area served by Natural Gas Pipeline Company of America (NGPL), including the community of Marble Hill, the PGA rate filed by AmerenUE will decrease to \$0.7100 from the current PGA rate of \$0.7500 per Ccf. This represents a decrease of \$0.04 per Ccf.

For the Rolla Service Area, including the cities of Rolla and Owensville, the effect of these changes will decrease the PGA rate to \$0.8700 from the current PGA rate of \$1.3000. This represents a decrease of \$0.43 per Ccf. A significant portion of this decrease resulted from a settlement at the FERC that the Commission's Federal Issues/Policy Analysis Department was instrumental in obtaining.

Case No. GR-2010-0180, under which these changes were filed, was established to track the Company's PGA factors to be reviewed in its 2009-2010 ACA filing. Case No GR-2009-0337 was established to track the Company's PGA filing factors to be reviewed in its 2008-2009 ACA filing. Case No. GR-2008-0366 was established to track the Company's PGA factors to be reviewed in its 2007-2008 ACA filing. Case No. GR-2008-0107 was established to track the Company's PGA factors to be reviewed in its 2006-2007 ACA filing. This rate change should be on an interim, subject to refund status pending final Commission decisions in ACA Case Nos. GR-2010-0180, GR-2009-0337, GR-2008-0366, and GR-2008-0107.

Staff has verified that this company has filed its annual report, and is not delinquent on its PSC assessment. Staff is not aware of any other matter before the Commission that affects, or is affected by, this filing.

The Motion filed by AmerenUE concurrently with its tariff filing asks for leave to calculate the PGA factor for the Rolla Service Area by using the rate from a FERC settlement with the MoGas Pipeline for calculating the appropriate transportation services, rather than the rate in effect on the first day of the filing month, as required by its tariff. Failure to do so would result in an inaccurate calculation. Staff therefore recommends the Commission grant the waiver requested by AmerenUE of Section II(B)(5) of its 6<sup>th</sup> Revised SHEET No. 25, and allow it to use the settlement rate to calculate that portion of its transportation costs for the Rolla Service Area, rather than the rate in effect on the first day of the filing month.

Staff has reviewed this filing and has determined that, with the exception above, it was calculated in conformance with AmerenUE's PGA Clause. Staff is of the opinion that good cause for approval of these tariff sheets and of the waiver request on less than thirty (30) days notice is demonstrated by AmerenUE's Commission-approved PGA clause allowing for ten (10) business days notice for PGA change filings. Therefore, Staff recommends that the following tariff sheets as filed on April 16, 2010 be approved, interim subject to refund, to become effective on May 1, 2010.:

P.S.C. MO. No. 2

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98<sup>th</sup> Revised SHEET No. 30    Cancelling 97<sup>th</sup> Revised SHEET No. 30  
12<sup>th</sup> Revised SHEET No. 30.1 Cancelling 11<sup>th</sup> Revised SHEET No. 30.1  
104<sup>th</sup> Revised SHEET No. 31    Cancelling 103<sup>rd</sup> Revised SHEET No. 31  
99<sup>th</sup> Revised SHEET No. 32    Cancelling 98<sup>th</sup> Revised SHEET No. 32

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

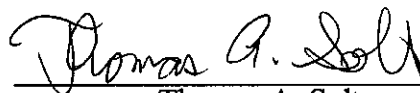
In the Matter of Union Electric Company    )  
d/b/a AmerenUE's Purchased Gas            )  
Adjustment (PGA) Factors                    )

Case No. GR-2010-0180

**AFFIDAVIT OF THOMAS A. SOLT**

STATE OF MISSOURI    )  
                                  ) ss  
COUNTY OF COLE     )

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

  
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Thomas A. Solt

Subscribed and sworn to before me this 22<sup>nd</sup> day of April, 2010.

  
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Notary Public