

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

In the Matter of Union Electric           )  
Company d/b/a Ameren Missouri's       )  
Purchased Gas Adjustment Factors to   )  
be Audited in its 2009-2010 Actual     )  
Cost Adjustment.                            )

Case No. GR-2010-0180

**STAFF RECOMMENDATION**

**COMES NOW** the Staff (Staff) of the Missouri Public Service Commission (Commission) in the above-captioned matter, and files its Staff Recommendation in this case.

**Background**

1. The Commission has held open several of Ameren Missouri's (Ameren) ACA cases pending resolution of the lawsuit Ameren Missouri filed against MoGas Pipeline LLC (MoGas) for a refund of overcharge payments.

2. In Case No. GC-2006-0491, Staff filed a complaint, which generally alleged MoGas was charging non-affiliated companies more for service than it was charging its affiliates and in doing so, violated its tariffs.

3. In its October 11, 2007 Revised Report and Order, the Commission found that MoGas had been overcharging its non-affiliated customers, and that by giving an affiliate lower rates, MPC and MGC had lowered the maximum transportation rates it could charge non-affiliates.

4. The Commission's Order was affirmed on appeal to the Western District Court of Appeals.

5. Ameren filed a petition in Cole County Circuit Court, Case No. 09AC-CC00398, to recover overcharges from MoGas.

6. On September 25, 2012, the Cole County Circuit Court Judge Nancy Schneider entered an order granting summary judgment in favor of Ameren's overcharge lawsuit. The Court agreed MoGas overcharged Ameren and awarded \$7,449,885.68 in overcharges, plus interest.

### **Recommendations**

7. The Staff recommends the Commission hold this ACA case open so that Staff can monitor Ameren's pursuit of refunds from MPC and MGC and make further recommendations as necessary.

8. In this case Staff recommends Ameren increase the Rolla ACA balance and decrease the state-wide ACA balance to reflect the billed revenue error of \$375,584.

9. The Staff recommends the Commission order Ameren to adjust the following ACA balances:

	<b>Balance per Ameren</b>	<b>Staff Adjustments</b>	<b>Ending Balances</b>
Firm Sales	\$(586,617)	\$375,584	\$(211,033)
Interruptible Sales	\$(127,830)	\$0	\$(127,830)
Rolla System: Firm	\$(312,967)	\$(375,584)	\$(688,551)

10. Staff also recommends the Commission order Ameren to respond to Staff's concerns in the Reliability Analysis and Gas Supply and Planning section.

11. The Staff recommends Ameren continue to assess and document the effectiveness of its hedges for the 2010-2011 ACA and beyond. The Staff also recommends the Company analyze and document any changes to the Company's hedging policy/plan. If the Company plans to change hedging strategies, the Company should provide the Staff copies of all analyses including any and all documents regarding changes to the Company's hedging policy/plan, as noted in the attached Staff Recommendation. (Appendix A.)

12. The Staff suggests the Commission order Ameren to respond to the Staff's recommendations within 30 days.

**WHEREFORE**, Staff recommends the Commission order Ameren Missouri to: (1) adjust its ACA balance (2) respond to the Staff's recommendations and (3) keep the Commission informed as to its resolution of the Circuit Court action.

Respectfully submitted,

**/s/ Jeffrey A. Keevil**

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**CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to all counsel of record this 19th day of October 2012.

**/s/ Jeffrey A. Keevil**