

Exhibit No.:  
Issues: Fuel Adjustment Clause  
Witness: Michael E. Taylor  
Sponsoring Party: MO PSC Staff  
Type of Exhibit: Rebuttal Testimony  
Case No.: ER-2008-0318  
Date Testimony Prepared: October 14, 2008

**MISSOURI PUBLIC SERVICE COMMISSION**

**UTILITY OPERATIONS DIVISION**

**REBUTTAL TESTIMONY**

**OF**

**MICHAEL E. TAYLOR**

**UNION ELECTRIC COMPANY  
D/B/A AMERENUE**

**CASE NO. ER-2008-0318**

**Jefferson City, Missouri**

**October 2008**

**\*\*Denotes Highly Confidential Information\*\***

**NP**

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

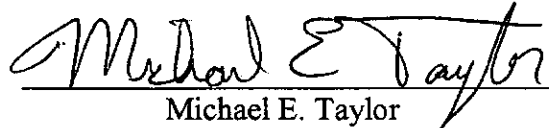
In the Matter of Union Electric Company )  
d/b/a AmerenUE for Authority to File )  
Tariffs Increasing Rates for Electric )  
Service Provided to Customers in the )  
Company's Missouri Service Area. )

Case No. ER-2008-0318

**AFFIDAVIT OF MICHAEL E. TAYLOR**

STATE OF MISSOURI    )  
                                  ) ss  
COUNTY OF COLE     )

Michael E. Taylor, of lawful age, on his oath states: that he has participated in the preparation of the following Rebuttal Testimony in question and answer form, consisting of 4 pages of Rebuttal Testimony to be presented in the above case, that the answers in the following Rebuttal Testimony were given by him; that he has knowledge of the matters set forth in such answers; and that such matters are true to the best of his knowledge and belief.

  
Michael E. Taylor

Subscribed and sworn to before me this 9<sup>th</sup> day of October, 2008.



SUSAN L. SUNDERMEYER  
My Commission Expires  
September 21, 2010  
Callaway County  
Commission #06942086

  
Notary Public

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**REBUTTAL TESTIMONY**

**OF**

**MICHAEL E. TAYLOR**

**UNION ELECTRIC COMPANY  
D/B/A AMERENUE**

**CASE NO. ER-2008-0318**

14 Q. Please state your name and business address.

15 A. Michael E. Taylor, P.O. Box 360, Jefferson City, Missouri, 65102.

16 Q. By whom are you employed and in what capacity?

17 A. I am employed by the Missouri Public Service Commission (Commission)  
18 as a Utility Engineering Specialist III in the Energy Department of the Utility Operations  
19 Division.

20 Q. Please describe your educational and work background.

21 A. I graduated from the University of Missouri-Rolla with a Bachelor of  
22 Science degree in Mechanical Engineering in May 1972 and a Master of Science degree  
23 in Engineering Management in August 1987. I served as an officer in the United States  
24 Navy (Submarine Service) from June 1972 to January 1979. I was employed by Union  
25 Electric Company (AmerenUE) from February 1979 until January 2003. While at  
26 AmerenUE, I worked at Callaway Plant in various departments including operations,  
27 work control, engineering, and quality assurance. In addition to these specific  
28 department functions; my work experience also includes quality control, instrumentation  
29 and controls, fire protection, industrial safety, outage scheduling, daily scheduling and  
work planning. I was licensed as a Senior Reactor Operator from 1983 until 1998. I

1 served as an Emergency Duty Officer/Emergency Coordinator and Recovery Manager in  
2 the plant emergency response organization. During my employment with AmerenUE, I  
3 also participated in corporate activities related to other electrical generating and  
4 transmission facilities. These activities included task group evaluation of existing  
5 generating units and recommendations regarding AmerenUE's generation portfolio. In  
6 March 2003, I began my employment with the Commission.

7 Q. Did you contribute to the Staff's Cost of Service Report filed in this case?

8 A. No.

9 Q. Have you filed testimony previously before the Commission?

10 A. Yes. I filed testimony in the cases listed in Schedule 1 attached to this  
11 testimony.

12 **COST RECOVERY MECHANISM--TESTING REQUIREMENTS**

13 Q. What is the purpose of your rebuttal testimony?

14 A. My rebuttal testimony is responding to the direct testimony of AmerenUE  
15 witness Mark C. Birk regarding compliance with the heat rate and/or efficiency testing  
16 minimum filing requirement found in Commission Rule 4 CSR 240-3.161(2)(P).

17 Q. What are the requirements of 4 CSR 240-3.161(2)(P)?

18 A. This subsection of the rule provides requirements for heat rate tests and/or  
19 efficiency tests for generating units. Specifically, it requires an electric utility that files to  
20 establish a rate adjustment mechanism to file:

21 A proposed schedule and testing plan with written procedures for  
22 heat rate tests and/or efficiency tests for all of the electric utility's  
23 nuclear and non-nuclear generators, steam, gas, and oil turbines  
24 and heat recovery steam generators (HRSG) to determine the base  
25 level of efficiency for each of the units;  
26

Rebuttal Testimony of  
Michael E. Taylor

1 Q. Does Mr. Birk's testimony comply with this subsection of the rule?

2 A. Mr. Birk's testimony addresses the filing requirement by explaining  
3 proposed testing methodologies for the various types of generating units. Staff reviewed  
4 the proposed methodologies for the nuclear generating unit, the steam-electric generating  
5 units, and thirty-six (36) combustion turbines with performance monitoring systems. The  
6 proposed methodologies for these generating units are acceptable to Staff. However,  
7 Staff did not agree that the proposed testing methodology as filed for ten (10) combustion  
8 turbines which do not have performance monitoring systems in place is appropriate.

9 Q. Has AmerenUE provided any information more detailed or different than  
10 that contained in Mr. Birk's testimony?

11 A. Yes. Staff submitted Data Request (DR) No. 0312 to obtain additional  
12 information. Staff and AmerenUE personnel have discussed the issues that were  
13 identified by the Staff review. AmerenUE has provided additional information in  
14 response to the DR.

15 Q. Does Staff agree that the subsequently proposed methodologies satisfy the  
16 requirements of 4 CSR 240-3.161(2)(P) for the ten combustion turbines that do not have  
17 performance monitoring equipment?

18 A. Yes. The revised methodologies included in the additional information  
19 provided by AmerenUE in response to DR No. 0312 are acceptable. The generating units  
20 covered by the revised methodologies include the following combustion turbines:  
21 Fairgrounds, Howard Bend, Kirksville, Meramec CT 1 and 2, Mexico, Moberly, Moreau,  
22 Venice CT 1, and Viaduct.

Rebuttal Testimony of  
Michael E. Taylor

1           Q.     What is Staff's final conclusion regarding AmerenUE compliance with  
2 Commission Rule 4 CSR 240-3.161(2)(P)?

3           A.     The heat rate and/or performance testing methodologies for the nuclear  
4 generating unit, the steam-electric generating units, and thirty-six (36) combustion  
5 turbines with performance monitoring systems as contained in Mr. Birk's direct  
6 testimony comply with Commission Rule 4 CSR 240-3.161(2)(P). The methodologies  
7 found in AmerenUE's response to DR No. 312, attached as Schedule 2 to this testimony,  
8 for combustion turbines without performance monitoring equipment, comply with  
9 Commission Rule 4 CSR 240-3.161(2)(P).

10          Q.     Does this conclude your rebuttal testimony?

11          A.     Yes, it does.

**PREVIOUS TESTIMONY OF MICHAEL E. TAYLOR**

<b>Case Number</b>	<b>Company</b>	<b>Type of Filing</b>	<b>Issue</b>
ER-2006-0314	Kansas City Power & Light	Direct	Plant in Service
ER-2006-0314	Kansas City Power & Light	Direct True-Up	Plant in Service
ER-2007-0002	AmerenUE	Direct	Plant in Service
ER-2007-0002	AmerenUE	Supplemental Direct	Plant in Service
ER-2007-0004	Aquila	Rebuttal	Fuel Adjustment Clause
ER-2007-0291	Kansas City Power & Light	Staff Report	Plant in Service
ER-2007-0291	Kansas City Power & Light	Direct True-Up	Plant in Service
ER-2008-0093	Empire District Electric	Staff Report	Plant in Service
ER-2008-0093	Empire District Electric	Rebuttal	Fuel Adjustment Clause
ER-2008-0093	Empire District Electric	Surrebuttal	Plant in Service

Schedule 2

Is Deemed

Highly Confidential

In Its Entirety