

Exhibit No.:  
Issues: Fuel Adjustment Clause - True-  
Up of Sixth Recovery Period  
Witness: Erik C. Wenberg  
Sponsoring Party: Union Electric Co.  
Type of Exhibit: Direct Testimony  
Case No.: ER-2013-\_\_\_\_\_  
Date Testimony Prepared: July 26, 2012

**MISSOURI PUBLIC SERVICE COMMISSION**

**DIRECT TESTIMONY**

**OF**

**ERIK C. WENBERG**

**July, 2012**  
**St. Louis, Missouri**

**NP**

**DIRECT TESTIMONY**

**OF**

**ERIK C. WENBERG**

**Case No. ER-2013-\_\_\_\_\_**

1 **Q: Please state your name and business address.**

2 A: My name is Erik C. Wenberg. My business address is One Ameren Plaza, St. Louis,  
3 Missouri.

4 **Q: By whom and in what capacity are you employed?**

5 A: I am employed by Ameren Services Company (“Ameren Services”) as Manager,  
6 Wholesale Power and Fuel Accounting. Ameren Services provides various corporate  
7 support services to Union Electric Company d/b/a Ameren Missouri (“Company” or  
8 “Ameren Missouri”), including settlement and accounting related to fuel, purchased  
9 power and off-system sales.

10 **Q: What is the purpose of your testimony?**

11 A: My testimony supports the sixth true-up filing being made by Ameren Missouri under 4  
12 CSR 240-20.090(5) and the Company’s approved fuel adjustment clause (“FAC”). The  
13 terms of the FAC are reflected in the FAC tariff -- Rider FAC -- on file with the  
14 Commission.

15 **Q: What is the purpose of a true-up filing in the context of Ameren Missouri’s FAC?**

1 A: The purpose of a true-up filing is to identify the calculated difference between Actual Net  
2 Fuel Costs<sup>1</sup> and Net Base Fuel Costs that were over- or under-recovered from customers  
3 during the sixth Recovery Period<sup>2</sup> prescribed by the FAC.

4 **Q: Please briefly explain the FAC process, including the accumulation periods, filing**  
5 **dates, recovery and true-up periods.**

6 A: The FAC process is outlined in the Company's FAC tariff. It begins with an  
7 Accumulation Period which covers a four-month period in which the Company's Actual  
8 Net Fuel Costs are accumulated and compared to the Net Base Fuel Costs calculated in  
9 accordance with the FAC tariff. The difference between the Net Base Fuel Costs and the  
10 Actual Net Fuel Costs is the amount recovered from or refunded to customers for the  
11 Recovery Period at issue, based upon an estimate or projection of the kilowatt-hour  
12 ("kWh") sales that are expected during the Recovery Period. This recovery, over the 12-  
13 month Recovery Period at issue in this docket, occurs via application to customer bills of  
14 Fuel and Purchased Power Adjustment ("FPA<sub>c</sub>") rates (which are differentiated by  
15 voltage, as provided for in the FAC tariff). New FPA<sub>c</sub> rates take effect every four  
16 months. After a Recovery Period, a true-up is filed which finalizes, based upon actual  
17 kWh sales data from the Recovery Period at issue, the over-or under-recovered amount  
18 for the Recovery Period at issue. That amount is then included in the next FPA<sub>c</sub> rates  
19 adjustment filing.

20 **Q: What was the timing of the accumulation and recovery relating to this true-up?**

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<sup>1</sup> Capitalized terms not otherwise defined in this testimony have the meaning given them in the Company's FAC tariff, Rider FAC.

<sup>2</sup> This sum has been included in the new FPA<sub>c</sub> rates filed in the 10<sup>th</sup> Accumulation Period docket filed concurrently with this filing, as described in my direct testimony filed in that docket.

1 A: The Accumulation Period was October 1, 2010 through January 31, 2011. The Recovery  
2 Period for that Accumulation Period was June 1, 2011 through May 31, 2012.<sup>3</sup>

3 **Q: Why would there be a difference between the accumulated over- or under-recovery**  
4 **and the amount collected during the Recovery Period?**

5 A: As noted earlier, the FPA<sub>c</sub> rates are calculated based upon estimated kWh sales for the  
6 Recovery Period. Since the FPA rates are based upon an estimated number, once actual  
7 sales are recorded, a difference will always exist between the estimate and the actual  
8 kWh billed.

9 **Q: What was the over- or under-recovery for the Recovery Period at issue in this**  
10 **filing?**

11 A: There was an under-recovery from customers during the Recovery Period due to the  
12 difference between actual and estimated kWh sales and. Accounting for the under-  
13 recovery due to the variance between estimated and actual kWh sales, and interest at the  
14 Company's short-term borrowing rate, as provided for in the FAC tariff and the  
15 Commission's FAC rules, the total true-up adjustment arising from the true-up of the  
16 subject Recovery Period requires an additional recovery from customers of \$610,523.  
17 Schedule EW-TU6 to this testimony (and Attachment A to that schedule) contains details  
18 of the calculations that produce the sum to be recovered from customers.

19 **Q: How will that sum be recovered?**

20 A: As earlier noted, it has been included as part of the adjustment to the FPA<sub>c</sub> rates being  
21 filed concurrently with the initiation of this docket.

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<sup>3</sup> The Recovery Period in this true-up filing is 12 months, as provided for in the Rider FAC in effect through July 30, 2012, when a new Rider FAC was established in Case No. ER-2011-0028. The Accumulation Period filing being made concurrently with this filing is the first Accumulation Period filing being made after the end of this Recovery Period.

1 Q: Does this conclude your direct testimony?

2 A: Yes, it does.



**SCHEDULE EW-TU6  
HAS BEEN MARKED  
HIGHLY CONFIDENTIAL IN  
ITS ENTIRETY**