

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service Commission held at its office in Jefferson City on the 19th day of January, 2023.

In the Matter of the Adjustment of Union)
Electric Company d/b/a Ameren Missouri's) **File No. ER-2023-0181**
Fuel Adjustment Clause for the 41st) Tracking No. YE-2023-0096
Accumulation Period)

In the Matter of the True-Up of Union)
Electric Company d/b/a Ameren Missouri's) **File No. EO-2023-0182**
Fuel Adjustment Clause for the 38th)
Recovery Period)

**ORDER APPROVING FUEL ADJUSTMENT TRUE-UP
AND APPROVING TARIFF TO CHANGE FUEL ADJUSTMENT RATES**

Issue Date: January 19, 2023

Effective Date: February 1, 2023

On December 2, 2023, in File No. ER-2023-0181, Union Electric Company d/b/a Ameren Missouri submitted a tariff sheet (Tracking No. YE-2023-0096) revising its Fuel Adjustment Rate (FAR) of its Fuel Adjustment Clause (FAC) for its 41st accumulation period ending September 30, 2022. Ameren Missouri also submitted a tariff revision, in File No. EO-2023-0182, containing its 38th true-up filing for its FAC. Ameren Missouri requests the Commission authorize a true-up adjustment and implement it under its FAC tariff sheet bearing an effective date of February 1, 2023.

FAC True-Up

The true-up amount identified in File No. EO-2023-0182 is the result of an over-collection of \$4,155,947, plus interest of \$772,840, from customers during Recovery Period 38 from February 1, 2022 through September 30, 2022 (RP38). The total true-up amount of \$4,928,787 is included in the calculation of the Fuel and Purchased Power

Adjustment included in Ameren Missouri's Accumulation Period 41 (AP41) adjustment filing in File No. ER-2023-0181.

Staff filed its recommendation regarding Ameren Missouri's true-up on December 27, 2022, which indicated Staff examined the direct testimony of J. Neil Graser, supporting schedules, and workpapers Ameren Missouri provided with its application and the monthly reports Ameren Missouri submitted to the Commission. Staff reviewed the calculations including the interest amounts and agreed with those calculations. Staff recommended the Commission approve the RP38 true-up filing for inclusion in Ameren Missouri's AP41 adjustment in File No. ER-2023-0181.

Based on the Commission's review of the verified filings, the Commission finds that it is in the public interest to approve Ameren Missouri's application and authorize it to include the calculated amount in its next FAC accumulation period as previously described.

FAC Tariff Sheet

With regard to Ameren Missouri's request to approve its FAC tariff sheet in File No. ER-2023-0181, the dollar amount used to calculate the Fuel and Purchased Power Adjustment amount in the proposed rate schedules for AP41 is \$61,931,452. This amount is the sum of fuel and purchased power amount to be recovered from customers for AP41 of \$66,426,006, interest of (\$338,607),¹ and the true-up amount without interest of (\$4,155,947). Based on an average usage of 1,000 kWh per month, Ameren Missouri's requested adjustment would result in an increase in the bill of a typical residential customer of approximately \$3.57 per month.

¹ Interest was calculated as the sum of \$434,233 for AP41 and (\$772,840) for RP38.

Because of the differences in line losses there are different FARs for service taken at the Secondary, Primary, High Voltage, and Transmission voltage levels. Ameren Missouri's FARs are set out in the table below:

Fuel Adjustment Rates (\$ per kWh)			
Service Voltage Level	Current FAR	Proposed FAR	Difference
Secondary	\$0.00270	\$ 0.00627	\$0.00357 Increase
Primary	\$0.00262	\$0.00608	\$0.00346 Increase
High Voltage	\$0.00258	\$0.00598	\$0.00340 Increase
Transmission	\$0.00254	\$0.00590	\$0.00336 Increase

Mr. Graser explained the increase in the FAR as follows:

The primary factors driving this change in the FAR were higher fuel costs and purchased power costs for load partially offset by higher net capacity sales revenue and higher off-system sales margins in [AP41] as compared to [AP39] and the net base energy costs applicable to each period. Increases in the fuel and purchased power costs for load during [AP41] as compared to [AP39] and the net base energy costs applicable to each period is primarily due to the elevated natural gas prices and reduced coal-fired generation during [AP41]²

The Commission's Staff filed a recommendation regarding Ameren Missouri's tariff sheet on December 27, 2022. Staff verified that Ameren Missouri's actual fuel and purchased power costs and emissions costs, net of off-system sales revenues, match the fuel and purchased power costs and emissions costs, net of off-system sales revenues in the company's calculated rates set out in the submitted tariff sheet. Staff also reviewed Ameren Missouri's monthly interest rates that are applied to the 95% of the over/under Net Base Energy Cost amount and verified that the monthly interest rates and calculations of monthly interest amounts are correct for AP41. Staff also verified

² Direct Testimony of J. Neil Graser, pp. 4-5.

that the change in the FAC rate resulting from this application will not cause Ameren Missouri to exceed its allowable cumulative annual growth rate cap percentage of 2.85% that it must comply with under state law due to its adoption of plant-in-service accounting. Staff recommended the Commission approve the proposed tariff sheet to become effective on February 1, 2023, subject to true-up and prudence reviews.

Commission Rule 20 CSR 4240-20.090(8)(G) allows parties 40 days from filing to respond to an FAR adjustment. More than 40 days have elapsed and no party other than Staff has responded to either File No. ER-2023-0181 or File No. EO-2023-0182.

The Commission's rule regarding FACs requires the Commission to issue an order approving or rejecting the company's tariff within 60 days of its filing.³ If the FAC rate adjustment complies with the Commission's rule, Section 386.266, RSMo, and the FAC mechanism established in the most recent general rate proceeding, the Commission is required to approve the rate adjustment or allow the proposed tariff implementing the adjustment go into effect by operation of law.⁴

The Commission has reviewed Ameren Missouri's verified application, the proposed tariff sheet, and Staff's verified recommendation and memorandum and finds that the tariff sheet implementing the FAC rate adjustment is in compliance with the Commission's order establishing the FAC and with all applicable statutes and regulations. Therefore, the Commission will approve Ameren Missouri's proposed tariff sheet.

Without Commission action, the tariff sheet will become effective by operation of law on February 1, 2023. Additionally, as noted above, the Commission's rule requires

³ Commission Rule 20 CSR 4240-20.090(8).

⁴ Commission Rule 20 CSR 4240-20.090(8).

an order be issued within 60 days of the tariff sheet filing. Therefore, the Commission finds it reasonable to make this order effective in less than 30 days.

THE COMMISSION ORDERS THAT:

1. The true-up amount for Recovery Period 38 is established for Ameren Missouri as an over-collection of \$4,928,787 from its customers and shall be reflected in the rate adjustment in File No. ER-2023-0181.
2. Ameren Missouri's tariff filing in File No. ER-2023-0181, assigned Tracking No. YE-2023-0096, is approved to be effective February 1, 2023, as an interim rate adjustment, subject to true-up and prudence reviews.
3. This order shall be effective on February 1, 2023.
4. These files shall close on February 2, 2023.



BY THE COMMISSION

A handwritten signature in black ink that reads "Morris L. Woodruff". The signature is written in a cursive, flowing style.

Morris L. Woodruff
Secretary

Rupp, Chm., Coleman, Holsman, and
Kolkmeier CC., concur.

Seyer, Regulatory Law Judge


STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission,
at Jefferson City, Missouri, this 19th day of January, 2023.





Morris L. Woodruff
Secretary

MISSOURI PUBLIC SERVICE COMMISSION

January 19, 2023

File/Case No. ER-2023-0181 and EO-2023-0182

**Missouri Public Service
Commission**

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Enclosed find a certified copy of an Order or Notice issued in the above-referenced matter(s).

Sincerely,



**Morris L. Woodruff
Secretary**

Recipients listed above with a valid e-mail address will receive electronic service. Recipients without a valid e-mail address will receive paper service.