

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 Factors to be Audited in its)	Case No. GR-2006-0333
2005-2006 Actual Cost Adjustment.)	

STAFF RECOMMENDATION

COMES NOW the Staff ("Staff") of the Missouri Public Service Commission ("Commission") in the above-captioned matter and for its recommendation states as follows:

1. On October 17, 2006, Union Electric Company d/b/a AmerenUE (Ameren), filed four (4) tariff sheets to reflect changes in UE's Purchased Gas Adjustment (PGA) factors as a result of estimated changes in the cost of natural gas for the upcoming winter season, as well as changes in the Actual Cost Adjustment (ACA) factor. Ameren has requested that the tariff sheets go into effect on November 1, 2006.

2. Ameren has service territories with different suppliers, so it has separate PGA's for each area. Staff's memorandum details the PGA factors for each area.

3. The Commission's Energy Department Staff (Staff) has reviewed this filing and recommends that the Commission approve the rates on the proposed tariff sheets as calculated in conformance with Ameren's Commission approved tariff. Please see Staff's Report attached to this pleading.

4. Staff recommends the Commission approve these rates on an interim subject to refund basis only, pending evaluation of the prudence of the Company's gas purchasing processes and procedures.

WHEREFORE, the Staff recommends that the Commission approve Ameren's requested tariff changes to its PGA rates, interim, subject to refund only.

Respectfully submitted,

/s/ Lera L. Shemwell
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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 23rd day of October, 2006.

/s/ Lera L. Shemwell