

Exhibit No.:  
Issues: Fuel Adjustment Clause  
Witness: Matthew J. Barnes  
Sponsoring Party: MO PSC Staff  
Type of Exhibit: Rebuttal Testimony  
Case No.: ER-2014-0258  
Date Testimony Prepared: January 16, 2015

**MISSOURI PUBLIC SERVICE COMMISSION**

**REGULATORY REVIEW DIVISION**

**REBUTTAL TESTIMONY**

**OF**

**MATTHEW J. BARNES**

**UNION ELECTRIC COMPANY d/b/a AMEREN MISSOURI**

**CASE NO. ER-2014-0258**

*Jefferson City, Missouri  
January 2015*

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

**NP**

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

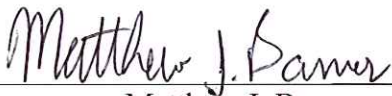
In the Matter of Union Electric Company )  
d/b/a Ameren Missouri's Tariff to Increase )  
Its Revenues for Electric Service )

Case No. ER-2014-0258

**AFFIDAVIT OF MATTHEW J. BARNES**

STATE OF MISSOURI    )  
                                  ) ss  
COUNTY OF COLE     )

Matthew J. Barnes, 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 3 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.

  
\_\_\_\_\_  
Matthew J. Barnes

Subscribed and sworn to before me this 16<sup>th</sup> day of January, 2015.

SUSAN L. SUNDERMEYER  
Notary Public - Notary Seal  
State of Missouri  
Commissioned for Callaway County  
My Commission Expires: October 28, 2018  
Commission Number: 14942086

  
\_\_\_\_\_  
Notary Public

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**REBUTTAL TESTIMONY**

**OF**

**MATTHEW J. BARNES**

**UNION ELECTRIC COMPANY d/b/a AMEREN MISSOURI**

**CASE NO. ER-2014-0258**

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**Correction to Staff's FAC Base Factor ..... 2**

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**Response to OPC Witness Lena M. Mantle ..... 3**



1 **Correction to Staff's FAC Base Factor**

2 Q. Please explain the corrections to Staff's FAC Base Factor ("BF") rates filed in  
3 the CCOS.

4 A. Staff first corrects the summer BF rate from \*\* \_\_\_\_\_ \*\* per kWh to  
5 \*\* \_\_\_\_\_ \*\* per kWh and the winter BF rate from \*\* \_\_\_\_\_ \*\* per kWh to  
6 \*\* \_\_\_\_\_ \*\* per kWh.<sup>1</sup> The BF rates filed in the CCOS included replacement power  
7 insurance that should have been excluded from the calculation of the BF rates. Replacement  
8 power insurance is not a variable cost that should flow through the FAC as a "fuel and  
9 purchased power expense."

10 Q. Did the BF rates change by removing replacement power insurance from the  
11 BF calculations?

12 A. Yes. The summer BF rate is reduced from \*\* \_\_\_\_\_ \*\* per kWh to  
13 \*\* \_\_\_\_\_ \*\* per kWh and the winter BF rate is reduced from \*\* \_\_\_\_\_ \*\* per kWh to  
14 \*\* \_\_\_\_\_ \*\* per kWh.

15 **Response to MIEC Witness Maurice Brubaker**

16 Q. What is your understanding of Mr. Brubaker's FAC proposal on behalf of the  
17 MIEC concerning Noranda?

18 A. Mr. Brubaker proposes to create a new tariff rate schedule applicable to  
19 Aluminum Smelters under rate classification 10(M) and leave the current Large Transmission  
20 Service rate schedule 12(M) unchanged for future use by other large transmission customers.  
21 Noranda is currently the only customer on the Large Transmission Service rate.

22 Q. Does Staff support Mr. Brubaker's proposal to move Noranda from the Large  
23 Transmission Service rate schedule 12(M) to the new rate schedule 10(M)?

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<sup>1</sup> Staff's Class Cost of Service, page 41, line 14 filed December 19, 2014.

Rebuttal Testimony of  
Matthew J. Barnes

1           A.     Not at this time. Staff witness Michael S. Scheperle explains Noranda's  
2 proposals and Staff's recommendation in more detail in his rebuttal testimony.

3           **Response to OPC Witness Lena M. Mantle**

4           Q.     On page 25, lines 13 through 15, of Ms. Mantle's direct testimony, she  
5 suggests removal of the "Adjustment For Reduction of Service Classification 12(M) Billing  
6 Determinants" from Ameren Missouri's current FAC tariff sheet or at a minimum change the  
7 language. How do you respond?

8           A.     Staff does not agree that the language should be deleted from Ameren  
9 Missouri's current FAC tariff sheet. However, if the Commission decides the language  
10 should be changed, as Ms. Mantle suggests as an alternative, the Commission should set the  
11 exclusion of off-system sales amount to no more than the fixed costs set in this rate case.

12          Q.     Does Staff recommend an amount for the Commission to set in this case?

13          A.     Yes. Staff witness Sarah Kliethermes recommends an amount in her rebuttal  
14 testimony.

15          Q.     Does this conclude your testimony?

16          A.     Yes.