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Public Counsel
ER-2016-0179

REBUTTAL TESTIMONY

OF

LENA M. MANTLE

Submitted on Behalf of the Office of the Public Counsel

UNION ELECTRIC COMPANY
D/B/A AMEREN MISSOURI

FILE NO. ER-2016-0179

January 20, 2017

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


In the Matter of Union Electric)
Company d/b/a Ameren Missouri's)
Tariffs to Increase Its Revenues)
for Electric Service) File No. ER-2016-0179

AFFIDAVIT OF LENA M. MANTLE

STATE OF MISSOURI)
)
COUNTY OF COLE) **ss**

Lena M. Mantle, of lawful age and being first duly sworn, deposes and states:

1. My name is Lena M. Mantle. I am a Senior Analyst for the Office of the Public Counsel.
2. Attached hereto and made a part hereof for all purposes is my rebuttal testimony.
3. I hereby swear and affirm that my statements contained in the attached testimony are true and correct to the best of my knowledge and belief.




Lena M. Mantle
Senior Analyst

Subscribed and sworn to me this 20th day of January 2017.



JERENE A. BUCKMAN
My Commission Expires
August 23, 2017
Cole County
Commission #13754037



Jerene A. Buckman
Notary Public

My Commission expires August 23, 2017.

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REBUTTAL TESTIMONY

OF

LENA M. MANTLE

UNION ELECTRIC COMPANY d/b/a AMEREN MISSOURI

FILE NO. ER-2016-0179

INTRODUCTION

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Q. Please state your name and business address.

A. My name is Lena M. Mantle and my business address is P.O. Box 2230, Jefferson City, Missouri 65102.

Q. Are you the same Lena M. Mantle that provided direct testimony in this case?

A. Yes.

Q. What is the purpose of your rebuttal testimony?

A. This rebuttal testimony responds to Ameren Missouri witnesses Lynn M. Barnes and Andrew Meyer regarding Ameren Missouri's proposed fuel adjustment clause ("FAC"). Ameren Missouri has provided a small amount of transparency regarding the costs and revenues it is including in its FAC and the Commission can now catch a glimpse, for the first time since Ameren Missouri has sought an FAC, of how these costs and revenues do not actually fall into the categories allowed by statute.

1 **Q. Does OPC make a recommendation in this testimony?**

2 A. Yes. OPC recommends the Commission take advantage of the opportunity
3 provided to it through the provision of a more comprehensive list of Ameren
4 Missouri's proposed FAC costs and revenues. The Commission should use this
5 occasion to determine that many of these costs are not fuel and purchased power
6 costs, including transportation, and should not be included in Ameren Missouri's
7 FAC.

8 Further, OPC recommends the continuation of one non-summer FAC base
9 factor or a single FAC base factor for the entire year. OPC also supports the
10 removal of the adjustment for reduction of service in the 12(M) and 13(M) rate
11 classifications from the FAC tariff sheets.

12 **Q. Are there other OPC witnesses providing testimony regarding Ameren
13 Missouri's proposed FAC?**

14 A. Yes. Charles Hyneman is providing detail regarding the appropriate fuel cost to
15 include in the FAC. John Riley provides rebuttal testimony to Ameren Missouri's
16 testimony regarding the volatility of FAC costs and revenues and the improper
17 practice of Ameren Missouri of placing new costs and revenues in the FAC
18 between rate cases. John Robinett is providing testimony regarding the purpose of
19 heat rate testing required by the FAC rule 4 CSR 240-3.161.

20

APPROPRIATE COSTS AND REVENUES FOR AN FAC

Q. Has OPC changed its recommendation regarding the costs and revenues the Commission should allow in Ameren Missouri’s FAC?

A. No, it has not. OPC recommends the Commission approve an FAC for Ameren Missouri with the following costs and revenues:

1. Only the following prudently incurred costs shall be included:
 - a. Delivered fuel commodity costs including:
 - i. Inventory adjustments to the commodities;
 - ii. Adjustments to cost due to quality of the commodity; and
 - iii. Taxes on fuel commodities;
 - b. The cost of transporting the commodity to the generation plants;
 - c. The cost of power purchased to meet its native load; and
 - d. Transmission cost directly incurred by Ameren Missouri for purchased power and off-system sales.
2. These costs would be offset by:
 - a. Off-system sales revenue net of the cost of generation or purchased power to make those sales; and
 - b. Net insurance recoveries, subrogation recoveries and settlement proceeds related to costs and revenues included in the FAC.

Q. Would you summarize Ameren Missouri’s request with respect to its FAC?

A. Ameren Missouri’s position is that very little has changed since the Commission first allowed Ameren Missouri an FAC.¹ Therefore, Ameren Missouri proposes to only 1) update the FAC base factor, 2) update the percentage of MISO costs that are included in its FAC, and 3) split the non-summer FAC base factor into two non-summer base factors resulting in three FAC base factors.

¹ Direct Testimonies of Lynn M. Barnes, page 3 and Andrew Meyer, page 15

1 **Q. Does OPC agree with Ameren Missouri that very little has changed since**
2 **Ameren Missouri was first allowed an FAC?**

3 A. No, it does not. The fact that change has occurred is substantiated by the
4 Commission's finding in Ameren Missouri's last rate case, ER-2014-0258, when
5 it stated in its Report and Order:²

6 The drafters of the FAC statute likely did not envision a situation
7 where a utility would consider all its generation purchased power
8 or off-system sales. In fact, the policy underlying the FAC statute is
9 clear on its face. The statute is meant to insulate the utility from
10 unexpected and uncontrollable fluctuations in transportation costs
11 of purchased power. At the time the statute was drafted, and even
12 in our more complex present-day system, the costs of transporting
13 energy in addition to the energy generated by the utility or energy
14 in excess of what the utility needs to serve its load are the costs that
15 are unexpected and out of the utility's control to such an extent that
16 a deviation from traditional rate making is justified.

17
18 **Q. Does OPC agree with Ameren Missouri that only minor modifications need**
19 **to be made to Ameren Missouri's FAC?**

20 A. No, it does not. Even though Section 386.266 RSMo was enacted over ten years
21 ago, OPC does not believe the FAC in Missouri has evolved to where only minor
22 changes are needed in each rate case in order to justify a continuation of this
23 mechanism.

24 **Q. Why?**

25 A. First of all, OPC does not believe the concept of what is included in an FAC or
26 how an FAC is structured should be taken lightly. This mechanism moves

1 considerable risk of cost recovery away from the electric utility, which Ms. Barnes
2 admits has some control over fuel and purchased power costs,³ to the customers.
3 As recognized by the Commission, this shift in risk weakens the incentive for
4 utility management to act as efficiently as possible in the management of the costs
5 and revenues included in the FAC. An FAC should never be treated as a right for
6 the electric utility. Rather, it is a privilege that should be carefully granted.

7 **Q. Is there a reason why the Commission should not just approve the minor**
8 **modifications proposed by Ameren Missouri in this case?**

9 A. Yes, there is. The seventeen page Schedule LMB-2 Attachment C to the direct
10 testimony of Lynn M. Barnes provides a list of the costs and revenues in Ameren
11 Missouri’s current FAC and a short explanation of some of these costs and
12 revenues. While not the complete explanation envisioned by the Commission in
13 its FAC rulemaking, this schedule provides more information to the Commission
14 than has ever been filed before regarding what costs are currently included, and
15 what Ameren Missouri proposes to continue, in its FAC.

16 The Commission has repeatedly confirmed in its Report and Orders the
17 ultimate determination of the FAC is the Commission’s, not the wish of the
18 electric utility. In ER-2014-0370, the Commission stated it clearly: “It is the

² Page 115

³ Direct testimony, page 7.

1 Commission that should make the determination as to what cost or revenues
2 should flow through the FAC, not the electric utility.”

3 **Q. Did Ameren Missouri provide a complete list of the costs and revenues it is**
4 **requesting be included in its FAC?**

5 A. No. As I stated in my direct testimony, my limited review of the September 2016
6 monthly FAC submission revealed at least one cost not found in Ameren
7 Missouri’s direct filing. Schedule LMB-2 Attachment C does not contain a
8 description of the costs in FERC Account 501.006 with a resource type of “34” or
9 “EC,” which are included in Ameren Missouri’s FAC according to its September
10 FAC report submission. A more detailed review may have revealed more costs
11 and revenues not included in the list provided by Ameren Missouri.

12 **Q. Is it your opinion Ameren Missouri did not provide a description of these**
13 **costs in an attempt to hide these costs from the Commission?**

14 A. No. This is symptomatic of a couple of the problems with the current FACs. The
15 first is the generic descriptions provided in previous cases by Ameren Missouri
16 have resulted in no one knowing exactly what is included in the FAC. According
17 to the current filing, Ameren Missouri has been including these costs in the FAC
18 for a while. Other than vague terms provided in the monthly reports, such as
19 “Fuel – fly ash”, “Purchasing rate-AP Loading”⁴, and “Contract Services”⁵ there

⁴ Resource type 34

1 are no description of some of the costs. Therefore these costs may fall under the
2 high level description provided in the FAC tariff sheets. It is hard to tell.

3 The second problem is the large number of included costs and revenues; so
4 many even Ameren Missouri, with all of its resources, could easily overlook a
5 cost or revenue when attempting to provide a comprehensive list of the costs and
6 revenues it includes in its FAC for the first time.

7 **Q. How do the fuel costs requested by Ameren Missouri compare to the fuel**
8 **costs the Federal Energy Regulatory Commission (“FERC”) allows in FACs**
9 **for wholesale customers?**

10 A. FERC has a very concise definition of fuel costs. 18 CFR Part 35.14 (a)(2)(i),
11 attached as Schedule LM-R-1 states:

12 Fossil and nuclear fuel consumed in the utility’s own plants, and
13 the utility’s share of fossil and nuclear fuel consumed in jointly
14 owned or leased plants.

15 It further defines fuel in (a)(6) as

16 The cost of fossil fuel shall include no items other than those listed
17 in Account 151 of the Commission’s Uniform System of Accounts
18 for Public Utilities and Licensees. The cost of nuclear fuel shall be
19 that as shown in Account 518, except that if Account 518 also
20 contains any expense for fossil fuel which has already been
21 included in the cost of fossil fuel, it shall be deducted from this
22 account.

23 **Q. What does this mean?**

⁵ Resource type EC

1 A. I am not an accountant but it has been explained to me that when coal, natural gas,
2 and oil are purchased, the costs are booked in FERC account 151; an asset
3 account. When the fuel is burned in a generation plant, the commodity and
4 directly assignable costs - such as transportation and taxes - are moved from
5 Account 151 to Account 501 (coal) or Account 547 (natural gas and oil). With
6 respect to uranium, its cost is directly booked to FERC Account 518. This is in
7 line with OPC's recommendation regarding the fuel costs that should be included
8 in Ameren Missouri's FAC.

9 **Q. What is Ameren Missouri's proposal for fuel costs?**

10 A. Ameren Missouri's proposal can be found on the first three pages of Schedule
11 LMB-2 Attachment C to the direct testimony of Lynn M. Barnes. This schedule
12 includes some of the direct costs booked to Accounts 501 and 547 as described by
13 FERC but also contains indirect costs.

14 **Q. What does FERC have to say about including indirect costs in an FAC?**

15 A. In 18 CFR Part 35.14(a) FERC states its position that fuel adjustment clauses not
16 in conformity with its principles are not in the public interest. The United States
17 Court of Appeals upheld this narrow definition when it stated:⁶

18 The FERC has previously and consistently construed the "other
19 expenses directly assignable" language in a restrictive manner. The
20 FERC denied FAC treatment for limestone (a pollution control
21 agent used in the process of high sulfur coal), operating and
22 maintenance expenses, depreciation and property taxes on oil

⁶ Minnesota Power and Light v. FERC 852 F.2d 1070 ¶ 9 (8th Cir. 1988)

1 storage tanks, finance charges, exploration and development costs,
2 and deferred fuel expenses. As the Commission points out, all
3 these expenses, while related to fuel and properly recoverable
4 through the rate making process if prudently incurred, are not
5 mentioned in Account 151 and therefore not properly assigned to
6 that account according to Sec. 35.14(a)(6). (footnotes omitted)

7
8 **Q. How does this apply to the Commission’s consideration of other costs and**
9 **revenues to be included in Ameren Missouri’s FAC?**

10 A. Limiting the number of costs and revenues included in Ameren Missouri’s FAC to
11 the specific pre-defined list recommended by OPC would make Ameren
12 Missouri’s FAC more transparent, easier to audit, consistent with FERC
13 guidelines, and better suited with the public interest.

14
15 **FAC BASE FACTORS**

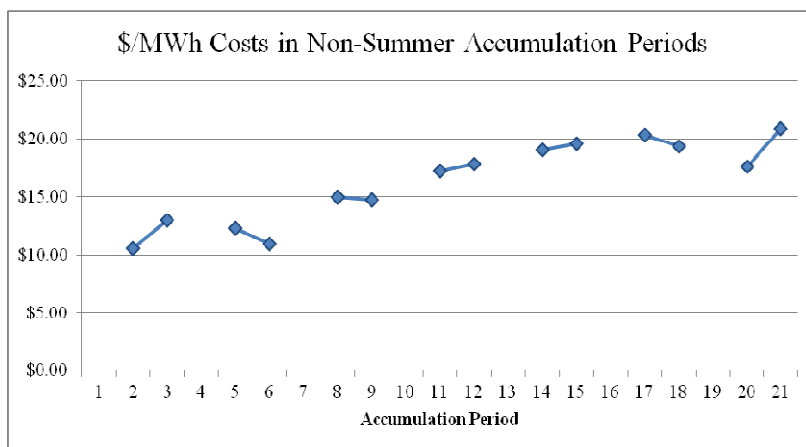
16 **Q. Does OPC agree with three FAC base factors as proposed by Ameren**
17 **Missouri?**

18 A. No, it does not. If there is a difference in FAC costs and revenues between the
19 first four non-summer months (October through January) and the second four non-
20 summer months (February through May), a pattern should emerge regarding the
21 historical costs. Ameren Missouri’s normalized estimates the FAC costs for
22 October through January are almost ten percent higher (\$17.39/MWh) than
23 February through May (\$15.87/MWh). If this relationship is real, the historical

1 cost per MWh for the October through January would typically be higher than the
2 cost for February through May.

3 **Q. Has this been observed in actual fuel costs?**

4 A. No, it has not. I created the table below showing the \$/MWh costs in the non-
5 summer accumulation periods from Actual Net Energy Costs from Ameren
6 Missouri’s FAC tariff sheets approved by the Commission.



7
8 If Ms. Barnes’ theory was correct, each line segment should slope down, i.e., the
9 \$/MWh in the October through January accumulation periods⁷ would be greater
10 than the \$/MWh in the February through May accumulation periods.⁸ However,
11 this pattern does not exist in the historical numbers.

12 **Q. What is OPC’s recommendation with respect to the FAC base factors?**

⁷ Accumulation periods 3, 6, 9, 12, 15, 18, and 21.

⁸ Accumulation periods 4, 7, 10, 13, 16, 19, and 22.

1 A. OPC recommends there continue to be only one non-summer FAC base factor or
2 there be a single FAC base factor for the entire year.

3 **REMOVAL OF THE N-FACTOR ADJUSTMENT**

4 **Q. Does OPC agree with Ms. Barnes proposal to eliminate the adjustment**
5 **related to load reductions for rate classifications 12(M) and 13(M),**
6 **commonly referred to as the N-Factor, in the FAC tariff sheets?**

7 A. Yes. With the drastic reduction in usage at the Noranda smelter site and the
8 allocation of costs to other classes in this case, this adjustment should be removed.

9 **Q. Does this conclude your rebuttal testimony?**

10 A. Yes.

§35.14

The filing utility shall describe generally its program for providing reliable and economic power for the period beginning with the date of the filing and ending with the tenth year after the test period. The statement shall include an assessment of the relative costs of adopting alternative strategies including an analysis of alternative production plant, *e.g.*, cogeneration, small power production, heightened load management and conservation efforts, additions to transmission plant or increased purchases of power, and an explanation of why the program adopted is prudent and consistent with a least-cost energy supply program.

(Federal Power Act, 16 U.S.C. 791-828c; Dept. of Energy Organization Act, 42 U.S.C. 7101-7352; E.O. 12009, 42 FR 46267, 3 CFR 142 (1978); Pub. L. 96-511, 94 Stat. 2812 (44 U.S.C. 3501 *et seq.*))

[Order 91, 45 FR 46363, July 10, 1980]

EDITORIAL NOTE: For FEDERAL REGISTER citations affecting §35.13, see the List of CFR Sections Affected, which appears in the Finding Aids section of the printed volume and on GPO Access.

Subpart C—Other Filing Requirements

§35.14 Fuel cost and purchased economic power adjustment clauses.

(a) Fuel adjustment clauses (fuel clause) which are not in conformity with the principles set out below are not in the public interest. These regulations contemplate that the filing of proposed rate schedules, tariffs or service agreements which embody fuel clauses failing to conform to the following principles may result in suspension of those parts of such rate schedules, tariffs, or service agreements:

(1) The fuel clause shall be of the form that provides for periodic adjustments per kWh of sales equal to the difference between the fuel and purchased economic power costs per kWh of sales in the base period and in the current period:

Adjustment Factor = $F_m/S_m - F_b/S_b$

Where: *F* is the expense of fossil and nuclear fuel and purchased economic power in the base (*b*) and current (*m*) periods; and *S* is the kWh sales in the

18 CFR Ch. I (4-1-10 Edition)

base and current periods, all as defined below.

(2) Fuel and purchased economic power costs (*F*) shall be the cost of:

(i) Fossil and nuclear fuel consumed in the utility's own plants, and the utility's share of fossil and nuclear fuel consumed in jointly owned or leased plants.

(ii) The actual identifiable fossil and nuclear fuel costs associated with energy purchased for reasons other than identified in paragraph (a)(2)(iii) of this section.

(iii) The total cost of the purchase of economic power, as defined in paragraph (a)(11) of this section, if the reserve capacity of the buyer is adequate independent of all other purchases where non-fuel charges are included in either *F_b* or *F_m*;

(iv) Energy charges for any purchase if the total amount of energy charges incurred for the purchase is less than the buyer's total avoided variable cost;

(v) *And less* the cost of fossil and nuclear fuel recovered through all inter-system sales.

(3) Sales (*S*) must be all kWh's sold, excluding inter-system sales. Where for any reason, billed system sales cannot be coordinated with fuel costs for the billing period, sales may be equated to the sum of: (i) Generation, (ii) purchases, (iii) exchange received, less (iv) energy associated with pumped storage operations, less (v) inter-system sales referred to in paragraph (a)(2)(iv) of this section, less (vi) total system losses.

(4) The adjustment factor developed according to this procedure shall be modified to properly allow for losses (estimated if necessary) associated only with wholesale sales for resale.

(5) The adjustment factor developed according to this procedure may be further modified to allow the recovery of gross receipts and other similar revenue based tax charges occasioned by the fuel adjustment revenues.

(6) The cost of fossil fuel shall include no items other than those listed in Account 151 of the Commission's Uniform System of Accounts for Public Utilities and Licensees. The cost of nuclear fuel shall be that as shown in Account 518, except that if Account 518 also contains any expense for fossil fuel

which has already been included in the cost of fossil fuel, it shall be deducted from this account. (Paragraph C of Account 518 includes the cost of other fuels used for ancillary steam facilities.)

(7) Where the cost of fuel includes fuel from company-owned or controlled¹ sources, that fact shall be noted and described as part of any filing. Where the utility purchases fuel from a company-owned or controlled source, the price of which is subject to the jurisdiction of a regulatory body, and where the price of such fuel has been approved by that regulatory body, such costs shall be presumed, subject to rebuttal, to be reasonable and includable in the adjustment clause. If the current price, however, is in litigation and is being collected subject to refund, the utility shall so advise the Commission and shall keep a separate account of such amounts paid which are subject to refund, and shall advise the Commission of the final disposition of such matter by the regulatory body having jurisdiction. With respect to the price of fuel purchases from company-owned or controlled sources pursuant to contracts which are not subject to regulatory authority, the utility company shall file such contracts and amendments thereto with the Commission for its acceptance at the time it files its fuel clause or modification thereof. Any subsequent amendment to such contracts shall likewise be filed with the Commission as a rate schedule change and may be subject to suspension under section 205 of the Federal Power Act. Fuel charges by affiliated companies which do not appear to be reasonable may result in the suspension of the fuel adjustment clause or cause an investigation thereof to be made by the Commission on its own motion under section 206 of the Federal Power Act.

(8) All rate filings which contain a proposed new fuel clause or a change in an existing fuel clause shall conform such clauses with the regulations. Within one year of the effectiveness of this rulemaking, all public utilities

with rate schedules that contain a fuel clause should conform such clauses with the regulations. Recognizing that individual public utilities may have special operating characteristics that may warrant granting temporary delays in the implementation of the regulations, the Commission may, upon showing of good cause, waive the requirements of this section of the regulations for an additional one-year period so as to permit the public utilities sufficient time to adjust to the requirements.

(9) All rate filings containing a proposed new fuel clause or change in an existing fuel clause shall include:

(i) A description of the fuel clause with detailed cost support for the base cost of fuel and purchased economic power or energy.

(ii) Full cost of service data unless the utility has had the rate approved by the Commission within a year, provided that such cost of service may not be required when an existing fuel cost adjustment clause is being modified to conform to the Commission's regulations.

(10) Whenever particular circumstances prevent the use of the standards provided for herein, or the use thereof would result in an undue burden, the Commission may, upon application under § 385.207 of this chapter and for good cause shown, permit deviation from these regulations.

(11) For the purpose of paragraph (a)(2)(iii) of this section, the following definitions apply:

(i) *Economic power* is power or energy purchased over a period of twelve months or less where the total cost of the purchase is less than the buyer's total avoided variable cost.

(ii) *Total cost of the purchase* is all charges incurred in buying economic power and having such power delivered to the buyer's system. The total cost includes, but is not limited to, capacity or reservation charges, energy charges, adders, and any transmission or wheeling charges associated with the purchase.

(iii) *Total avoided variable cost* is all identified and documented variable costs that would have been incurred by the buyer had a particular purchase not been made. Such costs include, but

¹ As defined in the Commission's Uniform System of Accounts 18 CFR part 101, Definitions 5B.

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are not limited to, those associated with fuel, start-up, shut-down or any purchases that would have been made in lieu of the purchase made.

(12) For the purpose of paragraph (a)(2)(iii) of this section, the following procedures and instructions apply:

(i) A utility proposing to include purchase charges other than those for fuel or energy in fuel and purchased economic power costs (F) under paragraph (a)(2)(iii) of this section shall amend its fuel cost adjustment clause so that it is consistent with paragraphs (a)(1) and (a)(2)(iii) of this section. Such amendment shall state the system reserve capacity criteria by which the system operator decides whether a reliability purchase is required. Where the utility filing the statement is required by a State or local regulatory body (including a plant site licensing board) to file a capacity criteria statement with that body, the system reserve capacity criteria in the statement filed with the Commission shall be identical to those contained in the statement filed with the State or local regulatory body. Any utility that changes its reserve capacity criteria shall, within 45 days of such change, file an amended fuel cost and purchased economic power adjustment clause to incorporate the new criteria.

(ii) Reserve capacity shall be deemed adequate if, at the time a purchase was initiated, the buyer's system reserve capacity criteria were projected to be satisfied for the duration of the purchase without the purchase at issue.

(iii) The total cost of the purchase must be projected to be less than total avoided variable cost, at the time a purchase was initiated, before any non-fuel purchase charge may be included in F_m .

(iv) The purchasing utility shall make a credit to F_m after a purchase terminates if the total cost of the purchase exceeds the total avoided variable cost. The amount of the credit shall be the difference between the total cost of the purchase and the total avoided variable cost. This credit shall be made in the first adjustment period after the end of the purchase. If a utility fails to make the credit in the first adjustment period after the end of the purchase, it shall, when making the

credit, also include in F_m interest on the amount of the credit. Interest shall be calculated at the rate required by § 35.19a(a)(2)(iii) of this chapter, and shall accrue from the date the credit should have been made under this paragraph until the date the credit is made.

(v) If a purchase is made of more capacity than is needed to satisfy the buyer's system reserve capacity criteria because the total costs of the extra capacity and associated energy are less than the buyer's total avoided variable costs for the duration of the purchase, the charges associated with the non-reliability portion of the purchase may be included in F .

(Approved by the Office of Management and Budget under control number 1902-0096)

(Federal Power Act, 16 U.S.C. 824d, 824e and 825h (1976 & Supp. IV 1980); Department of Energy Organization Act, 42 U.S.C. 7171, 7172 and 7173(c) (Supp. IV 1980); E.O. 12009, 3 CFR part 142 (1978); 5 U.S.C. 553 (1976))

[Order 271, 28 FR 10573, Oct. 2, 1963, as amended by Order 421, 36 FR 3047, Feb. 17, 1971; 39 FR 40583, Nov. 19, 1974; Order 225, 47 FR 19056, May 3, 1982; Order 352, 48 FR 55436, Dec. 13, 1983; 49 FR 5073, Feb. 10, 1984; Order 529, 55 FR 47321, Nov. 13, 1990; Order 600, 63 FR 53809, Oct. 7, 1998; Order 714, 73 FR 57532, Oct. 3, 2008; 73 FR 63886, Oct. 28, 2008]

§ 35.15 Notices of cancellation or termination.

(a) *General rule.* When a rate schedule, tariff or service agreement or part thereof required to be on file with the Commission is proposed to be cancelled or is to terminate by its own terms and no new rate schedule, tariff or service agreement or part thereof is to be filed in its place, a filing must be made to cancel such rate schedule, tariff or service agreement or part thereof at least sixty days but not more than one hundred-twenty days prior to the date such cancellation or termination is proposed to take effect. A copy of such notice to the Commission shall be duly posted. With such notice, each filing party shall submit a statement giving the reasons for the proposed cancellation or termination, and a list of the affected purchasers to whom the notice has been provided. For good cause shown, the Commission may by order provide that the notice of cancellation or termination shall be effective as of a