BEFORE THE PUBLIC SERVICE COMMISSION STATE OF MISSOURI

In the Matter of the Proposed Tariff Sheets for the)
Voluntary Missouri Energy Efficiency Refrigerator) Case Nos. EO-2006-
Bounty And Recycling Program of Union Electric)
Company, d/b/a AmerenUE)

STAFF RECOMMENDATION

Comes now the Staff of the Missouri Public Service Commission (Staff) and submits the attached Staff Recommendation (Appendix A) requesting that the Missouri Public Service Commission (Commission) approve the tariff sheets filed on August 31, 2005 by Union Electric Company, d/b/a AmerenUE (AmerenUE) to implement a Voluntary Missouri Energy Efficiency Refrigerator Bounty And Recycling Program. This program was previously proposed by AmerenUE and approved by the Commission pursuant to the Stipulation And Agreement approved by the Commission in Case No. EC-2002-1. This program is being proposed for an additional time with minor changes by AmerenUE. The tariff sheets for which Commission approval is sought have an effective date of October 1, 2005.

Wherefore the Staff requests that the Commission approve the tariff sheets with an effective date of October 1, 2005 filed by Union Electric Company, d/b/a AmerenUE (AmerenUE) to implement a Voluntary Missouri Energy Efficiency Refrigerator Bounty And Recycling Program.

Respectfully submitted,

DANA K. JOYCE General Counsel

/s/Steven Dottheim

Steven Dottheim Chief Deputy General Counsel Missouri Bar No. 29149

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to all counsel of record this 26th day of September 2005.

/s/ Steven Dottheim	
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MEMORANDUM

TO: Missouri Public Service Commission Official Case File

Case No. EO-2006- , File No. YE-2006-0155 Union Electric Company d/b/a AmerenUE

FROM: James Watkins, Manager, Economic Analysis, Project Coordinator

Henry Warren, Regulatory Economist II Mack McDuffey, Rate & Tariff Examiner II

/s/ Mack McDuffey/ 9-26-05 /s/ Steven Dottheim/ 9-26-05

Energy Department / Date General Counsel's Office / Date

SUBJECT: Staff Recommendation For Approval of Tariff Sheets Filed To Revise The

Voluntary Missouri Energy Efficiency Refrigerator Bounty and Recycling Program

DATE: September 23, 2005

On August 31, 2005, Union Electric Company d/b/a AmerenUE (UE or Company) of St. Louis, Missouri, filed with the Missouri Public Service Commission (Commission) two (2) tariff sheets with a proposed effective date of October 1, 2005 to revise the Voluntary Missouri Energy Efficiency Refrigerator Bounty and Recycling Program (Program) with minor changes. This program was initiated pursuant to Stipulations 7 (Residential And Commercial Energy Efficiency Fund) and 11 (Collaborative Efforts) approved by the Commission in its July 25, 2002 Report And Order Approving Stipulation And Agreement in Case No. EC-2002-1.

The objective of the Program is to increase consumer awareness of energy-efficient Energy Star® appliances and remove from service and dispose of, in an environmentally friendly way, inefficient, non-commercial refrigerators. An older refrigerator is a large power consumer in many households. On average, 12% of a household's electricity demand comes from a single refrigerator. Studies have shown that those programs that combine the removal and recycling of an older refrigerator and replacement with a new energy efficient model will yield year-round energy savings and can be cost effective. The St. Louis, Missouri metropolitan area was selected as the target market for this program due to the large number of refrigerators that could be recycled.

The Residential and Commercial Energy Efficiency Collaborative Committee has recommended, and UE has proposed with this tariff filing, extending the Program for another year. The overall budget will remain at \$401,000, but there will be the following minor changes to the Program; due primarily to the Company changing the requirement that the refrigerator be purchased from a single designated retailer to any retailer:

- In the tariff under "Objective"
 - decreased the number of old refrigerator removals from 2,900 to 1,945
 - changed the wording to define the meaning of an old refrigerator and a second old refrigerator.
- In the tariff under "Availability and Applicability"

- added Missouri areas such as Jefferson County and Cape Girardeau
- first refrigerator defined as "which has been working (cooling) within the last seven days"
- second refrigerator defined as "working (cooling) non-commercial at least 12 cubic feet"
- In the tariff under "Commercial Terms"
 - changed the refrigerator bounty from \$30 for the first and \$50 for the second to \$50 for each
 - added a maximum of two (2) refrigerators picked up for recycling
 - increased the bounty and recycling costs from \$255,500 to \$377,325
- In the tariff under "Term of Program"
 - changed program concluding date from January 31, 2005 to December 31, 2005.
 - changed the term to "whichever occurs sooner", the date or amount

At the conclusion of the program, MEEA will conduct an evaluation of the program that will include a quantification of the energy savings specific to UE, the lessons learned from the program and recommendations for next year's program.

The Commission's Energy Department Staff (Staff) has reviewed the filed tariff sheets, and is of the opinion that they were filed in a timely manner and remain in compliance with the Commission's Report And Order Approving Stipulation And Agreement in Case No. EC-2002-1. The Company has provided the supporting information required by 4 CSR 240-3.150 (3) for Promotional Practices tariff filings. Staff therefore recommends that the Commission issue an order approving the following proposed tariff sheets, as filed on August 31, 2005, to become effective on October 1, 2005, as requested in UE's cover letter:

P.S.C. MO. SCHEDULE NO. 5

1st Revised SHEET NO. 211 Cancelling Original SHEET NO. 211

1st Revised SHEET NO. 212 Cancelling Original SHEET NO. 212

The Staff has verified that this Company is not delinquent on any assessment or the filing of its annual report. The following electric cases involving UE are also before the Commission at this time:¹

EC-2002-1 ED-2006-0117 EE-2005-0486 EO-2006-0096 EW-2004-0583 EC-2005-0398 EE-2006-0124 EO-2006-0098

EC-2006-0002

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¹ This company may provide other types of utility services in Missouri; however, only pending electric cases are listed.