

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

In the Matter of the Seventh Prudence Review)
of Costs Subject to the Commission-Approved)
Fuel Adjustment Clause of Union Electric)
Company d/b/a Ameren Missouri)

Case No. EO-2019-XXXX

STAFF’S NOTICE OF START OF SEVENTH PRUDENCE REVIEW

COMES NOW the Staff of the Missouri Public Service Commission, by and through counsel, and for its Notice of Start of Seventh Prudence Review respectfully states to the Missouri Public Service Commission (“Commission”) as follows:

1. The tariff of Union Electric Company d/b/a Ameren Missouri provides as part of its fuel adjustment clause (“FAC”) that ““Prudence reviews of the costs subject to this FAC shall occur no less frequently than every eighteen months.”¹ This comports with the language of both Commission Rule 4 CSR 240-20.090(11) and § 386.266.5(4), RSMo.

2. Commission Rule 4 CSR 240-20.090(11)(B), in part, provides: “The staff shall file notice within ten (10) days of starting its [rate adjustment mechanism] prudence review.” It also establishes the following schedule by which certain events are to take place based on the date the Staff starts its prudence review:

Time from start of Staff prudence review to event	Event
Within 180 days	Submission of Staff recommendation to Commission regarding Staff’s examination and analysis
Within 190 days	Request for hearing
Within 210 days	Commission order, if no hearing requested

¹ Union Electric Company Tariff MO. P.S.C. Schedule No. 6, Original Sheet No. 74.9.

3. Staff plans to conduct a prudence review of the costs and revenues associated with Ameren Missouri's fuel adjustment clause ("FAC") for the period June 1, 2017 through September 30, 2018. This review period corresponds to the 26th through 29th sequential accumulation periods and the 23rd through 27th sequential recovery periods for Ameren Missouri's FAC.

Review of Accumulation Periods	Date of Accumulation Period	Review of Recovery Periods for Accumulation Periods	Date of Recovery Periods for Accumulation Periods
		AP23	February 2017- September 2017 ²
AP 26	June 2017- September 2017	AP24	June 2017- January 2018
AP 27	October 2017- January 2018	AP25	October 2017- May 2018
AP 28	February 2018- May 2018	AP26	February 2018- September 2018
AP 29	June 2018- September 2018	AP27	June 2018- January 2019 ³

4. Staff initiated this prudence review of the costs and revenues associated with Ameren Missouri's Commission-approved FAC on March 7, 2019. Staff plans to file its recommendation and report on its review of this prudence review period of June 1, 2017 through September 30, 2018, by Thursday, August 29, 2019, within the 180 day requirement of the rule. This is Staff's seventh prudence review of Ameren Missouri's FAC. Staff filed its recommendations and reports to the Commission for prior prudence reviews of Ameren Missouri's FAC as follows:

² This prudence review period only covers months June 2017 through September 2017 of Accumulation Period 23

³ This prudence review period only covers months June 2018 through September 2018 of Accumulation Period 27

Review Number	File Number	Review Period
1	EO-2010-0255	March 1, 2008 – September 30, 2009
2	EO-2012-0074	October 1, 2009 – May 31, 2011
3	EO-2013-0407	June 1, 2011 – September 30, 2012
4	EO-2015-0060	October 1, 2012 – May 31, 2014
5	EO-2016-0228	June 1, 2014 – September 30, 2015
6	EO-2018-0067	October 1, 2015 – May 31, 2017

5. In each of Ameren Missouri's general electric rate cases where the Commission has approved Ameren Missouri to have or continue to have a FAC, the accumulation periods have remained the same—three four-month accumulation periods each year, February through May, June through September, and October through January.

6. The following table identifies Ameren Missouri's Commission-approved FAC tariff sheets which were applicable for electric service provided to its customers during the review period June 1, 2017 through September 30, 2018:

June 1, 2017 Through September 30, 2018
1 st Revised Sheet No. 74 Original Sheet No. 74.1 Original Sheet No. 74.2 Original Sheet No. 74.3 Original Sheet No. 74.4 Original Sheet No. 74.5 Original Sheet No. 74.6 Original Sheet No. 74.7 Original Sheet No. 74.8 Original Sheet No. 74.9 Original Sheet No. 74.10 Original Sheet No. 74.11 Original Sheet No. 74.12

7. Staff initiated its seventh prudence review of the costs and revenues associated with Ameren Missouri's Commission-approved FAC on March 7, 2019. Staff plans to file its recommendation to the Commission regarding the Staff's examination and analysis in this case by August 29, 2019.

8. Staff may change its examination approach during this review, and in future prudence reviews as well, based on the particular circumstances existing at the time of the review. The Staff's Energy Resources Department is primarily responsible for this prudence review. The Staff plans to include in its recommendation the following:

Section 1 - Standard of Prudence

A. The standard requires documentation and includes other Commission principles as appropriate, such as the Commission's Affiliate Transactions Rules, which also require documentation.

Section - 2 Review Scope

A. Presently Known Areas To Review

1. Ameren Missouri's Total Book Costs of Fuel Consumed in Ameren Missouri's Generating Units
2. Ameren Missouri's FAC Cost Recovery from Customers (Revenues)
3. Costs and Revenues Associated with Ameren Missouri's Fuel Hedging Program
4. Purchased Power Energy Charges, Including Applicable Transmission Fees
5. MISO Integrated Market Cost and Revenue Transactions
6. Emission Allowance Costs and Revenues
7. Off System Sales

B. Tests/Investigations to Address/Discover Other Significant Items
Impacting Fuel and Purchased Power Cost Recovery Amount

1. Comparison of Base Fuel Components and Amounts to
Claimed Cost Components and Amounts
2. Heat Rates
3. Plant Outages; and
4. Fuel, Freight and Transportation / Purchase Power Contracts

WHEREFORE, the Staff of the Missouri Public Service Commission hereby provides notice that it started its seventh prudence review of the costs and revenues associated with Ameren Missouri's Commission-approved fuel adjustment clause on March 7, 2019, for the review period of June 1, 2017, through September 30, 2018, and that it plans to file its recommendation regarding the Staff's examination and analysis in this case by August 29, 2019.

Respectfully submitted,

/s/ Jeffrey A. Keevil

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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 counsel of record this 7th day of March, 2019.

/s/ Jeffrey A. Keevil