

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

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

Case No. EO-2021-XXXX

STAFF’S NOTICE OF START OF EIGHTH FAC PRUDENCE REVIEW

COMES NOW the Staff of the Missouri Public Service Commission, by and through counsel, and for its Notice of Start of Eighth 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 (“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 20 CSR 4240-20.090(11) and § 386.266.5(4), RSMo.

2. Commission Rule 20 CSR 4240-20.090(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 initiates 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 See, Union Electric Company Tariff MO. P.S.C. Schedule No. 6, Original Sheets Nos. 71.10 and 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 October 1, 2018 through May 31, 2020. This review period corresponds to the 30th through 34th sequential accumulation periods and the 27th through 32nd 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
		AP27	June 2018- January 2019 ²
AP 30	October 2018- January 2019	AP28	October 2018- May 2019
AP 31	February 2019- May 2019	AP29	February 2019- September 2019
AP 32	June 2019- September 2019	AP30	June 2019- January 2020
AP 33	October 2019- January 2020	AP31	October 2019- May 2020
AP 34	February 2020 – May 2020	AP32	February 2020 – September 2020 ³

4. This is Staff’s eighth 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:

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

² This prudence review period only covers months October 2018 through January 2019 of Accumulation Period 27.

³ This prudence review period only covers months February 2020 through May 2020 of Accumulation Period 32.

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
7	EO-2019-0257	June 1, 2017 – September 30, 2018

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. Staff initiated its eighth prudence review of the costs and revenues associated with Ameren Missouri’s Commission-approved FAC on September 3, 2020. Staff plans to file its recommendation to the Commission regarding the Staff’s examination and analysis in this case by February 26, 2021, within the 180 day requirement of the rule.

7. 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
 - 5. Self-Commitment of Certain Generation Facilities

WHEREFORE, the Staff of the Missouri Public Service Commission hereby provides notice that it started its eighth prudence review of the costs and revenues associated with Ameren Missouri's Commission-approved fuel adjustment clause on September 3, 2020, for the review period of October 1, 2018, through May 31, 2020, and that it plans to file its recommendation regarding the Staff's examination and analysis in this case by February 26, 2021.

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 as reflected on the certified service list maintained by the Commission in its Electronic Filing Information System this 3rd day of September 2020.

/s/ Jeffrey A. Keevil