

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

In the Matter of the Adjustment of Union)	
Electric Company d/b/a Ameren Missouri's)	<u>File No. ER-2024-0112</u>
RESRAM rate for the Fifth Accumulation Period)	Tariff No. JE-2024-0041

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission (“Staff”), through the undersigned counsel, and for its *Staff Recommendation*, respectfully states as follows:

1. On September 28, 2023, Union Electric Company d/b/a Ameren Missouri (“Ameren Missouri”) submitted a proposed rate schedule to adjust charges related to its Renewable Energy Standard Rate Adjustment Mechanism (RESRAM), supporting testimony and filed revised tariff sheets with an effective date of February 1, 2024. The next day the Commission issued its *Order Directing Notice, Setting Intervention Deadline, and Directing Staff Recommendation* ordering Staff to file a recommendation regarding its examination and analysis of Ameren Missouri proposed rate schedule no later than November 27, 2023.

2. On November 22, 2023, Staff filed a request for an extension of time and on November 29, 2023, the Commission granted Staff’s request to file its recommendation no later than December 19, 2023.

3. As detailed in Staff’s Memorandum, attached as Appendix A, Staff reviewed Ameren Missouri’s data and calculation related to its proposed tariff sheet and recommends that the Commission issue an order approving the tariff sheet or allow the tariff sheet to go into effect by operation of law on February 1, 2024. The prospective RESRAM rate is \$0.00204 charge to ratepayers. Ratepayers using 1,000 kWh per month

will see a \$2.04 billing charge which is a \$1.69 increase per month when compared to the previous period RESRAM rate of \$0.00035 per kWh. Application of this rate will not exceed the annual rate cap pursuant to §393.1655 RSMo.

4. Staff verified that Ameren Missouri filed its annual report and is not delinquent on any assessment. Staff is not aware of any other matter pending before the Commission that affects or is affected by this filing.

P.S.C. MO. No. 6

8th Revised Tariff Sheet No. 93.4 Cancelling 7th Revised Tariff Sheet No. 93.4

WHEREFORE, Staff recommends that the Commission issue an order approving the above tariff sheet Ameren Missouri filed on September 28, 2023, with an effective date of February 1, 2024, or allow the tariff sheet to go into effect by operation of law on that date.

Respectfully submitted,

/s/ Ron Irving

Ron Irving
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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile, or electronically mailed to all counsel of record on this 18th day of December, 2023.

/s/ Ron Irving

MEMORANDUM

TO: Missouri Public Service Commission Official Case File
File No. ER-2024-0112 and Tariff Tracking No. JE-2024-0041

FROM: Marina Stever, Senior Research/Data Analyst

/s/ Marina Stever / 12-18-2023
Tariff/Rate Design Dept. / Date

SUBJECT: Staff Recommendation to Approve the Tariff Sheet Filed to Adjust the Renewable Energy Standard Rate Adjustment Mechanism of Union Electric Company, d/b/a Ameren Missouri.

DATE: December 18, 2023

BACKGROUND

On September 28, 2023, Union Electric Company, d/b/a Ameren Missouri (“Ameren Missouri”) filed a tariff and supporting testimony to implement a rate adjustment under its Renewable Energy Standard Rate Adjustment Mechanism (“RESRAM”) for the 5th accumulation period ending July 31, 2023 pursuant to Commission Rule 20 CSR 4240-20.100. The submitted tariff sheet bore an effective date of February 1, 2024 and was filed in Tariff Tracking No. JE-2024-0041.

The total actual RESRAM expense for the accumulation period ending July 31, 2023 was \$44,316,720. Total Renewable Energy Standard Costs Recovered for the same accumulation period were \$21,764,556. The annual RESRAM Revenue Requirement going forward is \$37,110,825.¹ Total RESRAM Recoveries to be recovered from February 1, 2024 through July 31, 2025 are \$62,307,725 which include an under recovery of RESRAM expenses over the accumulation period of \$23,498,457, the going forward revenue requirement of \$37,110,825, and a true-up amount of \$1,698,443.

Using Ameren Missouri’s projected energy sales of 30,501,112,633 kWh and the total RESRAM recoveries mentioned above, the RESRAM rate will be \$0.00204 per kWh. Customers using 1,000 kWh per month will see a \$2.04 billing charge which is a \$1.69 increase per month when compared to the previous period RESRAM rate of \$0.00035 per kWh. According to Ameren Missouri, application of this rate will not exceed the annual rate cap pursuant to Section 393.1655 RSMo.² The following chart compares the proposed RESRAM rate and the major costs of the rate calculations to the same cost from the previous Accumulation Period’s (AP) annual adjustment filing.

¹ RESRAM Revenue Requirement is calculated per tariff formula which deducts a RESRAM Base Amount established in case number ER-2022-0337 from annualized expenses.

² Direct testimony Ameren Missouri witness Raysene Logan in this case, Page 3, lines 11-15.

	Curent Filing	Last Year's Filing	
RESRAM Rate Tariff Update Calculation	August 2022 - July 2023	August 2021 - July 2022	increase/(decrease) over last year
Actual RES Costs Incurred in Accumulation Period (ARC)	\$ 44,316,720	\$ 19,971,040	24,345,680
RES Expenses Recovered in Accumulation Period (RCR)	\$ (21,764,556)	\$ (10,100,629)	11,663,926
(Over)/Under Recovered Costs	\$ 22,552,164	\$ 9,870,411	12,681,754
Interest	\$ 946,292	31,777	914,515
RES Over/Under Recovery (ROUR)	\$ 23,498,457	\$ 9,902,188	13,596,269
RES Revenue Requirement (RRR)	\$ 37,110,825	687,443	36,423,382
True-Up (T)	\$ 1,698,443	(12,918)	1,711,361
Ordered Adjustment (OA)	\$ -	-	-
Total RESRAM Recoveries (TRR)	\$ 62,307,725	\$ 10,576,713	51,731,012
Estimated Recovery Period Sales (kWh) (S _{RP})	30,501,112,633	30,555,292,791	(54,180,158)
RESRAM Rate (TRR / Estimated Revocery Period Sales)	0.00204	0.00035	0.001697

Actual RES costs (ARC) have increased by more than \$24 million, and RES Recovered Expenses (RCR) increased more than \$11 million. This left under recovered costs of over \$22 million, up from under recovered costs of \$9.8 million from the previous year's AP. These increases plus the larger RES Revenue Requirement (RRR)³ and decreased Estimated Sales (kWh) drive the proposed RESRAM Rate increase.

STAFF RECOMMENDATION

Staff has reviewed the revised tariff sheet as filed on September 28, 2023 and recommends the Commission issue an order approving the tariff sheet or allow the tariff sheet to take effect by operation of law on February 1, 2024. Staff's recommendation for approval of the RESRAM rate change in this case is solely based on the accuracy of Ameren Missouri's calculations and is not indicative of prudence.

P.S.C. MO. No. 6

8th Revised Tariff Sheet No. 93.4 Cancelling 7th Revised Tariff Sheet No. 93.4

Staff has verified that Ameren Missouri has filed its annual report and is not delinquent on any assessment. Staff is not aware of any other matter before the Commission that affects or is affected by this filing.

³ ER-2022-0337 Surrebuttal/True-Up Direct Testimony of Claire M. Eubanks, PE, Pages 16-17.

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OF THE STATE OF MISSOURI

In the Matter of the Adjustment of Union)
Electric Company d/b/a Ameren Missouri's) File No. ER-2024-0112
RESRAM Rate for the Fifth Accumulation) Tariff No. JE-2024-0041
Period)

AFFIDAVIT OF MARINA STEVER

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COMES NOW MARINA STEVER and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Staff Recommendation, in Memorandum formt;* and that the same is true and correct according to her best knowledge and belief.

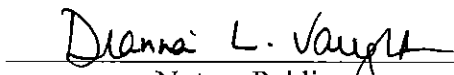
Further the Affiant sayeth not.



MARINA STEVER

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 18th day of December 2023.



Notary Public

DIANNA L. VAUGHT
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: July 18, 2027
Commission Number: 15207377