

**STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION**

At a session of the Public Service  
Commission held at its office in  
Jefferson City on the 15th day  
of September, 2010.

In the Matter of Union Electric Company	)	
d/b/a AmerenUE's Filing to Adjust Rates	)	
Under its Approved Fuel and Purchased	)	<b><u>File No. ER-2011-0018</u></b>
Power Cost Recovery Mechanism Pursuant	)	Tariff No. YE-2011-0041
to 4 CSR 240-20.090(4)	)	

**ORDER APPROVING TARIFF  
SETTING FUEL ADJUSTMENT CLAUSE**

Issue Date: September 15, 2010

Effective Date: September 23, 2010

On July 23, 2010, Union Electric Company d/b/a AmerenUE filed a proposed tariff sheet intended to adjust its rates pursuant to its Fuel Adjustment Clause (FAC). In accordance with the company's FAC, the proposed rate schedule is designed to recover from customers 95% of the company's net cost increases. AmerenUE's requested adjustment would result in an increase in the typical residential customer's bill from \$1.66 to approximately \$4.03 per month, which is consistent with a monthly usage of 1,100 kWh. In support of its proposed tariff sheet revision, the company filed direct testimony of Jeff Dodd.

The Staff of the Commission filed a recommendation on August 23. Staff verified that AmerenUE's actual fuel and purchased power costs match those reflected in the company's proposed tariff sheet. Staff recommends that the Commission approve the tariff sheet to be effective on its September 23, 2010 effective date. More than 10 days expired since Staff filed its recommendation and no party responded. However, on September 10,

the Missouri Industrial Energy Consumers (MIEC) and the Office of the Public Counsel filed motions to reject or suspend the tariff. Both are parties<sup>1</sup> to this matter and were notified of this action by a Commission order issued on July 26. Additionally, Missouri Retailers Association filed an application to intervene out of time.

With regard to MIEC and Public Counsel, parties have no more than 10 days to file responsive pleadings.<sup>2</sup> Movants filed their responsive pleadings out of time. The motions therefore fail procedurally. The Commission will also substantively deny motions as follows.

As evident on the face of the motions, and as pointed out in Staff's response to the motions, Movants conclude that Staff's allegation of imprudence in a different case,<sup>3</sup> over a different time period<sup>4</sup> warrants such a conclusion in this case. Not only is this rationale flawed, the Commission has not determined that AmerenUE acted imprudently in the prior case.

In its response to the motions to reject the tariff, Staff points out that the Commission's rule<sup>5</sup> regarding cost recovery mechanisms sets out procedures for prudence reviews and affords the rate payer relief if AmerenUE has acted imprudently. The rule<sup>6</sup> also sets out specific procedures for periodic adjustments, as in this case. Staff is to make a recommendation of whether the adjustment is in accordance with the Commission's rule,

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<sup>1</sup> Missouri Industrial Energy Consumers was granted intervention in the rate case establishing this Rate Adjustment Mechanism. Under Commission rule 4 CSR 240-3.161(10)(A) such entities are parties to subsequent rate adjustment cases, such as this case. Public Counsel is a party under Section 386.710 RSMo.

<sup>2</sup> Commission rule 4 CSR 240-2.080(15).

<sup>3</sup> Case No. EO-2010-0255.

<sup>4</sup> March 1 to September 30, 2009. This case covers February 1, 2010, to May 31, 2010.

<sup>5</sup> Commission rule 4 CSR 240-20.090.

<sup>6</sup> Commission rule 4 CSR 240-20.090(4).

Section 386.266 and the FAC in the company's tariff. Based on the direct testimony of Jeff Dodd, submitted by AmerenUE along with its tariff sheet, as well as the Staff's recommendation, the Commission finds that the rate adjustment is in accordance with rule 4 CSR 240-090(4), Section 386.266 and AmerenUE's FAC, and will approve AmerenUE's proposed rate schedule.

The Commission notes that because it will deny the motions to reject or suspend the tariff, the application to intervene filed by the Missouri Retailers Association is moot.

**THE COMMISSION ORDERS THAT:**

1. The rate schedule submitted by Union Electric Company d/b/a AmerenUE, as Tariff No. YE-2011-0041, is approved as an interim rate adjustment, subject to true-up and prudence reviews, to become effective on September 23, 2010. The tariff sheet approved is:

P.S.C. Mo. No. 1  
1<sup>st</sup> Revised Sheet No. 98.14, Cancelling Original Sheet No. 98.14

2. This order shall become effective on September 23, 2010.
3. This file shall be closed on September 24, 2010.

**BY THE COMMISSION**



Steven C. Reed  
Secretary

( S E A L )

Davis, Jarrett, and Gunn, CC., concur.  
Clayton, Chm., and Kenney, C., dissent.

Jones, Senior Regulatory Law Judge