

Exhibit No . 216 (NP)
Issues. Fuel Adjustment Clause
Witness: Michael E. Taylor
Sponsoring Party MO PSC Staff
Type of Exhibit: Rebuttal Testimony
Case No . ER-2008-0318
Date Testimony Prepared October 14, 2008

MISSOURI PUBLIC SERVICE COMMISSION

UTILITY OPERATIONS DIVISION

REBUTTAL TESTIMONY

OF

MICHAEL E. TAYLOR

**UNION ELECTRIC COMPANY
D/B/A AMERENUE**

CASE NO. ER-2008-0318

Jefferson City, Missouri

Staff Exhibit No. 216 NP
Case No(s) ER-2008-0318
Date 10-12-08 Rptr KF

October 2008

****Denotes Highly Confidential Information****

NP

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

In the Matter of Union Electric Company)
d/b/a AmerenUE for Authority to File)
Tariffs Increasing Rates for Electric) Case No ER-2008-0318
Service Provided to Customers in the)
Company's Missouri Service Area.)

AFFIDAVIT OF MICHAEL E. TAYLOR

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

Michael E. Taylor, of lawful age, on his oath states: that he has participated in the preparation of the following Rebuttal Testimony in question and answer form, consisting of 4 pages of Rebuttal Testimony to be presented in the above case, that the answers in the following Rebuttal Testimony were given by him; that he has knowledge of the matters set forth in such answers; and that such matters are true to the best of his knowledge and belief.


Michael E. Taylor

Subscribed and sworn to before me this 9th day of October, 2008



SUSAN L. SUNDERMEYER
My Commission Expires
September 21, 2010
Callaway County
Commission #06942086


Notary Public

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REBUTTAL TESTIMONY

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MICHAEL E. TAYLOR

**UNION ELECTRIC COMPANY
D/B/A AMERENUE**

CASE NO. ER-2008-0318

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Q Please state your name and business address

A. Michael E Taylor, P O Box 360, Jefferson City, Missouri, 65102

Q By whom are you employed and in what capacity?

A I am employed by the Missouri Public Service Commission (Commission)
as a Utility Engineering Specialist III in the Energy Department of the Utility Operations
Division

Q. Please describe your educational and work background

A I graduated from the University of Missouri-Rolla with a Bachelor of
Science degree in Mechanical Engineering in May 1972 and a Master of Science degree
in Engineering Management in August 1987 I served as an officer in the United States
Navy (Submarine Service) from June 1972 to January 1979 I was employed by Union
Electric Company (AmerenUE) from February 1979 until January 2003 While at
AmerenUE, I worked at Callaway Plant in various departments including operations,
work control, engineering, and quality assurance In addition to these specific
department functions, my work experience also includes quality control, instrumentation
and controls, fire protection, industrial safety, outage scheduling, daily scheduling and
work planning I was licensed as a Senior Reactor Operator from 1983 until 1998 I

Rebuttal Testimony of
Michael E Taylor

1 served as an Emergency Duty Officer/Emergency Coordinator and Recovery Manager in
2 the plant emergency response organization During my employment with AmerenUE, I
3 also participated in corporate activities related to other electrical generating and
4 transmission facilities These activities included task group evaluation of existing
5 generating units and recommendations regarding AmerenUE's generation portfolio. In
6 March 2003, I began my employment with the Commission

7 Q Did you contribute to the Staff's Cost of Service Report filed in this case?

8 A No

9 Q. Have you filed testimony previously before the Commission?

10 A. Yes. I filed testimony in the cases listed in Schedule 1 attached to this
11 testimony

12 **COST RECOVERY MECHANISM--TESTING REQUIREMENTS**

13 Q What is the purpose of your rebuttal testimony?

14 A My rebuttal testimony is responding to the direct testimony of AmerenUE
15 witness Mark C. Birk regarding compliance with the heat rate and/or efficiency testing
16 minimum filing requirement found in Commission Rule 4 CSR 240-3 161(2)(P)

17 Q. What are the requirements of 4 CSR 240-3 161(2)(P)?

18 A This subsection of the rule provides requirements for heat rate tests and/or
19 efficiency tests for generating units Specifically, it requires an electric utility that files to
20 establish a rate adjustment mechanism to file

21 A proposed schedule and testing plan with written procedures for
22 heat rate tests and/or efficiency tests for all of the electric utility's
23 nuclear and non-nuclear generators, steam, gas, and oil turbines
24 and heat recovery steam generators (HRSG) to determine the base
25 level of efficiency for each of the units,
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1 Q Does Mr Birk's testimony comply with this subsection of the rule?

2 A Mr. Birk's testimony addresses the filing requirement by explaining
3 proposed testing methodologies for the various types of generating units Staff reviewed
4 the proposed methodologies for the nuclear generating unit, the steam-electric generating
5 units, and thirty-six (36) combustion turbines with performance monitoring systems The
6 proposed methodologies for these generating units are acceptable to Staff However,
7 Staff did not agree that the proposed testing methodology as filed for ten (10) combustion
8 turbines which do not have performance monitoring systems in place is appropriate

9 Q Has AmerenUE provided any information more detailed or different than
10 that contained in Mr Birk's testimony?

11 A Yes Staff submitted Data Request (DR) No 0312 to obtain additional
12 information Staff and AmerenUE personnel have discussed the issues that were
13 identified by the Staff review AmerenUE has provided additional information in
14 response to the DR

15 Q Does Staff agree that the subsequently proposed methodologies satisfy the
16 requirements of 4 CSR 240-3.161(2)(P) for the ten combustion turbines that do not have
17 performance monitoring equipment?

18 A Yes The revised methodologies included in the additional information
19 provided by AmerenUE in response to DR No 0312 are acceptable The generating units
20 covered by the revised methodologies include the following combustion turbines
21 Fairgrounds, Howard Bend, Kirksville, Meramec CT 1 and 2, Mexico, Moberly, Moreau,
22 Venice CT 1, and Viaduct

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1 Q. What is Staff's final conclusion regarding AmerenUE compliance with
2 Commission Rule 4 CSR 240-3 161(2)(P)?

3 A The heat rate and/or performance testing methodologies for the nuclear
4 generating unit, the steam-electric generating units, and thirty-six (36) combustion
5 turbines with performance monitoring systems as contained in Mr Birk's direct
6 testimony comply with Commission Rule 4 CSR 240-3.161(2)(P) The methodologies
7 found in AmerenUE's response to DR No. 312, attached as Schedule 2 to this testimony,
8 for combustion turbines without performance monitoring equipment, comply with
9 Commission Rule 4 CSR 240-3 161(2)(P)

10 Q. Does this conclude your rebuttal testimony?

11 A Yes, it does

PREVIOUS TESTIMONY OF MICHAEL E. TAYLOR

Case Number	Company	Type of Filing	Issue
ER-2006-0314	Kansas City Power & Light	Direct	Plant in Service
ER-2006-0314	Kansas City Power & Light	Direct True-Up	Plant in Service
ER-2007-0002	AmerenUE	Direct	Plant in Service
ER-2007-0002	AmerenUE	Supplemental Direct	Plant in Service
ER-2007-0004	Aquila	Rebuttal	Fuel Adjustment Clause
ER-2007-0291	Kansas City Power & Light	Staff Report	Plant in Service
ER-2007-0291	Kansas City Power & Light	Direct True-Up	Plant in Service
ER-2008-0093	Empire District Electric	Staff Report	Plant in Service
ER-2008-0093	Empire District Electric	Rebuttal	Fuel Adjustment Clause
ER-2008-0093	Empire District Electric	Surrebuttal	Plant in Service

Schedule 2

Is Deemed

Highly Confidential

In Its Entirety