

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

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|--------------------------------------|---|-------------------------------------|
| In the Matter of the True-Up |) | |
| of Union Electric Company |) | |
| d/b/a Ameren Missouri's |) | <u>Case No. ER-2016-0017</u> |
| Fuel Adjustment Clause for |) | |
| The 16 th Recovery Period |) | |

STAFF'S RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission, by and through counsel, and for its *Recommendation* in this matter hereby states:

1. Union Electric Company d/b/a Ameren Missouri (Ameren Missouri) filed an application for its 16th Fuel Adjustment Clause True-Up filing, July 24, 2015, with an effective date of September 24, 2015. Ameren Missouri's application would result in an adjustment to the amount collected through its fuel adjustment clause (FAC) due to under-collection. Recovery Period 16 included the billing months of October 2014 through May 2015 and followed Accumulation Period 16 including the billing months of February 2014 through May 2014. The Commission ordered Staff to conduct a review and file its Recommendation no later than August 24, 2015.

2. Commission Rule 4 CSR 240-20.090(5)(D) sets forth that following receipt of Staff's Recommendation, the Commission should either approve, reject or suspend the filing within 60 days or the tariff and FAC rate adjustments will take effect. Rule 4 CSR 240-3.161(8) sets forth the filing requirements for an electric utility filing a true-up related to a rate adjustment mechanism such as an

FAC and 4 CSR 240-20.090(5) sets forth the requirements for submission of annual true-ups to remedy over or under-collection through rate adjustments or refunds.

3. *Staff's Memorandum*, including its recommendation, is attached to this pleading as Attachment A, and contains Staff's findings pursuant to its review of Ameren Missouri's submitted testimony, work papers, monthly reports and interest calculations.

4. Staff recommends that the Commission approve Ameren Missouri's calculated adjustment of \$645,136 resulting from under-collection during Recovery Period 16 plus interest of \$269,921 resulting from Accumulation Period 16 for a total adjustment of \$915,057. Staff has also verified that Ameren Missouri is compliant with all applicable rules regarding reporting and assessment.

WHEREFORE, Staff recommends that the Commission approve Ameren Missouri's Recovery Period 16 True-Up Filing; and grant such other and further relief as the Commission considers just in the circumstances.

/s/ Whitney Payne

Whitney Payne

Legal Counsel

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served by electronic mail, or First Class United States Postal Mail, postage prepaid, on this 24th day of August, 2015, to all counsel of record.

/s/ Whitney Payne _____

MEMORANDUM

TO: Missouri Public Service Commission Official Case File
File No. ER-2016-0017
Union Electric Company d/b/a Ameren Missouri

FROM: David Roos, Regulatory Economist III
Matthew J. Barnes, Utility Regulatory Auditor IV

DATE: /s/ John Rogers 08/24/2015 /s/ Whitney Payne 08/24/2015
Energy Resource Analysis Unit / Date Staff Counsel's Office / Date

SUBJECT: Staff's Analysis of and Recommendation Concerning Union Electric Company d/b/a Ameren Missouri's Sixteenth Fuel Adjustment Clause True-up Filing Under the Provisions of 4 CSR 240-3.161(8) and 4 CSR 240-20.090(5).

DATE: August 24, 2015

On July 24, 2015, Union Electric Company d/b/a Ameren Missouri ("Ameren Missouri" or "Company") filed with the Missouri Public Service Commission ("Commission") in the form of direct testimony and supporting schedules by Erik C. Wenberg, its sixteenth true-up filing under the provisions of its Fuel Adjustment Clause ("FAC") tariff sheets, 4 CSR 240-3.161(8) and 4 CSR 240-20.090(5).

The true-up amount without interest of \$645,136 as identified in this filing is the result of an under-collection during Recovery Period 16 ("RP16") that includes the billing months of October 2014 through May 2015. RP16 is the recovery period for and following Accumulation Period 16 ("AP16") that includes the period of February 1, 2014, through May 31, 2014. On page 4 lines 1-6 of his direct testimony, Company Witness Erik C. Wenberg states the following:

There was an under-recovery of \$645,136 from customers during the Recovery Period due to the difference between actual and estimated KWh sales described earlier and recalculations using the S105 data. After applying the interest to be recovered for the Accumulation Period of \$269,921, which was calculated using the Company's short-term borrowing rate as provided for in the FAC tariff and the Commission's FAC rules, there was a total under-recovery from customers of \$915,057.

The true-up amount¹ without interest for RP16 of \$645,136 and the interest amount for RP16 of \$269,921 are included in the calculation of the Fuel and Purchased Power Adjustment (“FPA”) amount for the Company’s Accumulation Period 19 (“AP19”) adjustment filing, also filed on July 24, 2015, in File No. ER-2016-0016, in compliance with Ameren Missouri’s FAC.²

Staff examined the direct testimony of Erik C. Wenberg, the supporting schedules Ameren Missouri provided with its application in this case, and the monthly reports Ameren Missouri has submitted to the Commission. Staff also reviewed Ameren Missouri’s monthly interest calculations; Staff agrees with them.

Based on its examination and analysis of information Ameren Missouri filed and submitted in this case, Staff recommends the Commission approve Ameren Missouri’s RP16 true-up filing for the billing months October 2014 through May 2015 during which Ameren Missouri under-collected \$645,136 from its customers for inclusion in the calculation of the FPA amount included in the Company’s AP19 adjustment filing in File No. ER-2016-0016.

Staff has verified that Ameren Missouri has filed its 2014 annual report³ and is not delinquent on any assessment. Ameren Missouri is current on its submission of its Surveillance Monitoring reports as required in 4 CSR 240-20.090(10) and its monthly reports as required by 4 CSR 240-3.161(5). Staff is not aware of any other matter before the Commission that affects or is affected by this filing, except as noted herein.

¹ See Page 1 of 5 of Schedule EW-TU of the direct testimony of Erik C. Wenberg for calculation of the RP16 true-up adjustment amounts with interest and without interest.

² Union Electric Company’s Schedule No. 6, Original Sheet No. 72.8: “TRUE-UP: After completion of each RP, the Company shall make a true-up filing on the same day as its FAR [Fuel Adjustment Rate] filing. Any true-up adjustments shall be reflected in T above. Interest on the true-up adjustment will be included in I above. The true-up adjustments shall be the difference between the revenues billed and the revenues authorized for collection during the RP.”

³ Ameren Missouri filed its 2014 Annual Report on April 15, 2015.

