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MISSOURI PUBLIC SERVICE COMMISSION

FILE NO. GR-2019-0077

DIRECT TESTIMONY

OF

LAURA M. MOORE

ON

BEHALF OF

UNION ELECTRIC COMPANY

d/b/a AMEREN MISSOURI

**St. Louis, Missouri
December, 2018**

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DIRECT TESTIMONY

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LAURA M. MOORE

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I. INTRODUCTION

1
2 **Q. Please state your name and business address.**

3 A. My name is Laura Moore and my business address is One Ameren Plaza,
4 1901 Chouteau Avenue, St. Louis, Missouri 63103.

5 **Q. What is your position with Ameren Missouri?**

6 A. I am the Director of Regulatory Accounting for Union Electric Company
7 d/b/a Ameren Missouri ("Ameren Missouri" or "the Company").

8 **Q. Please describe your educational background and employment**
9 **experience.**

10 A. I received a Bachelor of Science degree in Accounting from the University
11 of Missouri at Columbia in May 1991 and a Masters of Business Administration from St.
12 Louis University in May 1997. I am a Certified Public Accountant, licensed to practice in
13 the state of Missouri. From 1992 to 1994, I worked for Preferred Pipe Products, Inc., in St.
14 Louis, Missouri, in various capacities, including Staff Accountant in 1992 and Accounting
15 Manager from 1992 to 1994. I worked with Eagleton Enterprises in St. Louis, Missouri, as
16 an Accounting Manager from 1994 to 1995. I worked with Merit Behavioral Care in St.
17 Louis, Missouri, as an Accountant from 1995 to 1997. I worked with Clark Refining and
18 Marketing in St. Louis, Missouri, as a Financial Analyst from 1997 to 1999. From 1999 to
19 2002, I worked at Emerson Tool Company in St. Louis, Missouri, in the Financial Analysis

1 Department, first as an Analyst and then as the Manager. I have worked for Ameren
2 Missouri or one of its affiliates since 2002.

3 I am a former Vice Chairperson of the Edison Electric Institute's ("EEI") Property
4 Accounting and Valuation Committee. Prior to that, I was a member of the Leadership
5 Committee for EEI's Property Accounting and Valuation Committee.

6 **Q. What is the purpose of your direct testimony?**

7 A. The purpose of my direct testimony, and attached Schedules LMM-D1
8 through LMM-D16, is to develop the revenue requirement (cost of service) for the gas
9 operations of Ameren Missouri. The revenue requirement determines the level of gas
10 revenues required to pay operating expenses, to provide for depreciation and taxes, and to
11 permit our investors an opportunity to earn a fair and reasonable return on their investment.
12 Ameren Missouri witness Ryan Ryterski uses this data as the starting point for his class
13 cost of service study.

14 **Q. What test year is the Company proposing to use to establish the revenue
15 requirement in this proceeding?**

16 A. The Company is proposing a test year consisting of the twelve months
17 ended June 30, 2018, with pro forma adjustments to account for the true-up of various
18 items, as have been included in the Company's last several rate cases. In addition, the
19 Company is proposing to true-up the following items through May 31, 2019: plant-in-
20 service, depreciation reserve, materials and supplies (including gas inventories), pre-
21 payments, cash working capital (excluding lead/lag days), customer advances for
22 construction, customer deposits, accumulated deferred income taxes, pension and Other
23 Post-Employment Benefits ("OPEB"), tracker regulatory asset/liability balances, revenues,

1 customer growth, compensation, number of employees, employee benefits, insurance
2 expense, the Missouri Public Service Commission ("Commission") and the Office of the
3 Public Counsel ("OPC") assessments, rate case expense, capital structure, depreciation
4 expense, various amortizations (such as the pension & OPEB tracker amortization) and
5 property taxes. Finally, the Company proposes that other significant items, both increases
6 and decreases, should be included in the true-up.

7 **Q. Are you sponsoring any schedules for presentation to the Commission**
8 **in this proceeding?**

9 A. Yes. I am sponsoring Schedules LMM-D1 through LMM-D32.

10 **Q. What is the subject matter of these schedules?**

11 A. Schedules LMM-D1 through LMM-D16 develop the various elements of
12 the revenue requirement to be considered in arriving at the proper level of rates for the
13 Company's gas service based on the test year of the twelve months ended June 30, 2018,
14 with pro forma adjustments and updates for known and measurable changes to be trued-up
15 through May 31, 2019.

16 Schedules LMM-D17 through LMM-D32 are similar schedules as those discussed
17 above but they support the interim rate decrease that is discussed later in my testimony.

18 **Q. Will you please briefly summarize the information provided on each of**
19 **the revenue requirement schedules you are presenting?**

20 A. The revenue requirement schedules for the test year ended June 30, 2018,
21 with pro forma adjustments and updates trued-up through May 31, 2019 provide the
22 following information:

- 1 • Schedule LMM-D1 – Original Cost of Gas Plant by functional
2 classification at June 30, 2018, per book and pro forma.
- 3 • Schedule LMM-D2 – Gas Plant Reserves for Depreciation and
4 Amortization by functional classification at June 30, 2018, per book and
5 pro forma.
- 6 • Schedule LMM-D3 – Average Fuel Inventories and Average Materials
7 and Supplies Inventories at June 30, 2018, per book and pro forma
8 applicable to gas operations.
- 9 • Schedule LMM-D4 – Average Pre-payments at June 30, 2018, per book
10 and pro forma applicable to gas operations.
- 11 • Schedule LMM-D5 – Total Gas Cash Working Capital (per the
12 Company’s lead/lag study) for the twelve months ended June 30, 2018,
13 applicable to gas operations.
- 14 • Schedule LMM-D6 – Federal and State Income Tax Cash Requirement,
15 City of St. Louis Earnings Tax Cash Requirement and Interest Expense
16 Cash Requirement applicable to gas operations for the twelve months
17 ended June 30, 2018.
- 18 • Schedule LMM-D7 – Average Gas Customer Advances for
19 Construction and Average Gas Customer Deposits reductions to rate
20 base at June 30, 2018.
- 21 • Schedule LMM-D8 – Gas Pension and Other Post-Employment
22 Benefits Regulatory Asset/Liability balances at June 30, 2018, per book
23 and pro forma.

- 1 • Schedule LMM-D9 – Total Gas Accumulated Deferred Income Taxes
2 at June 30, 2018, per book and pro forma.
- 3 • Schedule LMM-D10 – Total Gas Operating Revenues for the twelve
4 months ended June 30, 2018, per book and pro forma.
- 5 • Schedule LMM-D11 – Total Gas Operations and Maintenance
6 Expenses, by functional classification, for the twelve months ended
7 June 30, 2018, updated for certain known items, per book and pro forma.
8 A description of each of the pro forma adjustments is included.
- 9 • Schedule LMM-D12 – Depreciation and Amortization Expenses
10 applicable to gas operations, by functional classification, for the twelve
11 months ended June 30, 2018, per book and pro forma. A description of
12 the pro forma adjustments is included.
- 13 • Schedule LMM-D13 – Taxes Other Than Income Taxes, for the twelve
14 months ended June 30, 2018, per book and pro forma for the gas
15 operations of the Company. A description of the pro forma adjustments
16 is included.
- 17 • Schedule LMM-D14 – Income Tax Calculation at the proposed rate of
18 return and statutory tax rates for the total gas operations of the
19 Company.
- 20 • Schedule LMM-D15 – The pro forma Gas Net Original Cost Rate Base
21 at June 30, 2018, and the Gas Revenue Requirement including the pro
22 forma adjustments.

- 1 • Schedule LMM-D16 – The increase required at a 7.581% return on Net
2 Original Cost Gas Rate Base, including pro forma adjustments.

3 The revenue requirement schedules for the test year ended March 31, 2018, in
4 support of the interim rate decrease, provide the following information:

- 5 • Schedule LMM-D17 – Original Cost of Gas Plant by functional
6 classification at March 31, 2018, per book and pro forma.
- 7 • Schedule LMM-D18 – Gas Plant Reserves for Depreciation and
8 Amortization by functional classification at March 31, 2018, per book
9 and pro forma.
- 10 • Schedule LMM-D19 – Average Fuel Inventories and Average Materials
11 and Supplies Inventories at March 31, 2018, per book and pro forma
12 applicable to gas operations.
- 13 • Schedule LMM-D20 – Average Pre-payments at March 31, 2018, per
14 book and pro forma applicable to gas operations.
- 15 • Schedule LMM-D21 – Total Gas Cash Working Capital (per the
16 Company’s last rate case) for the twelve months ended March 31, 2018,
17 applicable to gas operations.
- 18 • Schedule LMM-D22 – Federal and State Income Tax Cash
19 Requirement, City of St. Louis Earnings Tax Cash Requirement and
20 Interest Expense Cash Requirement applicable to gas operations for the
21 twelve months ended March 31, 2018.

- 1 • Schedule LMM-D23 – Average Gas Customer Advances for
2 Construction and Average Gas Customer Deposits reductions to rate
3 base at March 31, 2018.
- 4 • Schedule LMM-D24 – Gas Pension and Other Post-Employment
5 Benefits Regulatory Asset/Liability balances at March 31, 2018, per
6 book.
- 7 • Schedule LMM-D25 – Total Gas Accumulated Deferred Income Taxes
8 at March 31, 2018, per book.
- 9 • Schedule LMM-D26 – Total Gas Operating Revenues for the twelve
10 months ended March 31, 2018, per book and pro forma.
- 11 • Schedule LMM-D27 – Total Gas Operations and Maintenance
12 Expenses, by functional classification, for the twelve months ended
13 March 31, 2018, updated for certain known items, per book and pro
14 forma. A description of each of the pro forma adjustments is included.
- 15 • Schedule LMM-D28 – Depreciation and Amortization Expenses
16 applicable to gas operations, by functional classification, for the twelve
17 months ended March 31, 2018, per book and pro forma. A description
18 of the pro forma adjustments is included.
- 19 • Schedule LMM-D29 – Taxes Other Than Income Taxes, for the twelve
20 months ended March 31, 2018, per book and pro forma for the gas
21 operations of the Company. A description of the pro forma adjustments
22 is included.

- 1 • Schedule LMM-D30 – Income Tax Calculation at the proposed rate of
2 return and statutory tax rates for the total gas operations of the
3 Company.
- 4 • Schedule LMM-D31 – The pro forma Gas Net Original Cost Rate Base
5 at March 31, 2018, and the Gas Revenue Requirement including the pro
6 forma adjustments.
- 7 • Schedule LMM-D32 – The increase required at a 7.510% return on Net
8 Original Cost Gas Rate Base, including pro forma adjustments.

9 **II. REVENUE REQUIREMENT**

10 **Q. What do you mean by "revenue requirement"?**

11 A. The revenue requirement of a utility is the sum of operating and
12 maintenance expenses, depreciation and amortization expenses, taxes, and a fair and
13 reasonable return on the net value of property used and useful in serving its customers. The
14 revenue requirement is based on a test year and it is necessary to make certain "pro forma"
15 adjustments in order to reflect conditions existing at the end of the test year, as well as
16 significant changes that are known or reasonably certain to occur closer to the time new
17 rates would take effect.

18 The revenue requirement represents the total funds (revenues) that must be
19 collected by the Company if it is to pay employees and suppliers, satisfy tax liabilities, and
20 provide a fair and reasonable return to investors. To the extent that current revenues are
21 less than the revenue requirement, a rate increase is required, which is the purpose of this
22 proceeding.

1 **Q. Why is it necessary to make pro forma adjustments to the test year**
2 **data?**

3 A. It is an axiom in ratemaking that rates are set for the future. In order for
4 newly-authorized rates to have the opportunity to produce the allowed rate of return during
5 the period they are in effect, it is often necessary to adjust the test year data so that it is
6 more representative of future operating conditions. This requires pro forma adjustments to
7 reflect known and measurable changes.

8 **Q. Please explain Schedule LMM-1.**

9 A. Schedule LMM-1 shows the recorded original cost of gas plant by
10 functional classification at June 30, 2018, along with the estimated plant additions through
11 May 31, 2019, which is the end of the Company's proposed true-up period.

12 **Q. Are the Company's plant accounts recorded on the basis of original**
13 **cost as defined by the Uniform System of Accounts prescribed by this Commission?**

14 A. Yes, they are.

15 **Q. Why is the Company including plant additions through May 31, 2019?**

16 A. The Company is continuing to spend millions of dollars each month on
17 infrastructure replacements and improvements. In order to provide the Company an
18 opportunity to earn a fair and reasonable return on its total investment, it is necessary for
19 the cost of service to reflect, as closely as possible, the level of the Company's investment
20 at the time the new rates will become effective. Adjustment 1 adds the estimated plant-in-
21 service additions of \$35,612,000 from July 2018 through May 2019, which is the end of
22 the proposed true-up period.

1 **Q. Please explain the addition of items of General Plant applicable to gas**
2 **operations.**

3 A. General Plant facilities, such as general office buildings, the central
4 warehouse, the central garage, and computers and office equipment, are used in both the
5 electric and gas operations. For convenience, such facilities are accounted for as electric
6 plant. Adjustment 2 adds the portion of the multi-use general plant applicable to the
7 Company's gas operations of \$16,563,000.

8 Included in these multi-use assets are some software assets that are currently
9 included in the Company's electric revenue requirement. In the past, the Company has not
10 allocated a portion of the software assets to the gas business. For any of these software
11 assets that are included in the revenue requirement from File No. ER-2016-0179, the return
12 and amortization of the amounts allocated to gas will be tracked beginning with the
13 effective date of rates in this case, to be included as a reduction to rates in the Company's
14 next electric general rate proceeding.

15 **Q. Why is Adjustment 3 to reduce the gas plant-in-service necessary?**

16 A. In past Ameren Missouri rate cases, a portion of the Company's incentive
17 compensation paid has either been disallowed or recovery not requested. On the books of
18 the Company, a portion of the incentive compensation has been capitalized and added to
19 plant-in-service. Adjustment 3 reduces the plant-in-service balance by \$1,261,000 for the
20 accumulated amount of any previously disallowed and/or not requested capitalized
21 incentive compensation.

1 **Q. After reflecting the above pro forma adjustments, what amount of gas**
2 **plant-in-service is the Company proposing to include in rate base?**

3 A. As shown on Schedule LMM-D1, the total gas plant-in-service is
4 \$531,667,000.

5 **Q. Please explain Schedule LMM-D2.**

6 A. Schedule LMM-D2 shows the gas plant reserve for depreciation and
7 amortization at June 30, 2018, by functional group. It also indicates the pro forma
8 adjustments.

9 **Q. What pro forma adjustments were made to the reserve for**
10 **depreciation?**

11 A. The following adjustments were made to the reserve for depreciation on
12 Schedule LMM-D2:

13 Adjustment 1 increases the depreciation reserve by \$11,099,000 to reflect the
14 depreciation reserve increase on the June 30, 2018, plant-in-service for the proposed true-
15 up through May 31, 2019.

16 Adjustment 2 increases the depreciation reserve by \$1,084,000 for the pro forma
17 additions to plant-in-service from July 1, 2018, through May 31, 2019, the proposed true-
18 up period.

19 Adjustment 3 increases the accumulated depreciation and amortization reserve of
20 \$6,031,000 for the multi-use general plant applicable to gas operations and corresponds to
21 Adjustment 2 made to the plant accounts in Schedule LMM-D1.

22 The accumulated depreciation and amortization reserve is reduced by \$402,000 in
23 Adjustment 4 to reflect the accumulated depreciation and amortization applicable to a

1 portion of capitalized incentive compensation reflected in Adjustment 3 on Schedule
2 LMM-D1.

3 The pro forma accumulated provision for depreciation and amortization, as shown
4 on Schedule LMM-D2, applicable to total gas plant-in-service is \$199,866,000.

5 **Q. Please explain Schedule LMM-D3.**

6 A. Schedule LMM-D3 shows the average investment in fuel inventories and
7 materials and supplies at June 30, 2018. Fuel inventory is gas stored underground. General
8 materials and supplies include such items as pipe, valves, fittings and general supplies. A
9 thirteen-month average is used for all of these items.

10 **Q. What is the amount of the pro forma fuel and materials and supplies**
11 **applicable to gas operations?**

12 A. The pro forma fuel and materials and supplies applicable to total gas
13 operations, as shown on Schedule LMM-D3, is \$8,244,000.

14 **Q. Please explain the average pre-payments shown on Schedule LMM-D4.**

15 A. Certain costs for insurance, service agreements and medical and dental
16 voluntary employee beneficiary association ("VEBA") are paid in advance. The thirteen-
17 month average balances of total gas pre-payments at June 30, 2018, after eliminating the
18 portion applicable to electric operations, are \$710,000.

19 **Q. Please explain Schedule LMM-D5.**

20 A. Schedule LMM-D5 shows the calculation of the gas cash working capital
21 requirement of (\$1,875,000), which is based on a lead/lag study for the twelve months
22 ended June 30, 2018, including the pro forma adjustments to the operating expenses. The

1 development of the various revenue and expense lags are explained in the direct testimony
2 of Company witness Brenda I. Weber.

3 **Q. What appears on Schedule LMM-D6?**

4 A. The federal income tax cash requirement, the state income tax cash
5 requirement, the city earnings tax cash requirement and the interest expense cash
6 requirement applicable to the Company's gas operations are shown on Schedule LMM-D6.

7 **Q. What is the cash requirement for federal income taxes, state income
8 taxes, the city earnings tax, and interest expense?**

9 A. Reflecting the payment lead times for each of these items compared to the
10 revenue lag results in cash requirements of \$8,000 for federal income taxes and \$2,000 for
11 state income taxes, and a negative cash requirement of (\$12,000) for city earnings tax and
12 (\$791,000) for interest expense.

13 **Q. What items are shown on Schedule LMM-D7?**

14 A. The thirteen-month average balances at June 30, 2018, for gas customer
15 advances for construction and gas customer deposits are shown on Schedule LMM-D7.
16 These items represent cash provided by customers that can be used by the Company until
17 they are refunded. Therefore, the average balances for the customer advances for
18 construction and customer deposits are reductions to the Company's rate base.

19 Customer advances for construction are cash advances made by customers that are
20 subject to refund to the customer in whole or in part. These advances provide the Company
21 cash that offsets the cost of the construction until they are refunded. The thirteen-month
22 average balance of gas customer advances for construction at June 30, 2018, is
23 (\$2,345,000).

1 Customer deposits are cash deposits made by customers which are subject to refund
2 to the customer if the customer develops a good payment record. The Company pays
3 interest on the deposits, which is shown as a customer account expense on Schedule LMM-
4 D11. The thirteen-month average balance of gas customer deposits at June 30, 2018, is
5 (\$878,000).

6 **Q. What is shown on Schedule LMM-D8?**

7 A. Schedule LMM-D8 shows the pension and OPEB regulatory liability
8 balances. The pension and OPEB regulatory liability and asset balances shown are for the
9 period ended June 30, 2018, as estimated through May 2019, the end of the proposed true-
10 up period. In addition, one-fifth of the net regulatory liability balance at May 31, 2019, is
11 being included in the revenue requirement in this case, reflecting amortization over a period
12 of five years. The net balance of these regulatory liabilities is (\$3,624,000). As the net of
13 these items is a regulatory liability, the rate base is reduced by that amount.

14 **Q. Please explain Schedule LMM-D9.**

15 A. Schedule LMM-D9 lists the accumulated deferred income taxes applicable
16 to total gas operations at June 30, 2018, and the pro forma adjustments required to move
17 the balances forward to May 31, 2019, the end of the proposed true-up period. Accumulated
18 deferred income taxes are the net result of normalizing the tax benefits resulting from
19 timing differences between the periods in which transactions affect taxable income and the
20 periods in which such transactions affect the determination of pre-tax income.

21 Currently, the Company has deferred income taxes in Federal Energy Regulatory
22 Commission ("FERC") Accounts 190, 282, and 283. As shown on Schedule LMM-D9, the

1 total gas pro forma accumulated deferred income tax balance is a net balance of
2 (\$71,934,000). The net deferred income taxes are a deduction from the rate base.

3 **Q. What is the Company's pro forma net original cost gas rate base at**
4 **June 30, 2018, including pro forma adjustments to adjust to the true up date of May**
5 **31, 2019?**

6 A. The Company's total gas rate base as shown on Schedule LMM-D15 is
7 \$259,306,000, consisting of:

	<u>In Thousands of \$</u>
Original Cost of Plant-In-Service	\$531,667
Less Reserve for Depreciation & Amortization	<u>199,866</u>
Net Original Cost of Plant	331,801
Average Fuel and Materials & Supplies	8,244
Average Prepayments	710
Cash Working Capital (Lead/Lag)	(1,875)
Federal Income Tax Cash Requirement	8
State Income Tax Cash Requirement	2
City Earnings Tax Cash Requirement	(12)
Interest Expense Cash Requirement	(791)
Average Customer Advances for Construction	(2,345)
Average Customer Deposits	(878)
Pension Tracker Regulatory Asset	(1,018)
OPEB Tracker Regulatory Liability	(2,606)
Accumulated Deferred Income Taxes	<u>(71,934)</u>
Total Gas Rate Base	<u>\$259,306</u>

1 **Q. Please explain Schedule LMM-D10.**

2 A. Schedule LMM-D10 shows total gas operating revenues per book and pro
3 forma for the twelve months ended June 30, 2018, with customer growth through May 31,
4 2019, the end of the proposed true-up period.

5 **Q. Please explain the pro forma adjustments to the gas operating revenues**
6 **shown on Schedule LMM-D10.**

7 A. The following pro forma adjustments are shown on Schedule LMM-D10:

8 Adjustment 1 eliminates revenue add-on taxes of \$7,066,000, as they are directly
9 passed through to customers by the Company. The revenues were increased in Adjustment
10 2 by \$935,000 to reflect normal weather because the sales and revenues for the twelve
11 months ended June 30, 2018, were lower than normal. Adjustment 3 eliminates the PGA
12 revenues of \$54,073,000, as they are collected through the PGA Rider rather than through
13 base rates. Since the Company uses cycle and window billing, revenues are decreased by
14 \$103,000 to reflect normal billing days in Adjustment 4. Adjustment 5 eliminates unbilled
15 revenues of \$246,000 to reflect the book revenues on a bill cycle basis.

16 The "other gas revenues" on Schedule LMM-D10 were increased by \$229,000 in
17 Adjustment 6 annualize the amount of rental paid by the other Ameren affiliates for
18 software owned by Ameren Missouri. Any software rental amounts that are currently
19 included in the Company's electric rates will be tracked as of the effective date of rates in
20 this case for adjustment in the Company's next electric rate case. In Adjustment 7, revenues
21 were decreased by \$45,000 to annualize revenues received from other Ameren affiliates to
22 pay the Company for the use of Ameren Missouri's buildings.

1 **Q. What are the pro forma gas operating revenues for the twelve months**
2 **ended June 30, 2018?**

3 A. The pro forma gas operating revenues for the twelve months ended June 30,
4 2018, are \$75,826,000.

5 **Q. Please describe what is shown in Schedule LMM-D11.**

6 A. Total gas operating and maintenance expenses for the twelve months ended
7 June 30, 2018 (per books by functional classification), a listing of the pro forma
8 adjustments, and the pro forma gas operating and maintenance expenses by functional
9 classification, are shown in Schedule LMM-D11.

10 **Q. Will you please explain the pro forma adjustments to gas operating**
11 **expenses for the twelve months ended June 30, 2018?**

12 A. A summary of the pro forma adjustments to operating expenses appears in
13 Schedule LMM-D11. Adjustment 1 reflects the increased labor expense from annualizing
14 the 2.50% wage increase for the Company's union employees effective July 1, 2018, per
15 the labor contracts. In addition, management employees' average wage increases of 2.76%
16 effective January 1, 2018, and January 1, 2019, are reflected. The annualized increase in
17 the total gas operating labor resulting from the above increases is \$433,000. Incentive
18 compensation was subtracted from the calculation of the wage increases as the wage
19 increases only apply to base wages.

20 The test year short-term incentive compensation is reduced by \$127,000 in
21 Adjustment 2 to eliminate the incentive compensation related to earnings of the Ameren
22 Services officers allocated to Ameren Missouri and the Ameren Missouri officers.

1 Consistent with prior cases, the total long-term incentive compensation of \$565,000
2 applicable to Ameren Missouri, including the allocated Ameren Services amount, is
3 eliminated in Adjustment 3.

4 Adjustment 4 is an increase in operating expenses of \$250,000, to reflect an
5 annualized staffing level from the test year average.

6 Adjustment 5 eliminates the cost of purchased gas and other related costs and
7 expenses of \$54,151,000 that are collected through the PGA Rider.

8 Adjustment 6 increases operating expenses by \$46,000 for an increase in
9 depreciation that is charged to operating and maintenance ("O&M") expense for
10 transportation and heavy duty equipment.

11 Adjustment 7 is an increase in customer accounting expenses to reflect interest
12 expense at 5.25 percent on the average customer deposit balance. The average customer
13 deposit balance at June 30, 2018, is deducted from rate base. The interest expense added
14 to the customer accounting expenses is \$46,000.

15 The various insurance policies of the Company are renewable at different times
16 during the test year. Adjustment 8 increases administrative and general expense by
17 \$352,000 to annualize the premiums of the various insurance policies.

18 Adjustment 9 increases administrative and general expenses by \$65,000 to reflect
19 the 12 month forecasted ending amount at true-up of May 31, 2019, in the major medical
20 and other employee benefits expenses.

21 Adjustment 10 is an increase in operating expenses of \$40,000, to reflect benefits
22 related to the annualized staffing level from the test year average. Increasing the employee

1 benefits costs to the forecasted staffing level matches the pro forma labor expense
2 adjustment in Adjustment 4.

3 Administrative and general expenses are increased by \$10,000 in Adjustment 11 to
4 reflect the current level of costs for the non-qualified pension plan.

5 Adjustment 12 decreases administrative and general expenses by \$1,718,000 to re-
6 base the pension and OPEB tracker to reflect the annualized calendar year 2018 level of
7 expense.

8 Adjustment 13 is a decrease in administrative and general expense of \$725,000 to
9 reflect the annualized amortization of the pension and OPEB net regulatory balances, and
10 the estimated net regulatory liability balances at May 31, 2019, the end of the proposed
11 true-up period.

12 Administrative and general expenses are increased in Adjustment 14 by an amount
13 of \$316,000 to reflect the expenses that have been and will be incurred to prepare and
14 litigate this rate increase filing (rate case expense).

15 Adjustment 15 increases administrative and general expenses by \$143,000 to
16 annualize the Ameren Missouri gas Commission and OPC assessment.

17 Finally, Adjustment 16 increases administrative and general expenses by \$341,000
18 to reflect additional software rental paid to other Ameren affiliates that are allocated to gas
19 operations. As discussed above with software rental revenues, any software rental amounts
20 that are currently included in the Company's electric rates will be tracked as of the effective
21 date of rates in this case for adjustment in the Company's next electric rate case.

1 **Q. What is the impact on total gas operating and maintenance expenses**
2 **from the above pro forma adjustments?**

3 A. As shown in Schedule LMM-D11, the total gas operating and maintenance
4 expenses are decreased from \$87,930,000 to \$32,686,000, or a total net decrease of
5 \$55,244,000 by the above pro forma adjustments.

6 **Q. What is shown in Schedule LMM-D12?**

7 A. Schedule LMM-D12 shows the total gas depreciation and amortization
8 expenses by functional classifications for the twelve months ended June 30, 2018, per book
9 and pro forma.

10 **Q. What pro forma adjustments apply to the depreciation and**
11 **amortization expenses?**

12 A. Schedule LMM-D12 details the following pro forma adjustments to the
13 depreciation and amortization expenses:

14 Adjustment 1 increases depreciation and plant amortization by \$3,637,000 to reflect
15 the book depreciation annualized for the plant-in-service depreciable balances at June 30,
16 2018, based on the current depreciation rates.

17 Adjustment 2 decreases depreciation expense by \$980,000 to reflect the change in
18 depreciation rates. The change in the depreciation rates will be discussed in the direct
19 testimony of Ameren Missouri witness John F. Wiedmayer from Gannett Fleming
20 Valuation and Rate Consultants, LLC.

21 The depreciation expense for transportation equipment (Account 392) and heavy
22 duty equipment (Account 396) are not charged to depreciation expense. Adjustment 3

1 reduces depreciation expense by \$794,000 to eliminate the depreciation expense on these
2 accounts.

3 Adjustment 4 decreases depreciation expense by \$35,000 for the depreciation
4 related to the capitalized incentive compensation reduction of rate base.

5 **Q. What are the total gas pro forma depreciation and amortization**
6 **expenses?**

7 A. As reported in Schedule LMM-D12, the total gas pro forma depreciation
8 and amortization expenses are \$14,702,000.

9 **Q. Please explain Schedule LMM-D13.**

10 A. Schedule LMM-D13 shows the taxes other than income taxes for the twelve
11 months ended June 30, 2018, per book and pro forma.

12 **Q. Please list the pro forma adjustments required to arrive at the total gas**
13 **pro forma taxes other than income taxes as detailed in Schedule LMM-D13.**

14 A. The following pro forma adjustments detailed in Schedule LMM-D13 are
15 required to arrive at the total gas pro forma taxes other than income taxes.

16 Adjustment 1 decreases F.I.C.A. taxes by \$1,000 to reflect the pro forma wage
17 adjustments.

18 Adjustment 2 decreases property taxes by \$137,000 to reflect the current level of
19 property taxes based on the investment in plant at January 1, 2018.

20 Adjustment 3 adjusts taxes other than income taxes to remove Missouri gross
21 receipts taxes of \$7,059,000, as they are add-on taxes that are directly passed through from
22 customers. The pro forma book revenues also reflect the removal of the add-on revenue
23 taxes.

1 **Q. How much are pro forma taxes other than income taxes for the twelve**
2 **months ended June 30, 2018, for total gas?**

3 A. As reflected on Schedule LMM-D13, the pro forma total gas taxes other
4 than income taxes are \$9,065,000.

5 **Q. What is shown in Schedule LMM-D14?**

6 A. Schedule LMM-D14 shows the derivation of the income tax calculation at
7 the requested 7.581% rate of return for total gas operations reflecting the statutory tax rates.

8 **Q. As shown in Schedule LMM-D14, what are the income taxes at the**
9 **requested rate of return for total gas operations?**

10 A. Total current federal, state and city earnings income taxes using the
11 statutory tax rates at the requested rate of return are \$4,566,000 for total gas operations, as
12 shown in Schedule LMM-D14. Deferred income taxes for total gas operations of
13 (\$585,000) are also shown in Schedule LMM-D14. Net current and deferred income taxes
14 for gas operations are \$3,981,000.

15 **Q. Do the deferred income taxes mentioned above include the excess**
16 **accumulated deferred income taxes ("ADIT") that are the result of the federal 2017**
17 **Tax Cuts and Jobs Act ("TCJA")?**

18 A. Yes. The flow back of excess ADIT based on amortization periods
19 consistent with the Company's electric excess ADIT as approved in File No. ER-2018-
20 0362 is included.

21 **Q. What amortization periods are used for the excess ADIT?**

22 A. The Company is proposing to amortize the protected plant-related excess
23 ADIT based on the average rate assumption method ("ARAM") amortization period. For

1 the unprotected plant excess ADIT and unprotected non-plant excess ADIT, a ten year
2 amortization period is used.

3 **Q. Could the amortization amount of plant-related excess ADIT using**
4 **ARAM vary from what is included in rates?**

5 A. Yes. Because of the complex nature of ADIT and the impact of ongoing
6 financial results in the future on the protected plant-related excess ADIT, this amount is an
7 estimate and will change from the amount in rates. Therefore, the Company is proposing
8 that a tracker should be established to defer any amounts of plant-related excess ADIT that
9 is above or below the amount set in rates similar to the tracker that was approved in File
10 No. ER-2018-0362.

11 **Q. Please explain Schedule LMM-D15.**

12 A. Schedule LMM-D15 shows the total gas rate base of \$259,306,000, and the
13 total gas revenue requirement of \$80,092,000 at the requested return of 7.581 percent. (See
14 the direct testimony of Company witness Brenda I. Weber for the development of the 7.581
15 percent rate of return.)

16 **Q. What does Schedule LMM-D16 reflect?**

17 A. Schedule LMM-D16 compares the total gas revenue requirement of
18 \$80,092,000 with the total gas pro forma operating revenues under the present rates of
19 \$75,826,000. It shows that the revenue requirement for the test year is \$4,266,000 more
20 than the pro forma operating revenues at present rates.¹ This is the amount of additional
21 revenues Ameren Missouri needs to collect each year to recover its cost of service,
22 including an opportunity to recover its cost of capital.

¹ For display purposes, the amounts were rounded to the nearest thousandth.

1 **Q. Does Ameren Missouri's revenue requirement include costs that were**
2 **allocated from Ameren Services ("AMS")?**

3 A. Yes.

4 **Q. Please explain why these costs from AMS are prudent costs.**

5 A. Ameren employs a service company model similar to other companies in
6 the industry for shared services. This model enables the Company to focus on our core
7 business and receive essential corporate services from the service company. Having a
8 service company is efficient and cost-effective, compared to a model where each subsidiary
9 would have to provide its own corporate support services.

10 Over 50% of the charges from AMS are labor or benefit related charges for the
11 labor and benefits expense of the AMS employees in their corporate support departments.
12 Human Resources pays at market based rates and uses benchmarking to monitor the labor
13 and benefits costs. Benchmarking is used to keep AMS costs in line with the market for
14 the services AMS provides. Since AMS provides those services at cost, no mark-up or
15 profit component, cost and market are the same.

16 A stipulation between the Company and the Commission Staff was filed just last
17 week in the affiliate transaction docket that is ongoing. This agreement between those
18 parties should provide additional assurance of the appropriateness and reasonableness of
19 the costs of AMS allocated to the Company.

20 **III. INTERIM RATES**

21 **Q. Is the Company proposing an interim rate decrease in this case?**

22 A. Yes.

1 **Q. Why is the Company proposing interim rates?**

2 A. The Company is proposing interim rates in this case to facilitate the return
3 of the TCJA benefits to customers.

4 **Q. How was the reduction calculated?**

5 A. The Company prepared a revenue requirement with a test year ended March
6 31, 2018. A return on equity ("ROE") of 9.8% was used for this revenue requirement based
7 on the ROE granted to Spire in its rate case earlier this year.² Adjustments were made to
8 this revenue requirement to annualize certain costs as of the end of the test year. Some of
9 these pro forma adjustments include the allocation of plant in service for multi-use facilities
10 to gas, a revenue adjustment to reflect normal weather, elimination of the long term
11 incentive compensation and rebasing the pension and OPEB tracker. The pro-forma
12 adjustments made are all listed and explained in the schedules for interim rates.

13 For this revenue requirement, the cash working capital lead/lag rates were from the
14 last Ameren Missouri gas rate case. Also, the depreciation rates used in this revenue
15 requirement are the depreciation rates proposed in this case.

16 This revenue requirement was calculated with the new federal income tax rate and
17 included the amortization of excess deferred income taxes related to our gas business.

18 There was one adjustment that was forward looking in this revenue requirement.
19 The Company implemented a new work management program that was placed in service

² *In the Matters of the Laclede Gas Company's Request to Increase Its Revenues for Gas Service*, File No. GR-2017-0215, and *In the Matter of the Laclede Gas Company d/b/a Missouri Gas Energy's Request to Increase Its Revenues for Gas Service*, File No. GR-2017-0216, Amended Report and Order (March 7, 2018), at 35.

1 in August 2018. The cost of this significant project for the Company was included in the
2 revenue requirement for interim rates.

3 This revenue requirement was calculated to reflect the impact of the TCJA. The
4 Company calculated this revenue requirement to not only reflect that tax benefit, but to
5 also include other cost changes since our last gas rate case in 2010. Without including the
6 other cost changes since the last rate case, the impact of the TCJA would be reflected in
7 this revenue requirement as a single issue ratemaking case which my attorneys tell me is
8 prohibited in Missouri.

9 **Q. How are the impacts of the TCJA included in this proposed revenue**
10 **requirement for interim rates?**

11 A. The new federal tax rate has been reflected in this revenue requirement as
12 well as the flow back of excess ADIT based on amortization periods consistent with the
13 Company's electric excess ADIT as approved in File No. ER-2018-0362.

14 **Q. Are the amortization periods consistent with the amortization periods**
15 **used in the direct case above?**

16 A. Yes.

17 **Q. Is the Company proposing a tracker for the excess plant-related ADIT**
18 **during the interim rate period similar to the tracker proposed above?**

19 A. Yes. Again these amounts are just estimates so it is important to track the
20 actual amounts.

1 **Q. Why did you include the new work management system in the revenue**
2 **requirement for interim rates?**

3 A. I included it because Program Aspire, now known as Digital Field
4 Experience, is a transformational work management program which plans to establish a
5 new work management, geographic information system and mobile platform for our
6 electric and gas workforce for Ameren Missouri. Detailed design began in 2017 and will
7 be rolled out in several phases with overall completion in 2021.

8 Click Mobile Touch ("CMT") is a project in the first phase and it established the
9 mobile/scheduling platform. The current users are the Gas Compliance workforce. This
10 foundational mobile/scheduling platform will be used for subsequent phases and will be
11 rolled out to the other electric and gas field workers.

12 The Click Mobile Touch project utilized the Click Software field service edge
13 version which is cloud-based. From a technology standpoint, it is fundamentally different
14 than the on premise version currently utilized at Ameren today. This CMT phase will also
15 deliver new touch-enabled, Windows 10 and iOS mobile devices which provide greater
16 efficiency, status updates, and send/receive data while they are out in the field. This
17 functionality will allow enhancements to our ability to communicate both internally and
18 externally on the status of work. The project will also eliminate current customizations so
19 that in the future Ameren can easily upgrade to new versions from the product developers.
20 This foundational mobile/scheduling platform will be used for subsequent phases to be
21 rolled out to electric and gas field workers.

1 **Q. Why is the interim rate adjustment a decrease for customers instead of**
2 **an increase as proposed in the Company's permanent rate adjustment case?**

3 A. There are a few reasons one would be a decrease while the other is an
4 increase. The test year is different in the interim case and no true-up is included, with the
5 exception of Project Aspire. The revenue requirement for the permanent rates includes rate
6 base additions through May 31, 2019 which is over a year's worth of additional rate base
7 compared to the March 31, 2018 rate base amount used for interim rates.

8 The proposed ROE based on the Spire case approved earlier this year was used for
9 the interim case instead of the ROE supported by Ameren Missouri Witness Robert B.
10 Hevert.

11 There are additional adjustments that are included in the permanent rate revenue
12 requirement that are not included in the interim revenue requirement due to the different
13 test year and lack of true-up period. Some of these adjustments include wage increases in
14 2018 for contract employees and 2019 for management employees, employee benefit
15 expenses, and the Commission assessment increase for 2018.

16 **Q. If interim rates are approved in this case, will your revenue**
17 **requirement increase stay the same?**

18 A. No. If the interim rates are approved, the revenue requirement increase
19 needed must be increased by the amount of the revenue requirement decrease implemented.
20 The current revenue requirement in this case was calculated based on current adjusted
21 revenues (to include current tax rates) without taking the interim rate reduction into
22 consideration.

1 **IV. CONCLUSION**

2 **Q. Please summarize your testimony and conclusions.**

3 A. My testimony and attached schedules have developed the Company's total
4 gas rate base and revenue requirement, which include continuation of the pension and
5 OPEB expense tracker, as well as amortization of existing regulatory assets and liabilities.
6 As summarized in Schedule LMM-D16, the Company's total gas revenue requirement,
7 including the Company's proposed 7.581 percent return on rate base, exceeds the pro forma
8 operating revenues at the present rates by \$4,266,000. The Company should be allowed to
9 increase its rates to permit it to recover this \$4,266,000 in additional revenue requirement.

10 **Q. Does this conclude your direct testimony?**

11 A. Yes, it does.

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

In the Matter of Union Electric Company)
d/b/a Ameren Missouri's Tariffs to Increase Its)
Revenues for Natural Gas Service.) File No. GR-2019-0077

AFFIDAVIT OF LAURA M. MOORE

STATE OF MISSOURI)
)**ss**
CITY OF ST. LOUIS)

Laura M. Moore, being first duly sworn on his oath, states:

1. My name is Laura M. Moore. I work in the City of St. Louis, Missouri, and I am employed by Union Electric Company d/b/a Ameren Missouri as Director of Regulatory Accounting.

2. Attached hereto and made a part hereof for all purposes is my Direct Testimony on behalf of Union Electric Company d/b/a Ameren Missouri consisting of 29 pages and Schedule(s) LMM-D1 to LMM-D32, all of which have been prepared in written form for introduction into evidence in the above-referenced docket.

3. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded are true and correct.



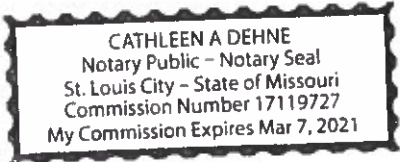
Laura M. Moore

Subscribed and sworn to before me this 27th day of November, 2018.



Notary Public

My commission expires: March 7, 2021



AMEREN MISSOURI
ORIGINAL COST OF GAS PLANT
BY FUNCTIONAL CLASSIFICATION FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
(\$000)

<u>LINE</u>	<u>FUNCTIONAL CLASSIFICATION</u> (A)	<u>TOTALS</u> <u>PER</u> <u>BOOKS</u> (B)	<u>PRO FORMA</u> <u>ADJUSTMENTS</u> <u>(1)</u> (C)	<u>PRO FORMA</u> <u>GAS</u> <u>TOTALS</u> (D)
1	INTANGIBLE PLANT	-	13,589	13,589
2	PRODUCTION PLANT	-	-	-
3	TRANSMISSION PLANT	5,572	-	5,572
4	DISTRIBUTION PLANT	446,691	26,620	473,311
5	GENERAL PLANT	28,490	11,966	40,456
6	INCENTIVE COMPENSATION CAPITALIZED	-	(1,261)	(1,261)
7	TOTAL PLANT IN SERVICE	<u>\$ 480,753</u>	<u>\$ 50,914</u>	<u>\$ 531,667</u>

(1) Details of pro forma adjustments per SCHEDULE LMM-D1-2.

AMEREN MISSOURI
EXPLANATION OF PRO FORMA ADJUSTMENTS TO PLANT
BY FUNCTIONAL CLASSIFICATION FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
(\$000)

<u>Line</u>	<u>Description</u>	<u>Amount</u>
1	(1) Pro Forma adjustment for forecasted plant additions through May 31, 2019.	\$ 35,612
2	(2) Allocate portions of plant in service for multi use general facilities which are applicable to gas operations. For convenience, such facilities are recorded as electric plant but are commonly used for both electric and gas.	\$ 16,563
3		
4	(3) Reduce Plant-in-Service for disallowed capital incentive compensation.	\$ (1,261)
5	Total Pro Forma Adjustments	<u>\$ 50,914</u>

AMEREN MISSOURI
TOTAL GAS RESERVES FOR DEPRECIATION AND AMORTIZATION
BY FUNCTIONAL CLASSIFICATION FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
(\$000)

<u>LINE</u>	<u>FUNCTIONAL CLASSIFICATION</u> (A)	<u>TOTALS PER BOOKS</u> (B)	<u>PRO FORMA ADJUSTMENTS (1)</u> (C)	<u>PRO FORMA GAS TOTALS</u> (D)
1	INTANGIBLE PLANT	-	3,225	3,225
2	PRODUCTION PLANT	(249)	-	(249)
3	TRANSMISSION PLANT	2,874	113	2,987
4	DISTRIBUTION PLANT	171,115	10,096	181,211
5	GENERAL PLANT	8,314	4,780	13,094
6	INCENTIVE COMPENSATION CAPITALIZED	-	(402)	(402)
7	TOTAL DEPRC. & AMORT RESERVE	\$ 182,054	\$ 17,812	\$ 199,866

(1) Details of pro forma adjustments per SCHEDULE LMM-D2-2.

AMEREN MISSOURI
EXPLANATION OF PRO FORMA ADJUSTMENTS TO ACCUMULATED RESERVES
BY FUNCTIONAL CLASSIFICATION FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
(\$000)

<u>Line</u>	<u>Description</u>	<u>Amount</u>
1	(1) Reserve Balance at June 30, 2018 adjusted to reflect Reserve Balance at May 31, 2019.	\$ 11,099
2	(2) Adjustment to depreciation reserve for the additions to plant in service for the true-up period of July 1, 2018 through May 31, 2019.	\$ 1,084
3		
4	(3) Allocate portions of plant in service for multi use general facilities which are applicable to gas operations. For convenience, such facilities are recorded as electric plant but are commonly used for both electric and gas.	\$ 6,031
5		
6	(4) Reserve Balance adjustment for disallowed Incentive Compensation capitalized.	\$ (402)
7	Total Pro Forma Adjustments	<u>\$ 17,812</u>

AMEREN MISSOURI
AVERAGE FUEL AND MATERIALS & SUPPLIES INVENTORIES
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
(\$000)

<u>LINE</u>	<u>DESCRIPTION</u> (A)	<u>TOTALS</u> <u>PER</u> <u>BOOKS</u> (B)	<u>PRO FORMA</u> <u>ADJUSTMENTS</u> (C)	<u>PRO FORMA</u> <u>GAS</u> <u>TOTALS</u> (D)
1	GENERAL MATERIALS AND SUPPLIES	1,706	-	1,706
2	GAS STORED UNDERGROUND	<u>6,538</u>	<u>-</u>	<u>6,538</u>
3	TOTAL	<u>\$ 8,244</u>	<u>\$ -</u>	<u>\$ 8,244</u>

**AMEREN MISSOURI
AVERAGE PREPAYMENTS
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
(\$000)**

<u>LINE</u>	<u>DESCRIPTION</u>	<u>TOTALS PER BOOKS(1)</u>	<u>PRO FORMA ADJUSTMENTS</u>	<u>PRO FORMA GAS TOTALS</u>
	(A)	(B)	(C)	(D)
1	RENTS (3)	\$ 9	\$ (9)	\$ -
2	INSURANCE - DIRECT (2)	8,382	(7,863)	519
3	REG. COMMISSION ASSESSMENTS (3)	-	-	-
4	COAL CAR LEASE (2)	191	(191)	-
5	M/A COMM RADIO SYS SRVC AGREEMENT (3)	34	(34)	-
6	MEDICAL AND DENTAL VEBA (3)	4,109	(4,030)	79
7	IMAGING SOFTWARE (ELEC ONLY)	75	(75)	-
8	FUELWORKS SOFTWARE (ELEC ONLY)	-	-	-
9	MICROSOFT ENTERPRISE APPLICATIONS (3)	17	(17)	-
10	ARBOR NEWSTAR SERVICE FEE (3)	11	(11)	-
11	OPTIV GIGAMON (3)	39	(38)	1
12	CAROUSEL (AVAYA) MAINTENANCE (3)	-	-	-
13	ENERGY EFFICIENCY PROGRAM VENDORS (2)	111	-	111
14	NSR & OPACITY LITIGATION (2)	1,887	(1,887)	-
15	TOTAL AVERAGE PREPAYMENTS	\$ 14,865	\$ (14,155)	\$ 710

16 (1) Reflects 13 month average

17 (2) Directly assigned to electric or gas.

18 (3) Allocated to gas based on operating expenses excluding purchased power, fuel adjustment clause and purchased gas.

PRO FORMA ADJUSTMENT

19 (1) Eliminate portions of prepayments which are applicable to electric operations. Allocated between
20 electric and gas operations based on operating expenses excluding purchased power, fuel adjustment clause
21 and purchased gas. \$ (14,155)

AMEREN MISSOURI
TOTAL GAS CASH WORKING CAPITAL
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
(\$000)

<u>LINE</u>	<u>DESCRIPTION</u>	<u>REVENUE</u> <u>LAG</u> <u>(B)</u>	<u>EXPENSE</u> <u>LEAD</u> <u>(C)</u>	<u>NET</u> <u>LEAD/LAG</u> <u>(D)</u>	<u>FACTOR</u> <u>(E)</u>	<u>TEST YEAR</u> <u>EXPENSE</u> <u>(F)</u>	<u>CASH WORKING</u> <u>CAPITAL</u> <u>REQUIREMENT</u> <u>(G)</u>
	(A)						
1	PAYROLL & WITHHOLDINGS	38.650	(10.290)	28.360	0.077699	\$ 13,707	\$ 1,065
2	PENSIONS AND BENEFITS	38.650	(16.890)	21.760	0.059616	1,904	114
3	FUEL	38.650	(35.770)	2.880	0.007890	54,151	427
4	INCENTIVE COMPENSATION	38.650	(252.230)	(213.580)	(0.585151)	1,003	(587)
5	UNCOLLECTIBLE ACCOUNTS	38.650	(38.650)	-	-	371	-
6	OTHER OPERATING EXPENSES	38.650	(37.840)	0.810	0.002219	<u>15,701</u>	<u>35</u>
7	TOTAL O&M EXPENSES					32,685	
8	TOTAL CASH WORKING CAPITAL REQUIREMENT						1,054
9	PAYROLL TAXES	38.650	(9.500)	29.150	0.079863	885	71
10	PROPERTY TAXES	38.650	(182.500)	(143.850)	(0.394110)	8,204	(3,233)
11	SALES TAXES	38.650	(10.100)	28.550	0.078219	3,572	279
12	GROSS RECEIPTS TAXES	23.440	(25.850)	(2.410)	(0.006603)	<u>7,040</u>	<u>(46)</u>
13	TOTAL TAXES AND OTHER EXPENSES					19,701	
14	NET CUSTOMER SUPPLIED FUNDS						\$ <u>(2,929)</u>
15	NET CASH WORKING CAPITAL REQUIREMENT						\$ <u>(1,875)</u>

AMEREN MISSOURI
TOTAL GAS FEDERAL AND STATE INCOME TAX AND CITY EARNINGS TAX CASH REQUIREMENTS
AND INTEREST EXPENSE CASH REQUIREMENT
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
(\$000)

<u>LINE</u>	<u>DESCRIPTION</u> (A)	<u>REVENUE LAG</u> (B)	<u>EXPENSE LEAD (1)</u> (C)	<u>NET LEAD/LAG</u> (D)	<u>FACTOR</u> (E)	<u>TEST YEAR EXPENSE</u> (F)	<u>CASH WORKING CAPITAL REQUIREMENT</u> (G)
1	FEDERAL INCOME TAX CASH REQUIREMENT	38.650	(37.875)	0.775	0.002123	\$ 3,541	\$ <u>8</u>
2	STATE INCOME TAX CASH REQUIREMENT	38.650	(37.875)	0.775	0.002123	\$ 1,006	\$ <u>2</u>
3	CITY EARNINGS TAX CASH REQUIREMENT	38.650	(273.500)	(234.850)	(0.643425)	\$ 18	\$ <u>(12)</u>
4	INTEREST EXPENSE CASH REQUIREMENT	38.650	(89.310)	(50.660)	(0.138795)	\$ 5,700	\$ <u>(791)</u>

AMEREN MISSOURI
TOTAL GAS AVERAGE CUSTOMER ADVANCES FOR CONSTRUCTION AND
AVERAGE CUSTOMER DEPOSITS
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
(\$000)

<u>LINE</u>	<u>DESCRIPTION</u> (A)	<u>TOTAL GAS</u> (B)
1	AVERAGE CUSTOMER ADVANCES FOR CONSTRUCTION	<u>\$ (2,345)</u>
2	AVERAGE CUSTOMER DEPOSITS	<u>\$ (878)</u>

**AMEREN MISSOURI
OTHER REGULATORY ASSETS
AND REGULATORY LIABILITIES
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
(\$000)**

<u>LINE</u>	<u>DESCRIPTION</u> (A)	<u>TOTAL GAS (1)</u> (B)
1	PENSIONS	<u>\$ (1,018)</u>
2	OTHER POST-EMPLOYMENT BENEFITS	<u>\$ (2,606)</u>
3	(1) A positive balance is a Regulatory Asset and a negative balance is a	
4	Regulatory Liability.	

AMEREN MISSOURI
ACCUMULATED DEFERRED INCOME TAXES
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
(\$000)

<u>LINE</u>	<u>DESCRIPTION</u> (A)	<u>TOTAL GAS PER BOOKS</u> (B)	<u>PRO FORMA ADJUSTMENTS</u> (C)	<u>PRO FORMA GAS TOTAL</u> (D)
1	ACCOUNT 190	\$ 3,826	\$ (1,542)	\$ 2,284
2	ACCOUNT 282	(72,755)	(825)	(73,580)
3	ACCOUNT 283	<u>(487)</u>	<u>(151)</u>	<u>(638)</u>
4	TOTAL ACCUMULATED DEFERRED INCOME TAXES	<u>\$ (69,416)</u>	<u>\$ (2,518)</u>	<u>\$ (71,934)</u>

AMEREN MISSOURI
TOTAL GAS PER BOOK AND PRO FORMA OPERATING REVENUES
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
(\$000)

<u>LINE</u>	<u>DESCRIPTION</u> (A)	<u>TOTAL GAS</u> (B)	<u>PRO FORMA ADJUSTMENTS</u> (C)	<u>ADJUSTED TOTAL GAS</u> (D)
OPERATING REVENUES				
1	RETAIL REVENUES	\$ 131,786	\$ (71,290)	\$ 60,496
2	TRANSPORTATION	13,669	(166)	13,503
3	PROVISION FOR RATE REFUNDS	(10,903)	10,903	-
4	OTHER GAS REVENUES	1,643	184	1,827
5	TOTAL REVENUES PER BOOKS	\$ 136,195	\$ (60,369)	\$ 75,826
PRO FORMA ADJUSTMENTS:				
6	(1) REMOVE ADD ON REVENUE TAX	(7,066)		
7	(2) ADJUSTMENT TO REFLECT NORMAL WEATHER	935		
8	(3) ELIMINATE PGA REVENUES	(54,073)		
9	(4) ADJUST FOR BILLING UNITS	(103)		
10	(5) ELIMINATE UNBILLED REVENUE	(246)		
11	(6) SOFTWARE RENTAL ADJUSTMENT	229		
12	(7) BUILDING RENTAL ADJUSTMENT	(45)		
13	TOTAL PRO FORMA ADJUSTMENTS		\$ (60,369)	

AMEREN MISSOURI
GAS OPERATING AND MAINTENANCE EXPENSES
PER BOOK AND PRO FORMA
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
(\$000)

LINE	FUNCTIONAL CLASSIFICATION (A)	TOTAL PER BOOKS (B)	#1	#2	#3	#4	#5	#6	#7	#8
			LABOR ADJUSTMENT (C)	INCENTIVE COMPENSATN ADJUSTMENT (D)	LONG TERM INCENTIVE COMPENSATN ADJUSTMENT (E)	ANNUALIZE STAFFING LABOR (F)	ELIMINATE PURCHASED GAS EXPENSE (G)	DEPRECIATN TO O&M (H)	ADD INTEREST ON CUSTOMER DEPOSITS (I)	INSURANCE ADJUST. (J)
1	PRODUCTION:	\$ 54,828	\$ 19	\$ (5)	\$ (54)	\$ 10	\$ (54,151)	\$ -	\$ -	\$ -
2	TOTAL TRANSMISSION EXPENSES:	\$ 623	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	DISTRIBUTION EXPENSES:	\$ 11,651	\$ 213	\$ (61)	\$ (31)	\$ 122	\$ -	\$ 46	\$ -	\$ -
4	CUSTOMER ACCOUNTING EXPENSES:	\$ 3,878	\$ 41	\$ (12)	\$ (16)	\$ 23	\$ -	\$ -	\$ 46	\$ -
5	CUSTOMER SERV. & INFO. EXPENSES:	\$ 1,139	\$ 21	\$ (7)	\$ (9)	\$ 14	\$ -	\$ -	\$ -	\$ -
6	SALES EXPENSES:	\$ 77	\$ 2	\$ (1)	\$ -	\$ 1	\$ -	\$ -	\$ -	\$ -
7	ADMINISTRATIVE & GENERAL EXPENSES:	\$ 15,734	\$ 137	\$ (41)	\$ (455)	\$ 80	\$ -	\$ -	\$ -	\$ 352
8	TOTAL OPERATIONS & MAINTENANCE EXPENSES	<u>\$ 87,930</u>	<u>\$ 433</u>	<u>\$ (127)</u>	<u>\$ (565)</u>	<u>\$ 250</u>	<u>\$ (54,151)</u>	<u>\$ 46</u>	<u>\$ 46</u>	<u>\$ 352</u>

9 NOTE: See SCHEDULE LMM-D11-3 for explanation of the pro forma adjustments.

AMEREN MISSOURI
GAS OPERATING AND MAINTENANCE EXPENSES
PER BOOK AND PRO FORMA
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
(\$000)

<u>LINE</u>	<u>FUNCTIONAL CLASSIFICATION</u> (A)	#9 PRO FORMA MEDICAL & BENEFIT ADJUST. (B)	#10 ANNUALIZE STAFFING BENEFITS (C)	#11 NON- QUALIFIED PENSION ADJUST. (D)	#12 REBASE PENSION AND OPEB TRACKER (E)	#13 AMORTIZE PENSION AND OPEB TRACKER (F)	#14 RATE CASE EXPENSES (G)	#15 MPSC ASSESSMENT (H)	#16 SOFTWARE RENTAL EXP ADJUSTMENT (I)	TOTAL PRO FORMA ADJUSTMENT (J)	PRO FORMA GAS TOTALS (J)
1	PRODUCTION:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(54,181)	647
2	TOTAL TRANSMISSION EXPENSES:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	623
3	DISTRIBUTION EXPENSES:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	289	11,940
4	CUSTOMER ACCOUNTING EXPENSES:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	82	3,960
5	CUSTOMER SERV. & INFO. EXPENSES:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	19	1,158
6	SALES EXPENSES:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	2	79
7	ADMINISTRATIVE & GENERAL EXPENSES:	\$ 65	\$ 40	\$ 10	\$ (1,718)	\$ (725)	\$ 316	\$ 143	\$ 341	(1,455)	14,279
8	TOTAL OPERATIONS & MAINTENANCE EXPENSES	\$ 65	\$ 40	\$ 10	\$ (1,718)	\$ (725)	\$ 316	\$ 143	\$ 341	(55,244)	32,686

9 **NOTE:** See SCHEDULE LMM-D11-3 for explanation of the pro forma adjustments.

AMEREN MISSOURI
GAS OPERATING AND MAINTENANCE EXPENSE
PRO FORMA ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
(\$000)

<u>LINE</u>	<u>PRO FORMA ITEM NO.</u> (A)	<u>DESCRIPTION</u> (B)	<u>TOTAL AMOUNT</u> (C)
1	(1)	Increased labor expense from annualizing the average 2.76% wage increase for management employees effective	\$ 433
2		January 1, 2018 and 2019, and the 2.50% wage increase for the Company's union employees effective July 1, 2018 per	
3		the labor contracts.	
4	(2)	Decrease the incentive compensation expense for the incentive compensation applicable to AMS and Ameren Missouri	\$ (127)
5		officers related to earnings.	
6	(3)	Eliminate the long term incentive compensation expense.	\$ (565)
7	(4)	Adjust Labor to reflect an annualized staffing level from the test year average	\$ 250
8	(5)	Eliminate cost of purchased gas and other related costs and expenses that are collected through the PGA.	\$ (54,151)
9	(6)	Increase in distribution expenses for increase in depreciation charged to O&M	\$ 46
10	(7)	Increase in customer accounting expenses to reflect interest expense at 5.25% on the average customer deposit	\$ 46
11		balance.	
12	(8)	Annualize insurance expense based upon current insurance premiums.	\$ 352
13	(9)	Increase administrative and general expenses to reflect the 12 months forecasted ending at true-up of May 31, 2019 in the	\$ 65
14		major medical and other employee benefit expenses.	
15	(10)	Adjust Benefits to reflect an annualized staffing level from the test year average	\$ 40
16	(11)	Increase non-qualified pension expense to reflect current level of expense.	\$ 10
17	(12)	Rebase Pension and OPEB Tracker to year 2018 level.	\$ (1,718)
18	(13)	Decrease O&M for amortization of the net regulatory liabilities for Pension and OPEB Tracker.	\$ (725)
19	(14)	Increase administrative and general expenses to reflect the expenses that have been and will be incurred to prepare and	\$ 316
20		litigate this rate increase filing amortized over a 3 year period.	
21	(15)	Increase test year expenses to annualize MPSC Assessment.	\$ 143
22	(16)	Increase test year expense to reflect additional software rental expense allocated to gas operations	\$ 341
23	Total Pro Forma Adjustments to Gas Operating and Maintenance Expenses		\$ (55,244)

AMEREN MISSOURI
DEPRECIATION & AMORTIZATION EXPENSE
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
(\$000)

<u>LINE</u>	<u>DESCRIPTION</u> (A)	<u>TOTALS</u> <u>PER</u> <u>BOOKS</u> (B)	<u>PRO FORMA</u> <u>ADJUSTMENTS(1)</u> (C)	<u>PRO FORMA</u> <u>GAS</u> <u>TOTALS</u> (D)
	DEPRECIATION EXPENSE:			
1	INTANGIBLE	-	2,425	2,425
2	PRODUCTION	-	-	-
3	TRANSMISSION PLANT	123	(35)	88
4	DISTRIBUTION PLANT	10,554	(226)	10,328
5	GENERAL PLANT	1,497	(301)	1,196
6	INCENTIVE COMPENSATION	-	(35)	(35)
7	TOTAL DEPRECIATION EXPENSE	<u>12,174</u>	<u>1,828</u>	<u>14,002</u>
	MISC. AMORTIZATION:			
8	AMORT OF LOW INCOME SURCHARGE	<u>700</u>	-	<u>700</u>
9	TOTAL MISC AMORTIZATION	<u>700</u>	-	<u>700</u>
10	TOTAL DEPR & AMORTIZATION EXPENSE	<u>\$ 12,874</u>	<u>\$ 1,828</u>	<u>\$ 14,702</u>
11	(1) See SCHEDULE LMM-D12-2 for explanation of the pro forma adjustments.			

AMEREN MISSOURI
GAS DEPRECIATION & AMORTIZATION EXPENSE PRO FORMA ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
(\$000)

<u>LINE</u>	<u>ITEM NO.</u>	<u>DESCRIPTION</u>	<u>PRO FORMA ADJUSTMENTS</u>
	(A)	(B)	(C)
1	(1)	To reflect the book depreciation annualized for the plant in service depreciable balances at	
2		May 31, 2019	
3		Change in Depr. Exp. - Production	\$ -
4		Change in Depr. Exp. - Transmission	1
5		Change in Depr. Exp. - Distribution	787
6		Change in Depr. Exp. - General Plant	424
7		Change in Amort. Exp. - Intangible Plant	2,425
8		Total Increase in Depreciation Expense	<u>\$ 3,637</u>
9	(2)	Adjust depreciation expense to reflect the proposed rates	
10		Change in Depr. Exp. - Production	\$ -
11		Change in Depr. Exp. - Transmission	(36)
12		Change in Depr. Exp. - Distribution	(1,013)
13		Change in Depr. Exp. - General Plant	69
14		Change in Amort. Exp. - Intangible Plant	-
15		Total Increase in Depreciation Expense	<u>\$ (980)</u>
16	(3)	To reduce depreciation expense charged to O&M	
17		Decrease in Depr. Exp. - General Plant	<u>\$ (794)</u>
18	(4)	Depreciation on Incentive Compensation Capitalized	<u>\$ (35)</u>
19	TOTAL PRO FORMA ADJUSTMENTS: DEPRECIATION & AMORTIZATION		<u>\$ 1,828</u>

AMEREN MISSOURI
TAXES OTHER THAN INCOME TAXES
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
(\$000)

<u>LINE</u>	<u>DESCRIPTION</u> (A)	<u>TOTAL PER BOOKS</u> (B)	<u>PRO FORMA ADJUSTMENTS(1)</u> (C)	<u>PRO FORMA GAS TOTALS</u> (D)
PAYROLL TAXES				
1	F.I.C.A.	\$ 878	\$ (1)	\$ 877
2	FEDERAL UNEMPLOYMENT	7	-	7
3	MISSOURI UNEMPLOYMENT	-	-	-
4	ST. LOUIS EMPLOYMENT TAX	-	-	-
5	TOTAL PAYROLL TAXES	<u>885</u>	<u>(1)</u>	<u>884</u>
R.E., P.P. & CORP FRANCHISE				
6	MISSOURI R.E., & P.P.	8,026	(137)	7,889
7	OTHER STATES R.E. & P.P.	<u>292</u>	<u>-</u>	<u>292</u>
8	TOTAL R.E., P.P. & CORP FRANCHISE	8,318	(137)	8,181
9	MUNICIPAL GROSS RECEIPTS	7,059	(7,059)	-
MISCELLANEOUS				
10	MISSOURI CORP FRANCHISE	-	-	-
11	ILLINOIS CORP FRANCHISE	-	-	-
12	MISCELLANEOUS	-	-	-
13	TOTAL MISCELLANEOUS	<u>-</u>	<u>-</u>	<u>-</u>
14	TOTAL TAXES OTHER THAN INCOME TAXES	<u>\$ 16,262</u>	<u>\$ (7,197)</u>	<u>\$ 9,065</u>

15 (1) See SCHEDULE LMM-D13-2 for explanation of the pro forma adjustments.

**AMEREN MISSOURI
TAXES OTHER THAN INCOME
PRO FORMA ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
(\$000)**

<u>LINE</u>	<u>ITEM NO.</u> (A)	<u>DESCRIPTION</u> (B)	<u>PRO FORMA AMOUNT</u> (C)
1	(1)	Decrease the F.I.C.A. taxes to reflect the pro forma wage adjustments.	\$ (1)
2	(2)	Decrease Real Estate and Personal Property Taxes to 2018 expense level.	\$ (137)
3	(3)	Eliminate the gross receipts tax as they are a pass through tax.	\$ (7,059)
4		Total Pro Forma Adjustments to Taxes Other Than Income	<u>\$ (7,197)</u>

AMEREN MISSOURI
TOTAL GAS INCOME TAXES AT THE PROPOSED RETURN
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
(\$000)

<u>LINE</u>	<u>DESCRIPTION</u>	<u>(B)</u>	<u>TOTAL GAS (C)</u>
	(A)		
1	TOTAL GAS NET INCOME FROM OPERATIONS		\$ 19,658
	ADD		
2	CURRENT INCOME TAXES		4,566
3	DEFERRED INCOME TAXES		
4	DEFERRED INCOME TAX EXPENSE		(529)
5	I.T.C. AMORTIZATION		(56)
6	TOTAL GAS NET INCOME BEFORE INCOME TAX		23,639
	ADDITIONS TO NET INCOME BEFORE INCOME TAX		
7	BOOK DEPRECIATION		14,702
8	BOOK DEPRECIATION CHARGED TO O&M		531
9	EQUITY ISSUANCE COSTS		-
10	TOTAL ADDITIONS		15,233
	SUBTRACTIONS TO NET INCOME BEFORE INCOME TAX		
11	INTEREST ON DEBT (1)		5,700
12	TAX STRAIGHT LINE		15,268
13	PREFERRED DIVIDEND DEDUCTION		17
14	TOTAL SUBTRACTIONS		20,985
15	TOTAL GAS NET TAXABLE INCOME		17,887
	FEDERAL INCOME TAX		
16	NET TAXABLE INCOME		17,887
17	DEDUCT MISSOURI INCOME TAX		1,007
18	DEDUCT CITY EARNINGS TAX		18
19	FEDERAL TAXABLE INCOME		16,862
20	FEDERAL INCOME TAX	21.00%	3,541
	STATE INCOME TAXES		
21	NET TAXABLE INCOME		17,887
22	DEDUCT 50% OF FEDERAL INCOME TAX		1,771
23	DEDUCT CITY EARNINGS TAX		18
24	MISSOURI TAXABLE INCOME		16,098
25	TOTAL GAS MISSOURI INCOME TAX	6.25%	1,007
	CITY EARNINGS TAX		
26	NET TAXABLE INCOME		17,887
27	LESS TAX ADJUSTMENTS TO INCOME		1,056
28	CITY TAXABLE INCOME		16,831
29	CITY EARNINGS TAX	0.1097%	18
30	TOTAL GAS CURRENT INCOME TAXES		4,566
	DEFERRED INCOME TAXES:		
31	DEFERRED INCOME TAX EXPENSE		(529)
32	I.T.C. AMORTIZATION		(56)
33	TOTAL GAS DEFERRED INCOME TAX		(585)
34	TOTAL GAS CURRENT & DEFERRED INCOME TAX		\$ 3,981
35	(1) RATE BASE X EMBEDDED		
36	COST OF DEBT.	2.198%	

AMEREN MISSOURI
TOTAL GAS NET ORIGINAL COST RATE BASE AND REVENUE REQUIREMENT
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
(\$000)

<u>LINE</u>	<u>DESCRIPTION</u> (A)	<u>REFERENCE</u> (B)	<u>TOTAL GAS AMOUNT</u> (C)
A. TOTAL GAS NET ORIGINAL COST RATE BASE			
1	ORIGINAL COST OF PLANT IN SERVICE	SCHEDULE LMM-D1	\$ 531,667
2	LESS: RESERVES FOR DEPRECIATION & AMORTIZATION	SCHEDULE LMM-D2	199,866
3	NET ORIGINAL COST OF PLANT		<u>331,801</u>
4	AVERAGE FUEL AND MATERIALS AND SUPPLIES	SCHEDULE LMM-D3	8,244
5	AVERAGE PREPAYMENTS	SCHEDULE LMM-D4	710
6	CASH WORKING CAPITAL (LEAD/LAG)	SCHEDULE LMM-D5	(1,875)
7	FEDERAL INCOME TAX CASH REQUIREMENT	SCHEDULE LMM-D6	8
8	STATE INCOME TAX CASH REQUIREMENT	SCHEDULE LMM-D6	2
9	CITY EARNINGS TAX CASH REQUIREMENT	SCHEDULE LMM-D6	(12)
10	INTEREST EXPENSE CASH REQUIREMENT	SCHEDULE LMM-D6	(791)
11	AVERAGE CUSTOMER ADVANCES FOR CONSTRUCTION	SCHEDULE LMM-D7	(2,345)
12	AVERAGE CUSTOMER DEPOSITS	SCHEDULE LMM-D7	(878)
13	PENSION TRACKER REG ASSET	SCHEDULE LMM-D8	(1,018)
14	OPEB TRACKER REG LIABILITY	SCHEDULE LMM-D8	(2,606)
15	ACCUMULATED DEFERRED INCOME TAXES	SCHEDULE LMM-D9	<u>(71,934)</u>
16	TOTAL GAS NET ORIGINAL COST RATE BASE		<u>\$ 259,306</u>
B. TOTAL GAS REVENUE REQUIREMENT			
TOTAL GAS OPERATING EXPENSES:			
17	PRODUCTION	SCHEDULE LMM-D11-2	\$ 647
18	TRANSMISSION	SCHEDULE LMM-D11-2	623
19	DISTRIBUTION	SCHEDULE LMM-D11-2	11,940
20	CUSTOMER ACCOUNTS	SCHEDULE LMM-D11-2	3,960
21	CUSTOMER SERVICE	SCHEDULE LMM-D11-2	1,158
22	SALES	SCHEDULE LMM-D11-2	79
23	ADMINISTRATIVE AND GENERAL	SCHEDULE LMM-D11-2	14,279
24	TOTAL GAS OPERATING EXPENSES		<u>32,686</u>
25	DEPRECIATION AND AMORTIZATION	SCHEDULE LMM-D12-1	14,702
26	TAXES OTHER THAN INCOME TAXES	SCHEDULE LMM-D13-1	9,065
INCOME TAXES-BASED ON PROPOSED RATE OF RETURN			
27	FEDERAL	SCHEDULE LMM-D14	3,541
28	STATE	SCHEDULE LMM-D14	1,007
29	CITY EARNINGS	SCHEDULE LMM-D14	18
30	TOTAL INCOME TAXES		<u>4,566</u>
DEFERRED INCOME TAXES			
31	DEFERRED INCOME TAX EXPENSE	SCHEDULE LMM-D14	(529)
32	I.T.C. AMORTIZATION	SCHEDULE LMM-D14	(56)
33	TOTAL DEFERRED INCOME TAXES		<u>(585)</u>
34	RETURN (RATE BASE * 7.581%)	7.581%	<u>19,658</u>
35	TOTAL GAS REVENUE REQUIREMENT		<u>\$ 80,092</u>

AMEREN MISSOURI
INCREASE REQUIRED TO PRODUCE 7.581% RETURN ON
TOTAL GAS NET ORIGINAL COST RATE BASE
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
(\$000)

<u>LINE</u>	<u>DESCRIPTION</u> (A)	<u>TOTAL GAS AMOUNT</u> (B)
1	TOTAL GAS NET ORIGINAL COST RATE BASE	\$ 259,306
	TOTAL GAS REVENUE REQUIREMENT:	
2	RETURN AT PROPOSED RATE (7.581%)	19,658
3	OPERATING AND MAINTENANCE EXPENSES	32,686
4	DEPRECIATION AND AMORTIZATION	14,702
5	TAXES OTHER THAN INCOME	9,065
6	FEDERAL AND STATE INCOME AND CITY EARNINGS TAXES AT CLAIMED RETURN	4,566
7	DEFERRED INCOME TAXES	(585)
8	TOTAL GAS REVENUE REQUIREMENT	80,092
9	PRO FORMA TOTAL GAS OPERATING REVENUE AT PRESENT RATES	75,826
10	DEFICIENCY IN TOTAL GAS OPERATING REVENUE	\$ 4,266

AMEREN MISSOURI
ORIGINAL COST OF GAS PLANT
BY FUNCTIONAL CLASSIFICATION FOR THE TWELVE MONTHS ENDED MARCH 31, 2018
(\$000)

<u>LINE</u>	<u>FUNCTIONAL CLASSIFICATION</u> (A)	<u>TOTALS</u> <u>PER</u> <u>BOOKS</u> (B)	<u>PRO FORMA</u> <u>ADJUSTMENTS</u> <u>(1)</u> (C)	<u>PRO FORMA</u> <u>GAS</u> <u>TOTALS</u> (D)
1	INTANGIBLE PLANT	-	2,591	2,591
2	PRODUCTION PLANT	-	-	-
3	TRANSMISSION PLANT	5,525	-	5,525
4	DISTRIBUTION PLANT	443,619	-	443,619
5	GENERAL PLANT	27,826	8,752	36,578
6	INCENTIVE COMPENSATION CAPITALIZED	-	(1,198)	(1,198)
7	TOTAL PLANT IN SERVICE	<u>\$ 476,970</u>	<u>\$ 10,145</u>	<u>\$ 487,115</u>

(1) Details of pro forma adjustments per SCHEDULE LMM-D17-2.

AMEREN MISSOURI
EXPLANATION OF PRO FORMA ADJUSTMENTS TO PLANT
BY FUNCTIONAL CLASSIFICATION FOR THE TWELVE MONTHS ENDED MARCH 31, 2018
(\$000)

<u>Line</u>	<u>Description</u>	<u>Amount</u>
1	(1) Pro Forma adjustment for ASPIRE project that was placed in service August 2018.	\$ 2,591
2	(2) Allocate portions of plant in service for multi use general facilities which are applicable to gas operations. For convenience, such facilities are recorded as electric plant but are commonly used for both electric and gas.	\$ 8,752
3		
4	(3) Reduce Plant-in-Service for disallowed capital incentive compensation.	\$ (1,198)
5	Total Pro Forma Adjustments	<u>\$ 10,145</u>

AMEREN MISSOURI
TOTAL GAS RESERVES FOR DEPRECIATION AND AMORTIZATION
BY FUNCTIONAL CLASSIFICATION FOR THE TWELVE MONTHS ENDED MARCH 31, 2018
(\$000)

<u>LINE</u>	<u>FUNCTIONAL CLASSIFICATION</u> (A)	<u>TOTALS</u> <u>PER</u> <u>BOOKS</u> (B)	<u>PRO FORMA</u> <u>ADJUSTMENTS</u> <u>(1)</u> (C)	<u>PRO FORMA</u> <u>GAS</u> <u>TOTALS</u> (D)
1	INTANGIBLE PLANT	-	-	-
2	PRODUCTION PLANT	(249)	-	(249)
3	TRANSMISSION PLANT	2,843	-	2,843
4	DISTRIBUTION PLANT	168,874	-	168,874
5	GENERAL PLANT	8,009	3,061	11,070
6	INCENTIVE COMPENSATION CAPITALIZED	-	(323)	(323)
7	TOTAL DEPRC. & AMORT RESERVE	<u>\$ 179,477</u>	<u>\$ 2,738</u>	<u>\$ 182,215</u>

(1) Details of pro forma adjustments per SCHEDULE LMM-D18-2.

AMEREN MISSOURI
EXPLANATION OF PRO FORMA ADJUSTMENTS TO ACCUMULATED RESERVES
BY FUNCTIONAL CLASSIFICATION FOR THE TWELVE MONTHS ENDED MARCH 31, 2018
(\$000)

<u>Line</u>	<u>Description</u>	<u>Amount</u>
1	(1) Allocate portions of plant in service for multi use general facilities which are applicable to gas operations. For	\$ 3,061
2	convenience, such facilities are recorded as electric plant but are commonly used for both electric and gas.	
3	(2) Reserve Balance adjustment for disallowed Incentive Compensation Capitalized.	\$ (323)
4	Total Pro Forma Adjustments	<u>\$ 2,738</u>

AMEREN MISSOURI
AVERAGE FUEL AND MATERIALS & SUPPLIES INVENTORIES
FOR THE TWELVE MONTHS ENDED MARCH 31, 2018
(\$000)

<u>LINE</u>	<u>DESCRIPTION</u> (A)	<u>TOTALS</u> <u>PER</u> <u>BOOKS</u> (B)	<u>PRO FORMA</u> <u>ADJUSTMENTS</u> (C)	<u>PRO FORMA</u> <u>GAS</u> <u>TOTALS</u> (D)
1	GENERAL MATERIALS AND SUPPLIES	1,698	-	1,698
2	GAS STORED UNDERGROUND	<u>6,631</u>	<u>-</u>	<u>6,631</u>
3	TOTAL	<u>\$ 8,329</u>	<u>\$ -</u>	<u>\$ 8,329</u>

**AMEREN MISSOURI
AVERAGE PREPAYMENTS
FOR THE TWELVE MONTHS ENDED MARCH 31, 2018
(\$000)**

<u>LINE</u>	<u>DESCRIPTION</u>	<u>TOTALS PER BOOKS(1) (A)</u>	<u>PRO FORMA ADJUSTMENTS (C)</u>	<u>PRO FORMA GAS TOTALS (D)</u>
1	RENTS (3)	\$ 9	\$ (9)	\$ -
2	INSURANCE - DIRECT (2)	8,669	(8,116)	553
3	REG. COMMISSION ASSESSMENTS (3)	(8)	7	(1)
4	COAL CAR LEASE (2)	207	(207)	-
5	M/A COMM RADIO SYS SRVC AGREEMENT (3)	36	(35)	1
6	MEDICAL AND DENTAL VEBA (3)	4,065	(3,988)	77
7	IMAGING SOFTWARE (ELEC ONLY) (2)	57	(57)	-
8	FUELWORKS SOFTWARE (ELEC ONLY) (2)	13	(13)	-
9	MICROSOFT ENTERPRISE APPLICATIONS (3)	27	(27)	-
10	ARBOR NEWSTAR SERVICE FEE (3)	-	-	-
11	OPTIV GIGAMON (3)	42	(41)	1
12	ENERGY EFFICIENCY PROGRAM VENDORS (GAS ONLY) (2)	111	-	111
13	NSR & OPACITY LITIGATION (ELEC ONLY) (2)	1,770	(1,770)	-
14	TOTAL AVERAGE PREPAYMENTS	\$ 14,998	\$ (14,256)	\$ 742

- 15 (1) Reflects 13 month average
16 (2) Directly assigned to electric or gas.
17 (3) Allocated to gas based on operating expenses excluding purchased power, fuel adjustment clause and purchased gas.

PRO FORMA ADJUSTMENT

- 18 (1) Eliminate portions of prepayments which are applicable to electric operations. Allocated between
19 electric and gas operations based on operating expenses excluding purchased power, fuel adjustment clause
20 and purchased gas. \$ (14,256)

AMEREN MISSOURI
TOTAL GAS CASH WORKING CAPITAL
FOR THE TWELVE MONTHS ENDED MARCH 31, 2018
(\$000)

<u>LINE</u>	<u>DESCRIPTION</u>	<u>REVENUE</u> <u>LAG</u> <u>(B)</u>	<u>EXPENSE</u> <u>LEAD (1)</u> <u>(C)</u>	<u>NET</u> <u>LEAD/LAG</u> <u>(D)</u>	<u>FACTOR</u> <u>(E)</u>	<u>TEST YEAR</u> <u>EXPENSE</u> <u>(F)</u>	<u>CASH WORKING</u> <u>CAPITAL</u> <u>REQUIREMENT</u> <u>(G)</u>
	(A)						
1	PAYROLL & WITHHOLDINGS	45.380	(11.760)	33.620	0.092110	\$ 14,241	\$ 1,312
2	PENSIONS AND BENEFITS	45.380	(32.680)	12.700	0.034795	1,805	63
3	FUEL	45.380	(37.380)	8.000	0.021918	51,841	1,136
4	UNCOLLECTIBLE ACCOUNTS	45.380	(45.380)	-	-	374	-
5	OTHER OPERATING EXPENSES	45.380	(37.360)	8.020	0.021973	14,220	312
6	TOTAL O&M EXPENSES					30,640	
7	TOTAL CASH WORKING CAPITAL REQUIREMENT						2,823
8	FICA - EMPLOYER'S PORTION	45.380	(12.810)	32.570	0.089233	847	76
9	FEDERAL UNEMPLOYMENT TAXES	45.380	(76.380)	(31.000)	(0.084932)	6	(1)
10	PROPERTY TAXES	45.380	(182.500)	(137.120)	(0.375671)	8,264	(3,105)
11	SALES TAXES	45.380	(38.792)	6.588	0.018050	3,357	61
12	GROSS RECEIPTS TAXES	30.170	(27.660)	2.510	0.006877	6,965	48
13	TOTAL TAXES AND OTHER EXPENSES					19,439	
14	NET CUSTOMER SUPPLIED FUNDS						\$ (2,921)
15	NET CASH WORKING CAPITAL REQUIREMENT						\$ (98)
16	(1) Revenue Lag/Expense Lead per GR-2010-0363 Company Original Filing.						

AMEREN MISSOURI
TOTAL GAS FEDERAL AND STATE INCOME TAX AND CITY EARNINGS TAX CASH REQUIREMENTS
AND INTEREST EXPENSE CASH REQUIREMENT
FOR THE TWELVE MONTHS ENDED MARCH 31, 2018
(\$000)

<u>LINE</u>	<u>DESCRIPTION</u> (A)	<u>REVENUE LAG</u> (B)	<u>EXPENSE LEAD (1)</u> (C)	<u>NET LEAD/LAG</u> (D)	<u>FACTOR</u> (E)	<u>TEST YEAR EXPENSE</u> (F)	<u>CASH WORKING CAPITAL REQUIREMENT</u> (G)
1	FEDERAL INCOME TAX CASH REQUIREMENT	45.380	(37.875)	7.505	0.020562	\$ 3,221	<u>\$ 66</u>
2	STATE INCOME TAX CASH REQUIREMENT	45.380	(37.875)	7.505	0.020562	\$ 915	<u>\$ 19</u>
3	CITY EARNINGS TAX CASH REQUIREMENT	45.380	(273.500)	(228.120)	(0.624986)	\$ 53	<u>\$ (33)</u>
4	INTEREST EXPENSE CASH REQUIREMENT	45.380	(90.580)	(45.200)	(0.123836)	\$ 5,659	<u>\$ (701)</u>
5	(1) Revenue Lag/Expense Lead per GR-2010-0363 Company's Original Filing.						

AMEREN MISSOURI
TOTAL GAS AVERAGE CUSTOMER ADVANCES FOR CONSTRUCTION AND
AVERAGE CUSTOMER DEPOSITS
FOR THE TWELVE MONTHS ENDED MARCH 31, 2018
(\$000)

<u>LINE</u>	<u>DESCRIPTION</u> (A)	<u>TOTAL GAS</u> (B)
1	AVERAGE CUSTOMER ADVANCES FOR CONSTRUCTION	<u>\$ (2,138)</u>
2	AVERAGE CUSTOMER DEPOSITS	<u>\$ (846)</u>

**AMEREN MISSOURI
OTHER REGULATORY ASSETS
AND REGULATORY LIABILITIES
FOR THE TWELVE MONTHS ENDED MARCH 31, 2018
(\$000)**

<u>LINE</u>	<u>DESCRIPTION</u> (A)	<u>TOTAL GAS (1)</u> (B)
1	PENSIONS	<u>\$ 377</u>
2	OTHER POST-EMPLOYMENT BENEFITS	<u>\$ (1,918)</u>
3	(1) A positive balance is a Regulatory Asset and a negative balance is a	
4	Regulatory Liability.	

AMEREN MISSOURI
ACCUMULATED DEFERRED INCOME TAXES
FOR THE TWELVE MONTHS ENDED MARCH 31, 2018
(\$000)

<u>LINE</u>	<u>DESCRIPTION</u> (A)	<u>TOTAL GAS PER BOOKS</u> (B)	<u>PRO FORMA ADJUSTMENTS</u> (C)	<u>PRO FORMA GAS TOTAL</u> (D)
1	ACCOUNT 190	\$ 1,734	\$ -	\$ 1,734
2	ACCOUNT 282	(72,911)	-	(72,911)
3	ACCOUNT 283	<u>(458)</u>	<u>-</u>	<u>(458)</u>
4	TOTAL ACCUMULATED DEFERRED INCOME TAXES	<u>\$ (71,635)</u>	<u>\$ -</u>	<u>\$ (71,635)</u>

AMEREN MISSOURI
TOTAL GAS PER BOOK AND PRO FORMA OPERATING REVENUES
FOR THE TWELVE MONTHS ENDED MARCH 31, 2018
(\$000)

<u>LINE</u>	<u>DESCRIPTION</u> (A)	<u>TOTAL GAS</u> (B)	<u>PRO FORMA ADJUSTMENTS</u> (C)	<u>ADJUSTED TOTAL GAS</u> (D)
OPERATING REVENUES				
1	RETAIL REVENUES	\$ 128,034	\$ (68,327)	\$ 59,707
2	TRANSPORTATION	13,207	91	13,298
3	PROVISION FOR RATE REFUNDS	(10,066)	10,066	-
4	OTHER GAS REVENUES	1,639	-	1,639
5	TOTAL REVENUES PER BOOKS	\$ 132,814	\$ (58,170)	\$ 74,644
PRO FORMA ADJUSTMENTS:				
6	(1) REMOVE ADD ON REVENUE TAX	(6,658)		
7	(2) ADJUSTMENT TO REFLECT NORMAL WEATHER	1,241		
8	(3) ELIMINATE PGA REVENUES	(48,342)		
9	(4) ELIMINATE UNBILLED REVENUE	(4,411)		
10	TOTAL PRO FORMA ADJUSTMENTS		\$ (58,170)	

AMEREN MISSOURI
GAS OPERATING AND MAINTENANCE EXPENSES
PER BOOK AND PRO FORMA
FOR THE TWELVE MONTHS ENDED MARCH 31, 2018
(\$000)

<u>LINE</u>	<u>FUNCTIONAL CLASSIFICATION</u> (A)	<u>TOTAL PER BOOKS</u> (B)	#1	#2	#3	#4	#5	#6	#7
			<u>LABOR ADJUSTMENT</u> (C)	<u>INCENTIVE COMPENSATN ADJUSTMENT</u> (D)	<u>LONG TERM INCENTIVE COMPENSATN ADJUSTMENT</u> (E)	<u>ELIMINATE PURCHASED GAS EXPENSE</u> (F)	<u>DEPRECIATN TO O&M</u> (G)	<u>ADD INTEREST ON CUSTOMER DEPOSITS</u> (H)	<u>INSURANCE ADJUST.</u> (I)
1	PRODUCTION:	\$ 52,494	\$ 8	\$ (5)	\$ (51)	\$ (51,841)	\$ -	\$ -	\$ -
2	TOTAL TRANSMISSION EXPENSES:	\$ 114	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	DISTRIBUTION EXPENSES:	\$ 11,671	\$ 80	\$ (63)	\$ (33)	\$ -	\$ (20)	\$ -	\$ -
4	CUSTOMER ACCOUNTING EXPENSES:	\$ 3,659	\$ 14	\$ (11)	\$ (15)	\$ -	\$ -	\$ 44	\$ -
5	CUSTOMER SERV. & INFO. EXPENSES:	\$ 1,221	\$ 6	\$ (8)	\$ (9)	\$ -	\$ -	\$ -	\$ -
6	SALES EXPENSES:	\$ 72	\$ 1	\$ (1)	\$ -	\$ -	\$ -	\$ -	\$ -
7	ADMINISTRATIVE & GENERAL EXPENSES:	\$ 15,883	\$ 57	\$ (39)	\$ (425)	\$ -	\$ -	\$ -	\$ (177)
8	TOTAL OPERATIONS & MAINTENANCE EXPENSES	\$ 85,114	\$ 166	\$ (127)	\$ (533)	\$ (51,841)	\$ (20)	\$ 44	\$ (177)

9 **NOTE:** See SCHEDULE LMM-D27-3 for explanation of the pro forma adjustments.

AMEREN MISSOURI
GAS OPERATING AND MAINTENANCE EXPENSES
PER BOOK AND PRO FORMA
FOR THE TWELVE MONTHS ENDED MARCH 31, 2018
(\$000)

<u>LINE</u>	<u>FUNCTIONAL CLASSIFICATION</u> (A)	#8 NON-QUALIFIED PENSION ADJUST. (B)	#9 REBASE PENSION AND OPEB TRACKER (C)	#10 AMORTIZE PENSION AND OPEB TRACKER (D)	#11 NET RATE CASE EXPENSES (E)	#12 MPSC ASSESSMENT (F)	TOTAL PRO FORMA ADJUSTMENT (G)	PRO FORMA GAS TOTALS (H)
1	PRODUCTION:	\$ -	\$ -	\$ -	\$ -	\$ -	(51,889)	605
2	TOTAL TRANSMISSION EXPENSES:	\$ -	\$ -	\$ -	\$ -	\$ -	-	114
3	DISTRIBUTION EXPENSES:	\$ -	\$ -	\$ -	\$ -	\$ -	(36)	11,635
4	CUSTOMER ACCOUNTING EXPENSES:	\$ -	\$ -	\$ -	\$ -	\$ -	32	3,691
5	CUSTOMER SERV. & INFO. EXPENSES:	\$ -	\$ -	\$ -	\$ -	\$ -	(11)	1,210
6	SALES EXPENSES:	\$ -	\$ -	\$ -	\$ -	\$ -	-	72
7	ADMINISTRATIVE & GENERAL EXPENSES:	\$ 12	\$ (1,714)	\$ (308)	\$ 10	\$ 14	(2,570)	13,313
8	TOTAL OPERATIONS & MAINTENANCE EXPENSES	\$ 12	\$ (1,714)	\$ (308)	\$ 10	\$ 14	\$ (54,474)	\$ 30,640

9 **NOTE:** See SCHEDULE LMM-D27-3 for explanation of the pro forma adjustments.

AMEREN MISSOURI
GAS OPERATING AND MAINTENANCE EXPENSE
PRO FORMA ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED MARCH 31, 2018
(\$000)

<u>LINE</u>	<u>PRO FORMA ITEM NO.</u>	<u>DESCRIPTION</u>	<u>TOTAL AMOUNT</u>
	(A)	(B)	(C)
1	(1)	Increased labor expense from annualizing the average 2.47% wage increase for management employees effective	\$ 166
2		January 1, 2018, and the 2.50% wage increase for the Company's union employees effective July 1, 2017 per the labor	
3		contracts.	
4	(2)	Decrease the incentive compensation expense for the incentive compensation applicable to AMS and Ameren Missouri	\$ (127)
5		officers related to earnings.	
6	(3)	Eliminate the long term incentive compensation expense.	\$ (533)
7	(4)	Eliminate cost of purchased gas and other related costs and expenses that are collected through the PGA.	\$ (51,841)
8	(5)	Decrease in distribution expenses for decrease in depreciation charged to O&M	\$ (20)
9	(6)	Increase in customer accounting expenses to reflect interest expense at 5.25% on the average customer deposit	\$ 44
10		balance.	
11	(7)	Annualize insurance expense based upon current insurance premiums.	\$ (177)
12	(8)	Increase non-qualified pension expense to reflect current level of expense.	\$ 12
13	(9)	Rebase Pension and OPEB Tracker to year 2018 level.	\$ (1,714)
14	(10)	Reduce test year expenses for the amortization of the net regulatory liabilities for Pension and OPEB Tracker.	\$ (308)
15	(11)	Increase administrative and general expenses to reflect the expenses that have been and will be incurred to prepare and	\$ 10
16		litigate this rate increase filing over the amount in the test year.	
17	(12)	Increase test year expenses to annualize MPSC Assessment.	\$ 14
18	Total Pro Forma Adjustments to Gas Operating and Maintenance Expenses		\$ (54,474)

AMEREN MISSOURI
DEPRECIATION & AMORTIZATION EXPENSE
FOR THE TWELVE MONTHS ENDED MARCH 31, 2018
(\$000)

<u>LINE</u>	<u>DESCRIPTION</u> (A)	<u>TOTALS</u> <u>PER</u> <u>BOOKS</u> (B)	<u>PRO FORMA</u> <u>ADJUSTMENTS(1)</u> (C)	<u>PRO FORMA</u> <u>GAS</u> <u>TOTALS</u> (D)
	DEPRECIATION EXPENSE:			
1	INTANGIBLE	-	518	518
2	PRODUCTION	-	-	-
3	TRANSMISSION PLANT	122	(34)	88
4	DISTRIBUTION PLANT	10,453	(725)	9,728
5	GENERAL PLANT	1,482	(660)	822
6	INCENTIVE COMPENSATION	-	(29)	(29)
7	TOTAL DEPRECIATION EXPENSE	<u>12,057</u>	<u>(930)</u>	<u>11,127</u>
	MISC. AMORTIZATION:			
8	AMORT OF LOW INCOME SURCHARGE	<u>700</u>	-	<u>700</u>
9	TOTAL MISC AMORTIZATION	<u>700</u>	-	<u>700</u>
10	TOTAL DEPR & AMORTIZATION EXPENSE	<u>\$ 12,757</u>	<u>\$ (930)</u>	<u>\$ 11,827</u>
11	(1) See SCHEDULE LMM-D28-2 for explanation of the pro forma adjustments.			

AMEREN MISSOURI
GAS DEPRECIATION & AMORTIZATION EXPENSE PRO FORMA ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED MARCH 31, 2018
(\$000)

<u>LINE</u>	<u>ITEM NO.</u>	<u>DESCRIPTION</u>	<u>PRO FORMA ADJUSTMENTS</u>
	(A)	(B)	(C)
1	(1)	To reflect the book depreciation annualized for the plant in service depreciable balances at	
2		March 31, 2018	
3		Change in Depr. Exp. - Production	\$ -
4		Change in Depr. Exp. - Transmission	1
5		Change in Depr. Exp. - Distribution	218
6		Change in Depr. Exp. - General Plant	(35)
7		Change in Amort. Exp. - Intangible Plant	-
8		Total Increase in Depreciation Expense	<u>\$ 184</u>
9		To reflect additional depreciation for ASPIRE project	<u>\$ 518</u>
10	(2)	Adjust depreciation expense to reflect the proposed rates	
11		Change in Depr. Exp. - Production	\$ -
12		Change in Depr. Exp. - Transmission	(35)
13		Change in Depr. Exp. - Distribution	(943)
14		Change in Depr. Exp. - General Plant	65
15		Change in Amort. Exp. - Intangible Plant	-
16		Total Increase in Depreciation Expense	<u>\$ (913)</u>
17	(3)	To reduce depreciation expense charged to O&M	
18		Decrease in Depr. Exp. - General Plant	<u>\$ (690)</u>
19	(4)	Depreciation on Incentive Compensation Capitalized	<u>\$ (29)</u>
20		TOTAL PRO FORMA ADJUSTMENTS: DEPRECIATION & AMORTIZATION	<u><u>\$ (930)</u></u>

AMEREN MISSOURI
TAXES OTHER THAN INCOME TAXES
FOR THE TWELVE MONTHS ENDED MARCH 31, 2018
(\$000)

<u>LINE</u>	<u>DESCRIPTION</u> (A)	<u>TOTAL PER BOOKS</u> (B)	<u>PRO FORMA ADJUSTMENTS(1)</u> (C)	<u>PRO FORMA GAS TOTALS</u> (D)
PAYROLL TAXES				
1	F.I.C.A.	\$ 881	\$ (34)	\$ 847
2	FEDERAL UNEMPLOYMENT	6	-	6
3	MISSOURI UNEMPLOYMENT	-	-	-
4	ST. LOUIS EMPLOYMENT TAX	-	-	-
5	TOTAL PAYROLL TAXES	<u>887</u>	<u>(34)</u>	<u>853</u>
R.E., P.P. & CORP FRANCHISE				
6	MISSOURI R.E., & P.P.	8,000	(25)	7,975
7	OTHER STATES R.E. & P.P.	291	(1)	290
8	TOTAL R.E., P.P. & CORP FRANCHISE	<u>8,291</u>	<u>(26)</u>	<u>8,265</u>
9	MUNICIPAL GROSS RECEIPTS	6,964	(6,964)	-
MISCELLANEOUS				
10	MISSOURI CORP FRANCHISE	-	-	-
11	ILLINOIS CORP FRANCHISE	-	-	-
12	MISCELLANEOUS	-	-	-
13	TOTAL MISCELLANEOUS	<u>-</u>	<u>-</u>	<u>-</u>
14	TOTAL TAXES OTHER THAN INCOME TAXES	<u>\$ 16,142</u>	<u>\$ (7,024)</u>	<u>\$ 9,118</u>

15 (1) See SCHEDULE LMM-D29-2 for explanation of the pro forma adjustments.

**AMEREN MISSOURI
TAXES OTHER THAN INCOME
PRO FORMA ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED MARCH 31, 2018
(\$000)**

<u>LINE</u>	<u>ITEM NO.</u> (A)	<u>DESCRIPTION</u> (B)	<u>PRO FORMA AMOUNT</u> (C)
1	(1)	Decrease the F.I.C.A. taxes to reflect the pro forma wage adjustments.	\$ (34)
2	(2)	Decrease Real Estate and Personal Property Taxes to 2017 expense level.	\$ (26)
3	(3)	Eliminate the gross receipts tax as they are a pass through tax.	\$ (6,964)
4		Total Pro Forma Adjustments to Taxes Other Than Income	\$ (7,024)

AMEREN MISSOURI
TOTAL GAS INCOME TAXES AT THE PROPOSED RETURN
FOR THE TWELVE MONTHS ENDED MARCH 31, 2018
(\$000)

<u>LINE</u>	<u>DESCRIPTION</u>	<u>(B)</u>	<u>TOTAL GAS (C)</u>
	(A)		
1	TOTAL GAS NET INCOME FROM OPERATIONS	\$	17,804
	ADD		
2	CURRENT INCOME TAXES		4,189
3	DEFERRED INCOME TAXES		
4	DEFERRED INCOME TAX EXPENSE		71
5	I.T.C. AMORTIZATION		(58)
6	TOTAL GAS NET INCOME BEFORE INCOME TAX		22,006
	ADDITIONS TO NET INCOME BEFORE INCOME TAX		
7	BOOK DEPRECIATION		11,826
8	BOOK DEPRECIATION CHARGED TO O&M		690
9	EQUITY ISSUANCE COSTS		-
10	TOTAL ADDITIONS		12,516
	SUBTRACTIONS TO NET INCOME BEFORE INCOME TAX		
11	INTEREST ON DEBT (1)		5,659
12	TAX STRAIGHT LINE		12,540
13	PREFERRED DIVIDEND DEDUCTION		17
14	TOTAL SUBTRACTIONS		18,216
15	TOTAL GAS NET TAXABLE INCOME		16,306
	FEDERAL INCOME TAX		
16	NET TAXABLE INCOME		16,306
17	DEDUCT MISSOURI INCOME TAX		916
18	DEDUCT CITY EARNINGS TAX		53
19	FEDERAL TAXABLE INCOME		15,337
20	FEDERAL INCOME TAX	21.00%	3,221
	STATE INCOME TAXES		
21	NET TAXABLE INCOME		16,306
22	DEDUCT 50% OF FEDERAL INCOME TAX		1,611
23	DEDUCT CITY EARNINGS TAX		53
24	MISSOURI TAXABLE INCOME		14,642
25	TOTAL GAS MISSOURI INCOME TAX	6.25%	916
	CITY EARNINGS TAX		
26	NET TAXABLE INCOME		16,306
27	LESS TAX ADJUSTMENTS TO INCOME		(36,312)
28	CITY TAXABLE INCOME		52,618
29	CITY EARNINGS TAX	0.1009%	53
30	TOTAL GAS CURRENT INCOME TAXES		4,190
	DEFERRED INCOME TAXES:		
31	DEFERRED INCOME TAX EXPENSE		71
32	I.T.C. AMORTIZATION		(58)
33	TOTAL GAS DEFERRED INCOME TAX		13
34	TOTAL GAS CURRENT & DEFERRED INCOME TAX	\$	4,203
35	(1) RATE BASE X EMBEDDED		
36	COST OF DEBT.	2.387%	

AMEREN MISSOURI
TOTAL GAS NET ORIGINAL COST RATE BASE AND REVENUE REQUIREMENT
FOR THE TWELVE MONTHS ENDED MARCH 31, 2018
(\$000)

<u>LINE</u>	<u>DESCRIPTION</u> (A)	<u>REFERENCE</u> (B)	<u>TOTAL GAS AMOUNT</u> (C)
A. TOTAL GAS NET ORIGINAL COST RATE BASE			
1	ORIGINAL COST OF PLANT IN SERVICE	SCHEDULE LMM-D17	\$ 487,115
2	LESS: RESERVES FOR DEPRECIATION & AMORTIZATION	SCHEDULE LMM-D18	182,215
3	NET ORIGINAL COST OF PLANT		<u>304,900</u>
4	AVERAGE FUEL AND MATERIALS AND SUPPLIES	SCHEDULE LMM-D19	8,329
5	AVERAGE PREPAYMENTS	SCHEDULE LMM-D20	742
6	CASH WORKING CAPITAL (LEAD/LAG)	SCHEDULE LMM-D21	(98)
7	FEDERAL INCOME TAX CASH REQUIREMENT	SCHEDULE LMM-D22	66
8	STATE INCOME TAX CASH REQUIREMENT	SCHEDULE LMM-D22	19
9	CITY EARNINGS TAX CASH REQUIREMENT	SCHEDULE LMM-D22	(33)
10	INTEREST EXPENSE CASH REQUIREMENT	SCHEDULE LMM-D22	(701)
11	AVERAGE CUSTOMER ADVANCES FOR CONSTRUCTION	SCHEDULE LMM-D23	(2,138)
12	AVERAGE CUSTOMER DEPOSITS	SCHEDULE LMM-D23	(846)
13	PENSION TRACKER REG ASSET	SCHEDULE LMM-D24	377
14	OPEB TRACKER REG LIABILITY	SCHEDULE LMM-D24	(1,918)
15	ACCUMULATED DEFERRED INCOME TAXES	SCHEDULE LMM-D25	<u>(71,635)</u>
16	TOTAL GAS NET ORIGINAL COST RATE BASE		<u>\$ 237,064</u>
B. TOTAL GAS REVENUE REQUIREMENT			
TOTAL GAS OPERATING EXPENSES:			
17	PRODUCTION	SCHEDULE LMM-D27-2	\$ 605
18	TRANSMISSION	SCHEDULE LMM-D27-2	114
19	DISTRIBUTION	SCHEDULE LMM-D27-2	11,635
20	CUSTOMER ACCOUNTS	SCHEDULE LMM-D27-2	3,691
21	CUSTOMER SERVICE	SCHEDULE LMM-D27-2	1,210
22	SALES	SCHEDULE LMM-D27-2	72
23	ADMINISTRATIVE AND GENERAL	SCHEDULE LMM-D27-2	13,313
24	TOTAL GAS OPERATING EXPENSES		<u>30,640</u>
25	DEPRECIATION AND AMORTIZATION	SCHEDULE LMM-D28-1	11,827
26	TAXES OTHER THAN INCOME TAXES	SCHEDULE LMM-D29-1	9,118
INCOME TAXES-BASED ON PROPOSED RATE OF RETURN			
27	FEDERAL	SCHEDULE LMM-D30	3,221
28	STATE	SCHEDULE LMM-D30	916
29	CITY EARNINGS	SCHEDULE LMM-D30	53
30	TOTAL INCOME TAXES		<u>4,190</u>
DEFERRED INCOME TAXES			
31	DEFERRED INCOME TAX EXPENSE	SCHEDULE LMM-D30	71
32	I.T.C. AMORTIZATION	SCHEDULE LMM-D30	(58)
33	TOTAL DEFERRED INCOME TAXES		<u>13</u>
34	RETURN (RATE BASE * 7.510%)	7.510%	<u>17,804</u>
35	TOTAL GAS REVENUE REQUIREMENT		<u>\$ 73,592</u>

AMEREN MISSOURI
INCREASE REQUIRED TO PRODUCE 7.510% RETURN ON
TOTAL GAS NET ORIGINAL COST RATE BASE
FOR THE TWELVE MONTHS ENDED MARCH 31, 2018
(\$000)

<u>LINE</u>	<u>DESCRIPTION</u> (A)	<u>TOTAL GAS AMOUNT</u> (B)
1	TOTAL GAS NET ORIGINAL COST RATE BASE	\$ 237,064
	TOTAL GAS REVENUE REQUIREMENT:	
2	RETURN AT PROPOSED RATE (7.510%)	17,804
3	OPERATING AND MAINTENANCE EXPENSES	30,640
4	DEPRECIATION AND AMORTIZATION	11,827
5	TAXES OTHER THAN INCOME	9,118
6	FEDERAL AND STATE INCOME AND CITY EARNINGS TAXES AT CLAIMED RETURN	4,190
7	DEFERRED INCOME TAXES	13
8	TOTAL GAS REVENUE REQUIREMENT	73,592
9	PRO FORMA TOTAL GAS OPERATING REVENUE AT PRESENT RATES	74,644
10	DEFICIENCY IN TOTAL GAS OPERATING REVENUE	\$ (1,052)