

FILED⁴

APR 16 2004

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

Missouri Public
Service Commission

In the Matter of the Application of Union)
Electric Company for Authorization to)
Manage Sulfur Dioxide Emission)
Allowance Inventory.)

Case No. EO-98-401

SUGGESTIONS IN SUPPORT OF THE STIPULATION AND AGREEMENT

COMES NOW the Staff of the Missouri Public Service Commission (Staff) and for its Suggestions in Support of the Stipulation and Agreement states as follows:

I. Procedural History

On March 23, 1998, Union Electric Company d/b/a AmerenUE (or Company) filed an Application for Authorization to Manage Sulfur Dioxide Emission Allowance Inventory in above-captioned case. In its Application, AmerenUE stated that it forecasts an allowance surplus through at least the year 2007 and requested the ability to utilize various trading techniques to earn a return on this allowance inventory. AmerenUE also stated that it was not requesting any particular ratemaking or accounting treatment for allowance sales but would continue to treat the sale of emission allowances as above-the-line in the return on equity calculation pursuant to the Experimental Alternative Regulation Plans approved in Case Nos. ER-95-411 and EM-96-149. See Application, p. 2.

On April 6, 1998, the Commission issued an Order and Notice in which it gave notice of AmerenUE's application and established an intervention deadline of May 6, 1998. On May 6, 1998, Kansas City Power and Light (KCPL) filed a timely Application to Intervene. The Commission granted KCPL's request on September 6, 1998.