

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

In the Matter of the Adjustment of Union Electric)	
Company d/b/a Ameren Missouri's RESRAM)	<u>Case No. ER-2023-0117</u>
Rate for the Fourth Accumulation Period)	Tariff No. YE-2023-0058

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission and in response to the Commission's September 29, 2022, *Order Directing Notice, Setting Intervention Deadline, and Directing Staff Recommendation* ("Order") submits its *Staff Recommendation* to the Commission as set forth in detail in the attached appendices, and in support thereof states as follows:

1. On September 28, 2022, The Union Electric Company d/b/a Ameren Missouri ("Ameren Missouri") filed a tariff revision and supporting testimony to modify rates under its Renewable Energy Standard Rate Adjustment Mechanism ("RESRAM") pursuant to 20 CSR 4240-20.100. This tariff revision is for the 4th accumulation period ending July 31, 2022. Attached to Ameren Missouri's tariff revision is a specimen of testimony, work papers, accounting entries, and P.S.C. MO. No. 6 Sixth Revised SHEET No. 93.4 CANCELLING P.S.C. MO. No. 6 Fifth Revised SHEET No. 93.4, with an effective date of February 1, 2023. The tariff was filed in Tariff Tracking No. YE-2023-0058.

2. On September 29, 2022, the Commission ordered that any person wishing to intervene in this matter may do so by October 14, 2022 and that Staff shall file its recommendation no later than November 28, 2022.

3. As of November 8, 2022, no parties have objected or moved to intervene in this matter.

4. Staff's recommendation is attached hereto as Appendix A. As discussed in Staff's Memorandum, attached hereto as Appendix A, Staff examined the revised tariff sheet, supporting direct testimony, work papers, and accounting entries.

5. Based on Staff's review, the total actual RESRAM expense for the accumulation period ending July 31, 2022 was \$19,971,040 which includes (\$54,673,537) of Production Tax Credit benefits. Total Renewable Energy Standard Costs Recovered for the same accumulation period were \$10,100,629. The annual RESRAM Revenue Requirement going forward is \$687,443. Total RESRAM Recoveries to be recovered from February 1, 2023 through July 31, 2024 are \$10,576,713 which include the going forward revenue requirement of \$687,443, a true-up amount of (\$12,918) and an under recovery of RESRAM expenses over the accumulation period of \$9,870,411.

6. Moreover, using Ameren Missouri's projected energy level of 30,555,292,791 kWh and the total RESRAM recoveries mentioned above, the RESRAM rate is \$0.00035 per kWh. Customers using 1,000 kWh per month will see a \$0.35 billing charge, a \$0.85/kWh increase per month when compared to the previous period RESRAM credit of (\$0.00050).

7. Application of this rate will not exceed the annual rate cap pursuant to Section 393.1655, of the Revised Statutes of Missouri ("RSMo").

8. Staff also notes that Ameren Missouri has filed its annual report and is not delinquent on any assessments.

WHEREFORE, for the reasons stated above and in Staff's attached Memorandum, incorporated herein as Appendix A, Staff recommends the Commission issue an order approving the tariff sheet or allow the tariff sheet to take effect by operation of law on February 1, 2023.

Respectfully submitted,

/s/ J. Scott Stacey

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been transmitted by electronic mail to counsel of record on this 10th day of November, 2022.

/s/ J. Scott Stacey

MEMORANDUM

TO: Missouri Public Service Commission Official Case File
Case No. ER-2023-0117 and Tariff Tracking No. YE-2023-0058

FROM: Nancy L. Harris, Utility Regulatory Auditor

/s/ Nancy Harris 11-10-2022
Utility Regulatory Auditor / Date

/s/ Scott Stacey / 11-10-2022
Staff Counsel's Office / Date

SUBJECT: Staff Recommendation to Approve the Tariff Sheet Filed to Adjust the Renewable Energy Standard Rate Adjustment Mechanism of Union Electric Company, d/b/a Ameren Missouri.

DATE: November 10, 2022

BACKGROUND

On September 28, 2022, Union Electric Company, d/b/a Ameren Missouri (“Ameren Missouri”) filed a tariff and supporting testimony to implement a rate adjustment under its Renewable Energy Standard Rate Adjustment Mechanism (“RESRAM”) for the 4th accumulation period ending July 31, 2022 pursuant to Commission Rule 20 CSR 4240-20.100. The submitted tariff sheet bore an effective date of February 1, 2023 and was filed in Tariff Tracking No. YE-2023-0058. Following is an explanation of the RESRAM rate calculation.

RESRAM Rate Tariff Update Calculation	August 2021 - July 2022
Actual RES Costs Incurred in Accumulation Period (Actual RES Costs)	\$ 19,971,040
RES Expenses Recovered in Accumulation Period (RES Costs Recovered)	\$ 10,100,629
RES (Over)/Under Recovery (ROUR)	\$ 9,902,188
Interest	\$ 31,777
(Over)/Under Recovered Costs	\$ 9,870,411
RES Revenue Requirement (RRR)	\$ 687,443
True-Up (T)	\$ (12,918)
Ordered Adjustment (OA)	\$ -
Total RESRAM Recoveries (TRR) = ROUR+RRR+T+OA	\$ 10,576,713
Estimated Recovery Period Sales (kWh) (S_{RP})	\$ 30,555,292,791
RESRAM Rate (TRR / Estimated Recovery Period Sales)	0.00035

The total actual RESRAM expense for the accumulation period ending July 31, 2022 was \$19,971,040 which includes (\$54,673,537) of Production Tax Credit benefits. Total Renewable Energy Standard Costs Recovered for the same accumulation period were \$10,100,629. The annual RESRAM Revenue Requirement going forward is \$687,443.¹ Total RESRAM Recoveries to be recovered from February 1, 2023 through July 31, 2024 are \$10,576,713 which include the going forward revenue requirement of \$687,443, a true-up amount of (\$12,918) and an under recovery of RESRAM expenses over the accumulation period of \$9,870,411.

Using Ameren Missouri's projected energy level of 30,555,292,791 kWh and the total RESRAM recoveries mentioned above, the RESRAM rate is \$0.00035 per kWh. Customers using 1,000 kWh per month will see a \$0.35 billing charge, an \$0.85/kWh increase per month when compared to the previous period RESRAM credit of (\$0.00050). Application of this rate will not exceed the annual rate cap pursuant to Section 393.1655 RSMo.

STAFF RECOMMENDATION

Staff has reviewed the revised tariff sheet as filed on September 28, 2022 and recommends the Commission issue an order approving the tariff sheet or allow the tariff sheet to take effect by operation of law on February 1, 2023. Staff's recommendation for approval of the RESRAM rate change in this case is solely based on the accuracy of Ameren Missouri's calculations and is not indicative of prudence.

P.S.C. MO. No. 6
6th Revised Cancelling 5th Revised Tariff Sheet No. 93.4

Staff has verified that Ameren Missouri has filed its annual report and is not delinquent on any assessment. Staff is not aware of any other matter before the Commission that affects or is affected by this filing.

¹ 1 RESRAM Revenue Requirement is calculated per tariff formula which deducts a RESRAM Base Amount established in case number ER-2021-0240 from annualized expenses.

