

**Ameren Illinois Company's
Response to AG Data Requests
Docket No. 12-0293
Rate MAP-P Modernization Action Plan - Pricing Annual Update Filing
Data Request Response Date: 6/25/2012**

AG 2.12

Ref: Ameren Ex. 1.1, page 28, App 10 Line 1 (Forfeited Discounts). At the referenced line, AIC proposes to revenue credit 45.56% of 2011 late payment revenues to the “electric distribution” revenue requirement. Please provide the following information:

- a) A detailed statement of each reason why the other 54.44 percent of late payment revenues should not be recognized in determining the AIC revenue requirement.
- b) For each reason stated in your response to part (a), state whether any studies have been conducted by or for AIC to develop cost of service or other support for the reason and describe the scope of such studies.
- c) Provide complete copies of all documents associated with your response to part (b).
- d) Confirm that, in Ameren Missouri’s pending rate case before the Missouri PSC, Case No. ER2012-0166, AIC’s sister utility has fully revenue credited late payment revenues for ratemaking purposes at Schedule Mr. Weiss’ Schedule GSW-E10 or explain any inability to provide such confirmation.
- e) If AIC believes any different circumstances justify attributing only 45.56% of late payment revenue to ratepayers in Illinois while Ameren Missouri credits 100% of such revenue to ratepayers in Missouri, please state and explain with specificity each different circumstance that is believed to exist.
- f) Provide complete copies of all reports, studies, analyses, workpapers and other documents associated with or supportive of your response to part (e).

RESPONSE

Prepared By: Ronald D. Stafford
Title: Manager, Regulatory Accounting
Phone Number: 314-206-0584

- a) See the Company’s response to AG 3.03.
- b) See the Company’s response to AG 3.04.
- c) See the Company’s response to AG 3.04
- d) Yes, Ameren Missouri has fully revenue credited late payment revenues in its pending rate case.
- e) Ameren Missouri is a fully integrated utility that includes all costs for Power Production, Transmission Delivery, and Distribution in development of revenues requirements used to establish its electric rates. Ameren Illinois includes only costs applicable to the Distribution function in its development of electric delivery service requirements included in electric DS rates.
- f) Ameren Illinois has not relied on any reports, studies, analyses, workpapers and other documents in preparing the response to subpart e).

**Ameren Illinois Company's
Response to AG Data Requests
Docket No. 12-0293
Rate MAP-P Modernization Action Plan - Pricing Annual Update Filing
Data Request Response Date: 6/21/2012**

AG 3.03

Please update and supplement the Company's response the following Attorney General and/or Staff data requests submitted and answered in Docket No. 12-0001, providing revised information as necessary in connection with updating from 2010 to 2011 data: AG 1.07 Forfeited Discounts.

RESPONSE

**Prepared By: Ronald D. Stafford
Title: Manager, Regulatory Accounting
Phone Number: 314-206-0584**

See AG 3.03 Attach.

Docket No. 12-0001
AG 1.07

Ref: Ameren Ex. 1.12.1, App 10; WPC-23b, p.1 (Forfeited Discounts). At line 1 of App 10, the Companies apply a ~~45.56%~~~~4.89%~~ jurisdictional factor to ~~\$11.38~~~~12.04~~ million of late payment/forfeited discount revenues. Please provide the following additional information:

- a) Identify and describe each jurisdiction other than Illinois Delivery Service, to which Ameren is attributing the other ~~58.11~~~~54.44%~~ of its Forfeited Discount revenues.
- b) For each non-ICC jurisdiction identified in your response to part (a), explain whether/if and how revenue credits for forfeited discount revenues are recognized in the pricing of services that are paid by ratepayers.
- c) Provide complete copies of all regulatory filings, reports, orders and other documents supportive of your response to part (b).
- d) What, if any, amounts of Illinois Forfeited Discount revenues have treated as a revenue credit in determining Ameren's FERC transmission revenues in the Companies' most recent transmission rate adjustment proceeding?

RESPONSE: (Do not edit or delete this line or anything above this. Start typing your response right BELOW Phone Number.)

Prepared By: Ronald D. Stafford
Title: Manager, Regulatory Accounting
Phone Number: 314-206-0584

- a) As indicated in response to AG ~~3.041.16~~, the other jurisdictions are Production, Transmission, and Other. Production relates to power supply service to Ameren Illinois delivery service customers, Transmission relates to transmission service to Ameren Illinois delivery service customers, and Other relates primarily to rider related revenues or add on or revenue related taxes paid by Ameren Illinois delivery service customers.
- b) Not applicable. Each of the jurisdictions identified in response to part (a) are ICC related.
- c) Not applicable. Each of the jurisdictions identified in response to part (a) are ICC related.
- d) None of the Illinois Forfeited Discount revenues have treated as a revenue credit in determining Ameren's FERC transmission revenues in the Companies' most recent transmission rate adjustment proceeding.

**Ameren Illinois Company's
Response to AG Data Requests
Docket No. 12-0293
Rate MAP-P Modernization Action Plan - Pricing Annual Update Filing
Data Request Response Date: 6/21/2012**

AG 3.02

Please update and supplement the Company's response the following Attorney General and/or Staff data requests submitted and answered in Docket No. 12-0001, providing revised information as necessary in connection with updating from 2010 to 2011 data: AG 4.14 Forfeited Discounts

RESPONSE

**Prepared By: Ronald D. Stafford
Title: Manager, Regulatory Accounting
Phone Number: 314-206-0584**

See AG 3.02 Attach.

Docket 12-0001
AG 4.14

Ref: Ameren Response to AG 1.07 AG 3.03 (Forfeited Discounts). Please provide the following additional information:

- a) Identify each ~~2010~~ 2011 expense, rate base investment or other cost that is incurred by the Company, for which forfeited discount revenues are believed to compensate or that are incurred by the Company in connection with forfeited discount revenues.
- b) For each cost elements referenced in your response to part (a), explain whether the cost has been either reflected in the determination of ICC Delivery Service revenues requirements (in Exhibit ~~2-11.1~~) or is being excluded from such determination. Provide references into the Schedules of Ameren Exhibit ~~2-11.1~~ where the costs are reflected.
- c) Please define with specificity what is meant by "Production [that] relates to power supply service to Ameren Illinois delivery service customers" in your response to ~~AG 1.07~~ AG 3.03.
- d) What if any costs associated with the services referenced in your response to part (c) are being absorbed by shareholders and not included within either delivery service revenue requirements or some other tariff rider cost recovery provision?
- e) Please define with specificity what is meant by "Transmission [that] relates to transmission service to Ameren Illinois delivery service customers" in your response to ~~AG 1.07~~ AG 3.03.
- f) What if any costs associated with the services referenced in your response to part (e) are being absorbed by shareholders and not included within either delivery service revenue requirements or some other tariff rider cost recovery provision?
- g) Please define with specificity what is meant by "Other [that] relates primarily to rider related revenues or add on or revenue related taxes paid by Ameren Illinois delivery service customers" in your response to ~~AG 1.07~~ AG 3.03.
- h) What if any costs associated with the riders referenced in your response to part (g) are being absorbed by shareholders and not included within either delivery service revenue requirements or some other tariff rider cost recovery provision?
- i) Given the response to ~~AG 1.07~~ AG 3.03 part (b) that, "Each of the jurisdictions identified in response to [~~AG 1.07~~AG 3.03] part a are ICC related," provide each and every reason Ameren has proposed to attribute only ~~45.561-89%~~ of such revenues to the ICC jurisdiction on Workpaper 10, page 1570.
- j) Provide complete copies of all reports, analyses, workpapers, projections and other documents relied upon in your response to part (i).

RESPONSE: (Do not edit or delete this line or anything above this. Start typing your response right BELOW Phone Number.)

Prepared By: Ronald D. Stafford
Title: Manager, Regulatory Accounting
Phone Number: 314-206-0584

- a) The Company has not conducted an analysis or review of each ~~2010~~ 2011 expense, rate base investment or other cost that is incurred by the Company for which forfeited discount revenues are believed to compensate or that are incurred by the Company in connection with forfeited discount revenues. Forfeited discount revenues are the result of the implementation by the utility of a late payment charge assessed on customer bills under authority and at the rate specified by the Commission at Ill. Adm. Code 280.90. This authority requires certain limitations on assessment of such charges, such as waiver one time per twelve month period for residential customers, delay in imposition of such charges to governmental units, and provision for preferred payment dates to customers. The Commission's rules do not explicitly state that this charge is intended to make the utility whole for its costs, or whether such charge is intended as a form of reimbursement to the utility for a specific cost or costs of providing service to customers.
- b) See response to subpart a.
- c) Production refers to Company electric power supply, or Company billings pursuant to UCB/POR provisions for RES electric power supply appearing on a customer's electric bill.
- d) The Company has not conducted an analysis or review of each ~~2010~~ 2011 cost associated with electric power supply service that is being absorbed by shareholders and not included within either delivery service revenue requirements or some other tariff rider cost recovery provision. Generally, production related costs for electric delivery service customers are intended to be recovered through Rider PER. A material cost incurred by Ameren Illinois related to production not presently being recovered in delivery service revenue requirements or another tariff or rider is pension and other post retirement costs from Ameren Illinois production retirees. This amount is removed from electric delivery service revenue requirements and not presently reflected in any production or power supply tariff or rider. Another cost absorbed by shareholders is the risk reduction in ROE approved by the ICC (Docket 09-0306 cons) resulting in a lower allowed ROE and revenue requirements explicitly associated with the existence of Rider EUA that recovers electric power supply uncollectible expense.
- e) Transmission refers the transmission supply portion of a customer's electric bill.
- f) The Company has not conducted an analysis or review of each ~~2010~~ 2011 cost associated with electric transmission service that is being absorbed by shareholders and not included within either delivery service revenue requirements or some other tariff rider cost recovery provision. Generally, transmission related costs for electric delivery service customers are intended to be recovered through Rider TS. An example of a cost related to such service not recovered through either Rider TS or electric delivery service rates is the cash lag between the provision of service and receipt of payment. The cash lag for the transmission

- portion of an electric delivery service customer bill is not recovered either through electric delivery service base rates or a transmission related tariff or rider.
- g) Other refers to the portion of an electric customer's bill for charges other than electric delivery, power supply, or transmission service. All other rider related charges, including but not limited to uncollectibles, energy efficiency and demand response, and manufactured gas cleanup costs, are included in the "Other" category of revenues. In addition, add on/revenue taxes for costs such as energy assistance and municipal utility taxes are included in the "Other" category of revenues.
- h) The Company has not conducted an analysis or review of each ~~2010~~ 2011 cost associated with other charges on customer's bills. Certainly, riders are intended to recoup a portion of such funds on an ongoing basis. Whether ongoing rider costs are recouped with only a one month billing lag and generally two month or more receipt lag is a function of each individual rider. No return on the cash lag is provided to the utility for rider related revenues other than indirectly through forfeited discount revenues. The cash lag for add on/revenue taxes is partially considered in the cash working capital calculation shown on Ameren Exhibit ~~2-11.1~~, Page 18, App 3.
- i) The reason that Ameren Illinois attributes only ~~45.56%~~41.89% of such revenues to electric delivery service is because ~~45.56%~~41.89% of revenues from a customer's electric bill that generates the late payment charges is for electric delivery service. It would be inappropriate for a customer to receive credit via electric delivery service rates for a charge that is not for the portion of the customer's bill for electric delivery service. A similar allocation is made to separate DS related uncollectible expense from all other uncollectible expenses for DS base rates. While the add on/revenue tax component of an electric customer's bill are included in the electric delivery service cash working capital calculation, this component does reflect the full cash impact experienced by the Company, due primarily to limitations in measurement of the collections lag, and in turn generates a negative rather than positive impact on cash working capital (Ameren Exhibit ~~2-11.1~~, App 3, lines 2, 3, 19, and 20) and a corresponding reduction to electric delivery service revenue requirement. As explained in response to the above subparts of this question, there is a shortfall in recovery of costs related to production, transmission, and other revenues, and forfeited discount revenues are codified as a source of funds to provide a form of reimbursement for late payment by customers.
- j) Both Ameren Exhibit ~~2-11.1~~ from Docket No. 12-0293001 and Ill. Adm. Code 280.90 are available to AG on the Commission's website.

**Ameren Illinois Company's
Response to AG Data Requests
Docket No. 12-0293
Rate MAP-P Modernization Action Plan - Pricing Annual Update Filing
Data Request Response Date: 6/21/2012**

AG 3.05

Please update and supplement the Company's response the following Attorney General and/or Staff data requests submitted and answered in Docket No. 12-0001, providing revised information as necessary in connection with updating from 2010 to 2011 data: AG 6.03 Forfeited Discounts

RESPONSE

**Prepared By: Ronald D. Stafford
Title: Manager, Regulatory Accounting
Phone Number: 314-206-0584**

See AG 3.05 Attach.