Ameren Illinois Company's
Response to AG Data Requests
Docket No. 13-0301
Rate MAP-P Modernization Action Plan - Pricing Annual Update Filing.
Data Request Response Date: 6/28/2013

AG 5.01

Ref: AIC Response to AG 2.03 (Compliance with Final Order). In response to AG 2.03, after objecting, the Company states, "For the reasons stated at lines 449-452 of Ameren Exhibit 1.0, the Company continues to disagree with the Commission's conclusion regarding removal of the accounts payable portion of CWIP." The referenced Stafford testimony states, "The amount of CWIP included in rate base has been adjusted to remove amounts included in the Company's 2013 projected plant additions, but has not been adjusted to remove the accounts payable portion of such CWIP at year-end, due to the time lag between investment by the Company, and reimbursement of such costs in rates." Please provide the following additional information:

a) State with specificity what is meant by "the time lag between investment by the Company, and reimbursement of such costs in rates."
b) Provide an illustrative timeline showing and quantifying the referenced "time lag".
c) Explain why any cost recovery or "reimbursement" time lag exists when AIC's rates are subject to annual adjustment and reconciliation.
d) In calculating and applying AFUDC to CWIP investments, is the balance to which an AFUDC rate is applied reduced to account for accounts payable associated with such CWIP projects, for unpaid vendor charges?
e) What further adjustment to AIC's asserted CWIP balance would be required to comply with the Commission's Final Order in Docket No. 12-0293?
f) Provide workpapers and supporting calculations for your response to part (e).

RESPONSE

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a) Investment by the Company means cash investment by the Company. Reimbursement of such costs in rates means cash reimbursement of such cost in rates.
b) The Company makes a payment in January 2013 for the portion of CWIP in Accounts Payable at December 21, 2012. The amount is included in rates beginning in January 2014 and is recovered ratably over the calendar year 2014. The "time lag" is the difference between payment by the Company in January 2013 and cash reimbursement from customers that will be realized ratably over the period January 2014 through December 2014. On average, the lag in cash

outlay by the Company and reimbursement of the cash outlay is 17 to 18 months on average in the example provided.

c) A significant time lag in "cash" reimbursement is realized under the formula rate annual adjustment and reconciliation when CWIP is incorrectly offset by the Accounts Payable adjustment. As discussed in the response to b above, cash reimbursement is not realized in a timely manner when the accounts payable offset is applied to CWIP projects.
d) No.
e) See AG 5.01 Attach.
f) Workpapers and supporting calculations for the response to part (e) are provided in attachment.

Project	Amount of Unpaid Vendor Invoices as of 12/31/2012	Vendor	Check Date/ Paid Date	Voucher
(A)	(D)			
24556	$ 57	Zempleo	1/11/2013	001735016
J008S	3,468	JF Electric	2/8/2013	001744145
J009R	16,005	S & C Electric	2/6/2013	001756567
J00B3	16,005	S & C Electric	2/6/2013	001756567
Total	$ 35,535			