STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION

Ameren Illinois Company d/b/a Ameren Illinois : 19-0291
Petition for Approval of Reconciliation : Statement for Supplemental Customer :
Public Utility Assessment Charge. :

ORDER

By the Commission:

I. PROCEDURAL HISTORY

On March 19, 2019, Ameren Illinois Company d/b/a Ameren Illinois (“AIC”, “Ameren” or “the Company”) initiated this proceeding pursuant to its Natural Gas Supplemental Customer Charges in Gas Service Schedule Ill. C. C. No. 2, at 3rd Revised Sheet No. 36, et seq., for the Illinois Commerce Commission (“Commission”) to determine the accuracy of the 2018 Supplemental Customer Public Utility Assessment Charge (“Supplemental PUAC”) based upon the difference between the actual revenue billed and the actual cost incurred for the 2018 Reconciliation Period (Fiscal Year assessment period July 1, 2017 through June 30, 2018, recovered over the period April 1, 2018 through December 31, 2018). The Company filed its Verified Petition (“Petition”) pursuant to Subsection 2-202(i-5) of the Public Utilities Act (“Act”) along with the Affidavit of Jesse Francis and supporting exhibits (Ameren Exhibits 1.0-1.1). The Company filed the supplemental direct testimony of Jonathon O. Jackson (Ameren Exhibit 2.0) on June 6, 2019 in further support of the Petition. Staff of the Commission (“Staff”) also participated in this Docket.

Pursuant to notice given, as required by law and by the rules and regulations of the Commission, a prehearing conference was held at the Commission’s office in Springfield, Illinois on May 7, 2019 and a status hearing was held on June 13, 2019. On September 18, 2019, Staff filed the direct testimony of Steve Knepler (Staff Exhibit 1.0, along with attached Schedule 1.01 and Mr. Knepler’s Affidavit identified as Staff Exhibit 2.0). On September 24, 2019, AIC filed the Affidavit of Jonathon O. Jackson (Ameren Exhibit 2.1).

The Administrative Law Judge conducted an evidentiary hearing in this matter on September 25, 2019. At the evidentiary hearing, the written testimony and exhibits of AIC and Staff were admitted into the record by affidavit. The record was marked "Heard and Taken" on September 25, 2019. At the conclusion of the hearing, there were no contested issues remaining between the parties. On October 15, 2019, the Company filed a Draft Order, which Staff reviewed.
II. APPLICABLE AUTHORITY

Subsection 2-202(i-5) of the Act provides that the Commission may assess electric and gas utilities for any deficit the Commission experiences between expected deposits to the Public Utility Fund and expected agency expenditures for the current fiscal year. Subsection 2-202(i-5) provides:

(i-5) During the month of October of each year the Commission shall:

1. determine the amount of all moneys expected to be deposited in the Public Utility Fund during the current fiscal year, plus the balance, if any, in that fund at the beginning of that year;

2. determine the total of all moneys expected to be expended or obligated against appropriations made from the Public Utility Fund during the current fiscal year; and

3. determine the amount, if any, by which the amount determined in paragraph (2) exceeds the amount determined as provided in paragraph (1).

If the amount determined as provided in paragraph (3) of this subsection (i-5) results in a deficit, the Commission may assess electric utilities and gas utilities for the difference between the amount appropriated for the ordinary and contingent expenses of the Commission and the amount derived under paragraph (1) of this subsection (i-5). Such proceeds shall be deposited in the Public Utility Fund in the State treasury. The Commission shall apportion that difference among those public utilities on the basis of each utility’s share of the total intrastate gross revenues of the utilities subject to this subsection (i-5). Payments required under this subsection (i-5) shall be made in the time and manner directed by the Commission. The Commission shall permit utilities to recover Illinois Commerce Commission assessments effective pursuant to this subsection through an automatic adjustment mechanism that is incorporated into an existing tariff that recovers costs associated with this Section, or through a supplemental customer charge.

Within 6 months after the first time assessments are made under this subsection (i-5), the Commission shall initiate a docketed proceeding in which it shall consider, in addition to assessments from electric and gas utilities subject to this subsection, the raising of assessments from, or the payment of fees by, water and sewer utilities, entities possessing certificates of service authority as alternative retail electric suppliers under Section 16-115 of this Act, entities possessing
certificates of service authority as alternative gas suppliers under Section 19-110 of this Act, and telecommunications carriers providing local exchange telecommunications service or interexchange telecommunications service under Sections 13-204 or 13-205 of this Act. The amounts so determined shall be based on the costs to the agency of the exercise of its regulatory and supervisory functions with regard to the different industries and service providers subject to the proceeding. No less often than every 3 years after the end of a proceeding under this subsection (i-5), the Commission shall initiate another proceeding for that purpose.

The Commission may use this apportionment method until the docketed proceeding in which the Commission considers the raising of assessments from other entities subject to its jurisdiction under this Act has concluded. No credit memoranda shall be issued pursuant to subsection (i) if the amount determined as provided in paragraph (3) of this subsection (i-5) results in a deficit.

The Company's existing Natural Gas Supplemental Customer Charge Tariff defines the Utility Assessment as the dollars assessed to Company by the Commission pursuant to Subsection 2-202 (i-5) of the Act for the costs of the Commission to exercise its regulatory and supervisory functions for the gas utility industry. The tariff requires AIC to file a reconciliation for the annual adjustments to be effective under the Supplemental PUAC with the Commission on or before March 20 of each year.

III. AIC’S POSITION

AIC's Natural Gas Supplemental Customer Charge Tariff requires that an annual reconciliation to review the accuracy of the Company's Natural Gas Supplemental Customer Charge Tariff be filed with the Commission on or before March 20th of the calendar year following the year being reconciled. In accordance with these requirements, AIC timely filed its Petition to initiate an annual reconciliation on March 19, 2019 for the 2018 Reconciliation Period.

In support of its Petition, AIC presented the affidavit of Jesse Francis and associated exhibit, Ameren Exhibits 1.0 and 1.1, respectively. Ameren Exhibit 1.1 shows the Company's Supplemental Customer PUAC Reconciliation Statement.

The Company supplemented its Petition with the supplemental direct testimony of Jonathon O. Jackson (Ameren Exhibit 2.0). Mr. Jackson explained how the Supplemental PUAC is recovered through the Company's Natural Gas Supplemental Customer Charges Tariff. Mr. Jackson also explained AIC's 2018 assessment amount was $232,835 as identified in line 2 on page 2 of Ameren Exhibit 1.1. The Company used this amount to establish the rates that were in effect from April to December 2018. Mr. Jackson stated AIC reduced its recoverable assessment for fiscal year 2019 by the over collection of ($26,643) and interest at 1.875% or ($500) for a total refundable amount to customers of ($27,143) as reflected on lines 4,6,7,8 on page 2 of Exhibit 1.1. Mr. Jackson further explained the Company decreased utility assessment amount of $474,708 by the
over-collection and interest from the 2018 Reconciliation Period resulting in the amount of $447,565 which was used to set the 2019 rates. Ameren Ex. 1.1 at 2, lines 10-11.

IV. STAFF’S POSITION

Steve Knepler testified on behalf of Staff. Mr. Knepler sponsored Staff Exhibit 1.0 and Schedule 1.01. Mr. Knepler explained for fiscal year 2018, which is based on the Commission's fiscal year, July 1, 2017 through June 30, 2018, Ameren was assessed $709,327 in total. The Commission apportioned $476,492 of the total amount to the Company's electric distribution operations and apportioned $232,835 to its gas operations. Staff Ex. 1.0 at 2. He explained the electric PUAC is addressed as part of Ameren’s annual electric distribution formula rate update, Docket No. 18-0807.

Mr. Knepler stated he reviewed the natural gas reconciliation and the underlying documents provided by the Company. Mr. Knepler did not propose any adjustments to the Company's PUAC reconciliation for its gas operations as presented on Staff Exhibit 1.0, Schedule 1.01. He explained the 2018 Reconciliation Period reflects $232,835 in recoverable Utility Assessments and $259,478 in the Supplemental PUAC Assessment recovered through the Supplemental Customer Charge, resulting in $26,643 over-recovery of PUAC costs for the 2018 Reconciliation Period. Mr. Knepler further explained when the over-recovery of $26,643 is combined with the $500 of accrued interest charges, the result is a cumulative over-recovered balance of $27,143. He noted this is the initial reconciliation of the Supplemental PUAC and there is nothing to reflect from a prior reconciliation period. Mr. Knepler recommended that the Commission approve the reconciliation presented as Schedule 1.01 in his testimony, which is attached hereto as an Appendix.

V. COMMISSION ANALYSIS AND CONCLUSION

AIC initiated this matter in accordance with its Natural Gas Supplemental Customer Charge Tariff for the Commission to review the accuracy of the Company's Supplemental PUAC during the 2018 Reconciliation Period. AIC provides sufficient evidence of its costs associated with the Supplemental PUAC.

After reviewing the Company's reconciliation, Staff recommends that the Commission approve AIC's reconciliation as presented on Staff Exhibit 1.0, Schedule 1.01. Based on the record before it, the Commission finds that AIC's costs under its Supplemental PUAC for the Reconciliation Period are accurate and consistent with the terms of Natural Gas Supplemental Customer Charge Tariff and, therefore, are recoverable. The Commission adopts the Company's reconciliation of costs and revenues as reflected on Staff Exhibit 1.0, Schedule 1.01, attached hereto as an Appendix.

VI. FINDINGS AND ORDERING PARAGRAPHS

The Commission, having reviewed the entire record and being fully advised in the premises, is of the opinion and finds that:

(1) Ameren Illinois Company d/b/a Ameren Illinois is an Illinois corporation engaged in the distribution and sale of electricity and natural gas to the public in Illinois, and is a public utility as defined in Section 3-105 of the Public Utilities Act:
(2) the Commission has jurisdiction of the parties hereto and the subject matter hereof;

(3) the recitals of fact and conclusions set forth in the prefatory portion of this Order are supported by the evidence in the record and hereby adopted as findings of fact;

(4) the reconciliation of the Supplemental Public Utility Assessment Charge for the Reconciliation Period (Fiscal Year assessment period July 1, 2017 through June 30, 2018, recovered over the period April 1, 2018 through December 31, 2018);

(5) the costs of Ameren Illinois Company d/b/a Ameren Illinois' Supplemental Public Utility Assessment Charge for the reconciliation period were reasonable; and

(6) Ameren Illinois Company d/b/a Ameren Illinois' Supplemental Public Utility Assessment Charge reconciliation as presented in Staff Exhibit 1.0, Schedule 1.01, attached hereto as an Appendix, shall be approved.

IT IS THEREFORE ORDERED that the reconciliation of Ameren Illinois Company d/b/a Ameren Illinois' Supplemental Public Utility Assessment Charge for the Reconciliation Period, as reflected in the attached Appendix, is hereby approved.

IT IS FURTHER ORDERED that all motions, petitions, objections, or other matters in this proceeding that remain unresolved are hereby resolved consistent with the conclusion contained herein.

IT IS FURTHER ORDERED that pursuant to Section 10-113(a) of the Public Utilities Act and 83 Ill. Adm. Code 200.880, any application for rehearing shall be filed within 30 days after service of the Order on the party.

IT IS FURTHER ORDERED that subject to the provisions of Section 10-113 of the Public Utilities Act and 83 Ill. Adm. Code 200.880, this Order is final; it is not subject to the Administrative Review Law.

By Order of this Commission this 14th day of November, 2019.

(SIGNED) CARRIE ZALEWSKI
Chairman