

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

Richard D. Smith,)	
Complainant,)	
)	
vs.)	Case No. EC-2007-0106
)	
AmerenUE,)	
Respondent.)	

ANSWER

COMES NOW Union Electric Company d/b/a AmerenUE (“AmerenUE” or “Company”), and for its Answer to the Complaint filed in this proceeding, states as follows:

1. On September 19, 2006, Richard D. Smith of 12787 John Smith Road, Potosi, Missouri 63166 (“Complainant”) initiated this proceeding by filing a Complaint against AmerenUE.

2. In paragraph 1 of the Complaint, Complainant alleges that AmerenUE is located in St. Louis, Missouri, and that AmerenUE is a public utility under the jurisdiction and supervision of the Public Service Commission of the State of Missouri. AmerenUE admits the allegations contained in paragraph 1 of the Complaint.

3. In paragraph 2 of the Complaint, Complainant makes several allegations, some of which are difficult to respond to because the time period to which Complainant refers is unclear. This Answer will address the specific service issues alleged to exist regarding the Complainant’s residence, although the Complaint has attached to it the signatures of several other individuals. Like the Complainant, the other signatories also request a transfer to the cooperative that served the area prior to AmerenUE, but they do

not allege any of the service issues lodged by the Complainant. AmerenUE will address the request for transfer below.

4. AmerenUE denies the allegations that “service with Ameren UE [sic] has gotten worse,” although it is unclear over what time period the Complainant is referring. A review of the Complainant’s records shows a total of ten outages in 2005 and 2006. The specific history for the Complainant over the past two years is as follows:

<u>Date</u>	<u>Reason for Outage</u>	<u>Restoration Time</u>
4/21/05	Thunderstorm	Three Hours
4/29/05	Loose connection in Breaker Box	Customer Responsibility
8/26/05	Lightening strike, Limb on Primary	Two Hours
9/28/05	Pole Broke in Major Storm	Nine Hours
12/7/05	Deenergized for Safety	Two Hours
3/11/06	Thunderstorm Tree Contact	Sixteen Hours
4/2/06	Major Storm	Fifty-One Hours
7/13/06	Deenergized for Safety	One Minute
7/24/06	Major Storm	Fifty-Six Hours
8/6/06	Tree on Line	Fifty Minutes

As can be seen in the information above, six of these outages were due to storm damage, one was storm related as it occurred when a branch broke due to storm damage, two were for safety reasons and one was related to a facility that is not a part of AmerenUE’s system. Information for Complainant for 2004 and 2003 shows only one outage in each of those years. A copy of Complainant’s outage history is included as Attachment A to this Answer.

5. AmerenUE has not ignored the Complainant’s service concerns. The Complainant lives in a rural area and his home is located at the end of the service line. There are approximately 25 miles of line between the nearest substation and his home. If something happens to any of the wires along those 25 miles, Complainant’s power will

be impacted. However, AmerenUE has or will shortly break ground for a new substation, scheduled to be in-service by June 1, 2007. This new substation is much closer to the Complainant's home; there will only be approximately ten miles between his home and the substation. As a part of the process of installing the new substation, there will be reconductoring done on much of the line. This involves intensive line clearing so that trucks can get into the area. The end result of this investment should be noticeable improvement in service reliability for the Complainant and the area surrounding the Complainant's home.

6. Complainant next alleges that AmerenUE crews were sent out of the area during the July 2006 storms. AmerenUE also denies this allegation. It is not the first time AmerenUE has heard this allegation, but it is baseless. All available linemen, supervisors, field checkers and other personnel from the operating division that includes the Complainant's area were brought to Potosi in order to restore power as quickly as possible. AmerenUE also brought in additional crews from outside of the area, including 34 linemen from six different Missouri cooperatives and five field checkers from an Illinois affiliate, AmerenCIPS. While these outside crews were not familiar with the area, restoration of power to the Potosi area would have taken much longer without their assistance.

7. Complainant makes reference to his home being a "priority five" during restoration work. AmerenUE also denies this allegation. There is no such category used by the Company and, as a consequence, AmerenUE is unclear as to exactly what Complainant is referring in this allegation. Priorities for work vary depending on what work is to be done. Down wires and outages are typically assigned the highest priority.

During a large outage, repairs that will restore service to the largest number of customers will receive priority. As the Complainant's home is located at the end of a line, it is probable that his electric service would not be the first to be restored after a storm the size of the storm that struck the AmerenUE territory on July 19, 2006.

8. Complainant requests to be "reinstated" with Black River Electric Cooperative (Black River). AmerenUE is opposed to any such transfer. Indeed, under Missouri law the Complainant has not properly requested such a transfer and AmerenUE does not believe that the Complainant can be transferred under current Missouri law under the circumstances existing in any event.

9. A transfer is improper for several reasons. First, the Commission has already determined that service by AmerenUE is in the public interest, as evidenced by the Commission's approval of a Territorial Agreement between AmerenUE and Black River on June 7, 1996 in Case No. EO-95-400, et. al.

10. Further, the "anti-flip-flop" provisions of Section 393.106 RSMo 2004 provide that once a utility lawfully commences supplying retail electric service through permanent facilities, no other supplier shall have the right to provide service to that customer. The limited exceptions are municipal annexation pursuant to Sections 386.800 RSMo and 394.080 RSMo; through a territorial agreement pursuant to Section 394.312 RSMo; or when the Commission finds that a change of suppliers is in the public interest.

11. These three exceptions do not apply to the situation before the Commission. Obviously, this is not a situation where a municipality is attempting to annex the property. There is no territorial agreement other than the one that authorized AmerenUE to service the Complainant, which the Commission found to be in the public

interest. Finally, Complainant has provided no evidence that the public interest would be better served by transferring Complainant to Black River. AmerenUE has regularly invested in the utility plant serving this area since this area became a part of AmerenUE's service territory upon Commission approval in 1996. AmerenUE is currently in the process of making a significant investment in the very portion of this territory at the heart of this Complaint. The public interest would not be served by changing suppliers for this area.

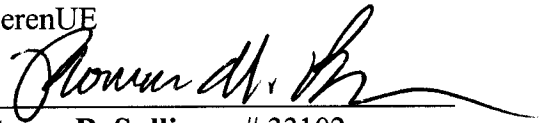
12. AmerenUE believes that it has at all times acted properly and that it is not in the public interest for Complainant or any of the signatories of the attachment to the Complaint to be transferred to Black River.

WHEREFORE, AmerenUE respectfully requests that the Commission issue its order dismissing this Complaint because Complainant has sought relief ("transfer" to Black River) which is not proper in this proceeding, and because the Complaint is without merit.

Respectfully submitted,

UNION ELECTRIC COMPANY,
d/b/a AmerenUE

By:



Steven R. Sullivan, # 33102

Sr. Vice President, General
Counsel and Secretary

Thomas M. Byrne, # 33340

Managing Assoc. General Counsel

Ameren Services Company

P.O. Box 66149

St. Louis, MO 63166-6149

(314) 554-2514 (phone)

(314) 554-4014 (fax)

ssullivan@ameren.com

tbyrne@ameren.com

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing Answer was served on the following parties via electronic mail (e-mail) or via regular mail on this 20th day of October, 2006.

General Counsel Office
Missouri Public Service Commission
200 Madison Street, Suite 800
P.O. Box 360
Jefferson City, MO 65102
GenCounsel@psc.mo.gov

Williams Nathan
Missouri Public Service Commission
200 Madison Street, Suite 800
P.O. Box 360
Jefferson City, MO 65102
Nathan.Williams@psc.mo.gov

Mills Lewis
Office Of Public Counsel
200 Madison Street, Suite 650
P.O. Box 2230
Jefferson City, MO 65102
opcservice@ded.mo.gov

Department Legal
Black River Electric Cooperative
Highway 72
P.O. Box 31
Fredericktown , MO 63645

Smith D Richard
Richard D. Smith
12787 John Smith Road
Potosi, MO 63664

Thomas M. Byrne

Thomas M. Byrne