## AmerenUE's Response to State of MO - Atty General Data Request MPSC Case No. ER-2007-0002 AmerenUE's Tariff Filing to Increase Rates for Electric Service Provided to Customers in the Company's Missouri Service Area

**FILED**<sup>3</sup>

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Requested From: Mike Brosch

## Missouri Public Service Commission

## Data Request No. AG/UTI-184

Ref: Direct Testimony of William M. Stout, page 30 (Callaway Relicensing) According to Mr. Stout's testimony, "AmerenUE may be required to expend significant sums in order to comply with the terms of the extended license including the replacement of plant currently in service." Please respond to the following:

a. Please identify each electric utility that Mr. Stout is aware of that has been required to expend significant sums in order to comply with the terms of an extended license.

b. Provide the most detailed available listing of required expenditures for each of the utilities identified in your response to part (a).

c. Is Mr. Stout aware of any specific types or amounts of new expenditures that would likely be required of AmerenUE to comply with the terms of any license extension that may be requested for Callaway?

d. If your response to part (c) is affirmative, please list and describe all expected new expenditures and explain the basis for your response.

e. What (if any) specific budgeted future Callaway capital expenditure projects are thought to be required in the event application is made for an operating license extension that would not be undertaken without license extension?

f. Please provide complete copies of all reports, analyses, workpapers, projections and other documents associated with or supportive of your responses to parts (a) through (e) of this data request.

## Response:

f.

a. Mr. Stout is aware that Baltimore Gas & Electric and Duke Power Company have expended significant sums in conjunction with an extension of the operating license of a nuclear power plant. Mr. Stout statement is primarily based on the criteria considered by the Nuclear Regulatory Commission when evaluating a plant for license extension and public pressures related to safety and the environment, all of which could result in the requirement to expend significant amounts to replace or upgrade facilities.

b. The information related to Baltimore Gas & Electric is based on an article in the Baltimore Chronicle (<u>http://baltimorechronicle.com/bgenuke.html</u>) that identifies expected costs to retrofit the plant at \$500 million to \$1 billion. The information related to Duke Power Company's Oconee Nuclear Power Plant is attached and based on their plant accounting records through December 31, 2003. As the attachment shows for Account 322, Reactor Plant Equipment, Duke expended \$137 million of capital on reactor plant equipment at the time of the initial installation of the plant, \$218 million of capital during the next 24 years, and over \$270 million in the five years following the application for relicensing.

c., d. and e. No. Ameren has not begun to consider the expenditures that would be required as it would be premature to do so.

Support for the responses to parts (a) and (b) is attached to this response.

<u>UFC</u> Exhibit No. <u>454</u> Case No(s). <u>EL 2007-00</u>02

Prepared By: Bill Stout Title: President, Valuation and Rate Division Gannett Fleming, Inc. Date: November 30, 2006