

ER20110028v4

In the Matter of the Application of KCP&L)
 Greater Missouri Operations Company)
 Containing its Annual Fuel Adjustment) File No.
 ER-2011-0180)
 Clause True-Up)

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1 STATE OF MISSOURI
 2 PUBLIC SERVICE COMMISSION
 3 VOLUME 4
 4 TRANSCRIPT OF PROCEEDINGS
 5 Local Public Hearing
 6 February 16, 2011
 7 Harris Stowe State College
 8 In the Matter of Union)
 Electric Company d/b/a)
 9 AmerenUE's Tariffs to) File No. ER-2011-0028
 Increase its Annual)
 10 Revenues for Electric Service)
 11
 12 Morris Woodruff, Presiding
 Deputy Chief Regulatory Law Judge
 13 Jeff Davis
 Commissioner
 14
 15 Sam Ritchie, Staff Attorney
 16 Lewis Mills, Office of Public Counsel
 17 Wendy Tatro, counsel for AmerenUE
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 19 Reported by:
 20 Jeanne M. Pedrotty, CCR/CSR
 21 Midwest Litigation Services
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A P P E A R A N C E S

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1 P R O C E E D I N G S
2 JUDGE WOODRUFF: Good afternoon, everyone.
3 My name is Morris Woodruff. I'm the chief regulatory
4 law judge for the Public Service Commission. I want
5 to welcome you to the open public hearing. We've got
6 a list of people who have signed up to testify and
7 we'll go down that list and call names as they are
8 listed here. And if you didn't get a chance to sign
9 up or if you're inspired by somebody else's comments,
10 when I get done with the list, I'll ask if anybody
11 else wants to testify. Also, to start things off,
12 I'll turn over to my right is Commissioner Jeff Davis.
13 Mr. Davis, do you have any comments?
14 COMMISSIONER DAVIS: I just wanted to say
15 welcome to everyone. We look forward to hearing your
16 comments. And I want you to know that we do listen;
17 that we are empathetic, but that we do as
18 commissioners, when we decide these cases we are
19 required to follow the law, and our decisions have to
20 be based on facts. They have to be based on what's
21 called competent and substantial evidence. And so, I
22 just want to make you aware that, we do try to take
23 into account everything, but that it is what it is.
24 Thank you.
25 JUDGE WOODRUFF: Before I call the first

1 witness, I'll ask the attorneys to identify themselves
2 who are here. We'll start with staff.

3 MR. RITCHIE: Representing the staff of
4 Missouri Public Service Commission, Sam Ritchie, P. O.
5 Box 360, Jefferson City, Missouri, 65102.

6 JUDGE WOODRUFF: For Ameren?

7 MS. TATRO: Wendy Tatro, 1901 Chouteau
8 Avenue, St. Louis, MO 63103.

9 JUDGE WOODRUFF: And for Office of Public
10 Counsel?

11 MR. MILLS: On behalf of the Office of
12 Public Counsel and the public, my name is Lewis Mills.
13 My address is Post Office Box 1230, Jefferson City,
14 Missouri, 65102.

15 JUDGE WOODRUFF: And I believe that's all
16 the attorneys who are here. When I call your name, if
17 you come up to one of the two microphones here, and
18 I'll ask you to state your name and then I'll swear
19 you in. You swear to tell the truth, the whole truth,
20 and nothing but the truth and you can make your
21 statement to the Commission. And after you made your
22 statement, then the Commissioner Davis might ask a
23 question and I'll give parties chance to ask follow-up
24 questions also. We'll call the first witness who is
25 Diane Perry. Good afternoon.

1 MS. PERRY: Good afternoon.

2 JUDGE WOODRUFF: And are you Diane Perry?

3 MS. PERRY: That's correct.

4 JUDGE WOODRUFF: Would you please raise
5 your right hand. And do you solemnly swear or affirm
6 the testimony you're about to give in this matter will
7 be the truth, the whole truth, and nothing but the
8 truth?

9 MS. PERRY: That's correct.

10 JUDGE WOODRUFF: What would you like to
11 tell us?

12 MS. PERRY: Last year I had situation with
13 my electric bill and I get paid once a month here at
14 the state. And I told them that I couldn't pay my
15 bill until I get paid. Okay. When I got paid I
16 wanted to pay my electric bill. I called the number,
17 okay. They tell me well, ma'am, your electric is
18 going to be cut off. I didn't owe Union Electric a
19 lot of money. I had to leave my job. I work here,
20 get somebody to fill in, they told me they couldn't
21 tell me what time or when it would be cut off. So I
22 had to make arrangements for the next day to get my
23 electric to get it back on. Well, I raced out here
24 and raced home and there was a man at my house. I
25 didn't have a truck like Union Electric. He was a

1 contractor he told me. He told me you didn't have to
2 be here, ma'am. We could have turn your electric on
3 anyway. I said that's not what they told me from the
4 electric company. Okay. Then he tells me what they
5 do, they are contractors that go early in the morning,
6 get a list of people to disconnect and that's all that
7 they do. But what I'm upset about -- I told them when
8 I could pay them they still cut me off. They put me
9 in a bad situation. I think the customer service
10 situation with people who are working, not people who
11 are laid off, but people who are still trying to pay
12 their bills is awful. It's like we all work together
13 and one time utility companies used to have some type
14 of heart. You can pay something, but now, they don't
15 care about the people who is using that service. All
16 they care about the "D" stockholders. I don't care
17 about your "D" stockholders. I'm paying you for
18 service. If you don't want my money -- I'm sorry that
19 I'm held hostage in this state because we don't have
20 another utility, but I think what team need to do is
21 get some batteries, some kerosene heaters, some --
22 anything that's not electric and show the stockholders
23 and show you all that you can't hold us hostage
24 because we're doing the best we can. And I think
25 you're very impartial. You don't -- if you call

1 yourself a Christian, you don't have a darn conscious
2 because people are trying to do the best they can.

3 JUDGE WOODRUFF: Thank you, ma'am. Mr.
4 Davis, do you have any questions?

5 MR. DAVIS: Ma'am, can I ask you a couple
6 questions real quick.

7 MS. PERRY: You're sure can.

8 MR. DAVIS: So they cut you off?

9 MS. PERRY: Yeah, but the man was still
10 there so happens. I raced out of here. I was
11 speeding I still got a ticket, but what got me he was
12 there, but they told me on the phone we can't give you
13 a time. Well, a long time ago, years ago it took them
14 two days to turn this stuff back on. But he was
15 there, but he picks a list up, these contractors, and
16 they just go and disconnect people. They just go and
17 disconnect people. I don't think that's right. Like
18 I just said, I ain't paying for stockholders. I'm
19 paying for a service. They can fall into the same
20 situation as us.

21 COMMISSIONER DAVIS: So basically, you were
22 going to be a little bit late?

23 MS. PERRY: Just half of a day. I got paid
24 the next day, but I still paid my bill, but when I got
25 there and paid the bill to call the number in they had

1 cut me off. And that's what I'm upset about. And I
2 think other people can relate to this, too.

3 COMMISSIONER DAVIS: Ma'am, I may want to
4 send one of our staff members to visit --

5 MS. PERRY: I run the switchboard here and
6 I have to get back to work, but I'm really upset.

7 COMMISSIONER DAVIS: I may send someone to
8 come find you, but thank you.

9 JUDGE WOODRUFF: The next name is Frances
10 Porter. Frances Porter.

11 MS. PORTER: I didn't know I was that close
12 to the top.

13 JUDGE WOODRUFF: A couple people crossed
14 their names off. Do you solemnly swear or affirm that
15 the testimony you're about to give shall be the truth,
16 the whole truth, and nothing but the truth?

17 MS. PORTER: I do.

18 JUDGE WOODRUFF: Tell us your name please.

19 MS. PORTER: Frances Porter.

20 JUDGE WOODRUFF: You can take your hand
21 down and tell us what you want to tell us.

22 MS. PORTER: My name is Frances Porter.
23 I'm a senior citizen and I have lived in the home I'm
24 in now for almost 50 years. I understand that the
25 electric company needs a raise to help their company

1 to improve the service. I wanted to make a statement
2 that when I moved in the house that I'm in now it was
3 old. Now, it's over a hundred years old. When I
4 first moved there the electric company would come by
5 at least once a year to repair, cut trees or what have
6 you, to maintain service of the electric company.
7 This went on for about maybe four or five years after
8 I bought this house. After that, we didn't see them
9 any more until the storm started coming and power was
10 going out. Because living in the city of St. Louis,
11 we never had power outage. When this started -- so
12 what I'm saying my house was old when I bought it.
13 It's over a hundred years old now, but I kept it up
14 year by year. It's still livable. It still look
15 good, still has improvement because I took it on
16 myself to keep up what needs to be kept up. I feel
17 that Union Electric didn't do that. Now that I'm at
18 retirement age, since I kept my house up all during
19 those years that have been there, I'm a senior citizen
20 now on Social Security. I still have to do some
21 maintenance to my home, but I don't feel it's fair for
22 me to take my money and give to Union Electric when
23 they fail to do what they were supposed to do over the
24 years. Thank you.

25 JUDGE WOODRUFF: Okay. Mr. Davis, do you

1 have any questions.

2 COMMISSIONER DAVIS: No questions, ma'am.

3 Thank you.

4 JUDGE WOODRUFF: Do the parties have
5 questions? Thank you, Ms. Porter.

6 MS. PORTER: You're welcome.

7 JUDGE WOODRUFF: The next name on my list
8 is Carol Whigom -- Carol Whigom. She may have left.
9 Bruce Sommer. Good afternoon. Would you please raise
10 your right hand? Do you solemnly swear or affirm the
11 testimony is the truth, the whole truth and nothing
12 but the truth?

13 MR. SOMMER: Yes, I do.

14 JUDGE WOODRUFF: Tell us your name please.

15 MR. SOMMER: Bruce Sommer.

16 JUDGE WOODRUFF: S-o-m-m-e-r?

17 MR. SOMMER: Correct.

18 JUDGE WOODRUFF: What would you like to
19 tell us.

20 MR. SOMMER: First of all, I'm here as a
21 member of the Board of Directors for Consumers Council
22 of Missouri, and they want to make it clear they are
23 strongly in opposition to this request for rate
24 increase. Ameren has also raised rates over \$500
25 million in the last two years, which we don't believe

1 there's been sufficient cause to raise them again.
2 We're also bothered by the fact that Ameren clearly
3 made a public commitment after the disaster at
4 Tomsauk not to ask the consumers the state to pay for
5 any of that. That was a well-received commitment.
6 The fact that they chose on their own to supposedly
7 make it better than it was before, that was their
8 choice. We had nothing to say about it. We feel they
9 should be held to their original commitment not to
10 charge the consumers of the state of Missouri for any
11 of those expenses. We also believe that ever since
12 they were able to get the legislature to overturn
13 Missouri Supreme Court ruling that we were able to
14 obtain in 1979 that dealt with the fuel cost, ever
15 since the legislature has basically overturned that,
16 they have been able to apparently to pass on
17 additional fuel costs to consumers. And I believe the
18 rate was stated earlier the share is now 95 percent
19 -- up to 95 percent to be paid for by consumers and
20 five percent by Ameren. Prior to that they ate all of
21 those costs. And prior to that when they were paying
22 all those costs they used to brag about how they were
23 able to keep their fuel costs lower than most of their
24 competitors. Unfortunately, now with using fuel
25 accommodation laws they no longer have very much

1 incentive to control and manage those costs the way
2 they used to. So we believe that you need to take
3 some action to remove the fuel adjustment cost prior
4 to another raise in their rates. Thank you.

5 JUDGE WOODRUFF: Thank you, sir.
6 Questions?

7 COMMISSIONER DAVIS: Mr. Sommer, you said
8 that you're on the Board of Directors for Missouri
9 Consumers Council; is that correct?

10 MR. SOMMER: Consumers Council of Missouri.

11 COMMISSIONER DAVIS: Consumers Council of
12 Missouri. Do you know what issues the Consumers
13 Council of Missouri is litigating in this rate case?

14 MR. SOMMER: I haven't been part of
15 litigation. I'm on a different committee on the
16 Board.

17 COMMISSIONER DAVIS: Okay. So, let me ask
18 you this. Does silence constitute acceptance?

19 MR. SOMMER: I guess I have to answer that
20 because if I don't my silence can be taken as
21 acceptance. And I sort of feel like I'm between a
22 rock and a hard place.

23 COMMISSIONER DAVIS: Well, what I'm just
24 trying to elicit -- you say you're opposed to all of
25 these -- to the rate increase and I want to know what

1 issues you're actually presenting evidence on.

2 MR. SOMMER: Well, number one, evidence
3 relating to Tomsauk is matter of public record where
4 they made commitments to the media, to the public
5 that those costs to repair would not be borne by the
6 consumers of Missouri. That's one example.

7 COMMISSIONER DAVIS: Okay.

8 MR. SOMMER: And there is the legislature
9 overturning the 1979 Supreme Court ruling in the state
10 of Missouri that we won that prohibited them from
11 being able to add on or pass on fuel adjustment
12 clause. And ever since that time when they got the
13 legislature to overturn that a few years ago, my
14 understanding is percentage that is now currently has
15 been agreed upon is also a matter of public record.
16 It's up to 95 percent of that cost is paid for by
17 consumers and we never used to pay for any of those
18 costs.

19 COMMISSIONER DAVIS: Okay. Well, that only
20 applies back to 1979; correct?

21 MR. SOMMER: Right.

22 COMMISSIONER DAVIS: Before then customers
23 did pay for those costs.

24 MR. SOMMER: That may be true. I don't
25 know.

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1 COMMISSIONER DAVIS: Okay. Are you aware
2 that the 1979 decision was -- some other people may
3 argue differently, but has been narrowly construed to
4 apply to only residential consumers?

5 MR. SOMMER: Yes.

6 COMMISSIONER DAVIS: So what other issues?

7 MR. SOMMER: The fact that Ameren has
8 already been granted permission to raise rates by \$500
9 million in the last two years. We believe that rate
10 increase should be sufficient, and there really hasn't
11 been any evidence shown that they needed additional
12 rate increase.

13 COMMISSIONER DAVIS: Is your counsel
14 putting on any evidence to that fact.

15 MR. SOMMER: I believe so, but again I'm
16 not on the legal committee of the board, so I'm not as
17 familiar with that area.

18 COMMISSIONER DAVIS: Okay. Thank you, sir.

19 MR. SOMMER: Sure.

20 JUDGE WOODRUFF: Questions from the
21 parties? Thanks, Mr. Sommer. The next name on the
22 list is Lacresha Bunch. Next name on the list is
23 Omella Kimble. I'm try to read handwriting here, so
24 it's a little different. Lula Thompson. Okay.
25 Beatrice Owens. Kittye First-Beatty. Good afternoon.

1 MS. FIRST-BEATTY: Good afternoon.

2 JUDGE WOODRUFF: Would you please raise
3 your right hand and I'll swear you in? Do you
4 solemnly swear or affirm the testimony you're about to
5 give in this matter is the truth, the whole truth, and
6 nothing but the truth?

7 MS. FIRST-BEATTY: Yes.

8 JUDGE WOODRUFF: Tell us your name and
9 spell it.

10 MS. FIRST BEATTY: My name is Kittye
11 First-Beatty. That's K-i-t-t-y-e
12 F-i-r-s-t-B-e-a-t-t-y.

13 JUDGE WOODRUFF: Thank you. What would you
14 like to tell us?

15 MS. FIRST-BEATTY: I have some questions
16 and some comments to Mr. Wakeman and Mr. Marks. My
17 comments that I made about your salaries, I meant what
18 I said, but I will apologize for how I stated it. I
19 do feel that you all are antiquated in your thinking
20 and how you do business, and you need pay cuts, and
21 after your pay cuts you need to be replaced. You're
22 not modern at all. I am in the modern age at 63. I
23 go wireless, wi-fi. I have toys, blessed by my
24 children. You need to be up to date in your thinking
25 and how to do business. Things have to change and the

1 way Ameren is doing business has to change. We need
2 competition in this state for utilities. No
3 competition, no good services for consumers for our
4 benefit. Ameren has shareholders pay in, consumers
5 pay their bills, senior citizens pay their bills. I
6 only get \$799 a month because I'm a widow from my
7 husband's Social Security. I didn't get an increase
8 plus the little job that I did have, we didn't get
9 refinanced so I no longer have a job. When I get my
10 bill because my house is all electric, by my choice
11 because I feel it's the most efficient source of
12 energy for me to have in my home -- that's my choice.
13 But when I'm getting increases and rates you're
14 swallowing me. I just paid over a third of my income
15 for my electric bill. I still have other bills to
16 pay. Ameren does not need an increase. They need to
17 stay where they are and they need to be more efficient
18 in how they use their dollars. I have to be creative
19 and more efficient on how to use my dollars and I have
20 give an accounting to myself how I use my dollars and
21 try to do it with God's grace and wisdom. We don't
22 need to pay for their power plant. It is not fair to
23 a consumer that we have to do that. That is the old
24 way of doing business. They need to do more modern
25 way of doing business. If you can't pay for it, you

1 don't get it. Don't pass that on to someone else.
2 You are asking for it; you want it; you pay for it. I
3 can't go and buy something and tell my children well,
4 I'm going to pass this cost off to you because you're
5 my children. I can't do that to them, they shouldn't
6 do it to us as consumers.

7 Next thing I want to say is we need
8 competition. I'm going to go there again. We need to
9 have other companies and consumers need choices.
10 Competition is good for consumers. It's good for
11 business as well. Mr. Davis, I spoke with you, I
12 think it was early in 2010 or sometime in '09 when
13 they had a meeting here before. I like the way you
14 ask questions and I liked the way you think. And Mr.
15 Woodruff, you have been steadfast and have done the
16 same. I think you all are doing a good job on the
17 commission, but you also need to be more consumer
18 conscious because you all are consumers as well. And
19 if you need to suggest changes that need to be made in
20 the commission so that you can better do the jobs that
21 you all have been appointed to do.

22 I don't think they need a rate increase. I
23 think they need to do better -- how should I put it,
24 they need to do better on being responsible on how
25 they are handling their dollars that they are being

1 charged to. And we don't need to pay for their
2 counsel for coming to us guys and asking for this rate
3 increase. They have in-house counsel. Let in-house
4 counsel handle it. We don't need to pay for that
5 either. I think I have said enough and I'm going to
6 leave some time for someone else.

7 JUDGE WOODRUFF: Commissioner Davis, do you
8 have any questions.

9 COMMISSIONER DAVIS: Ma'am, I want to ask
10 you one question. Do you know of anyone that's AN
11 Ameren Illinois customer.

12 MS. FIRST-BEATTY: I'm sorry.

13 COMMISSIONER DAVIS: Do you know anyone
14 that's an Ameren Illinois customer?

15 MS. FIRST-BEATTY: No.

16 COMMISSIONER DAVIS: Okay. The reason why
17 I'm asking is because Illinois has deregulated their
18 electricity, and so I'm just trying to see if you knew
19 of anyone that was an Ameren Illinois customer, you
20 can ask them about their experience with deregulation
21 and how that has worked.

22 MS. FIRST-BEATTY: It's not deregulating.
23 When you bring in -- because I lived in Texas for five
24 years. And when I first moved to Texas back in '98 it
25 was not an open market. After I have been there for

1 two years they allowed other power companies to come
2 in and things improved.

3 COMMISSIONER DAVIS: Okay, ma'am.

4 MS. FIRST-BEATTY: They did improve. And I
5 thank you all for your time.

6 JUDGE WOODRUFF: Any questions from the
7 parties? Thank you, ma'am. We have asked to move the
8 microphone because we couldn't see anybody over there.
9 The next name is Bernice Coleman. Good afternoon,
10 ma'am.

11 MS. COLEMAN: Good afternoon.

12 JUDGE WOODRUFF: Please raise your right
13 hand. Do you solemnly swear or affirm that the
14 testimony you're about to give in this matter is the
15 truth, the whole truth, and nothing but the truth?

16 MS. COLEMAN: Yes, I do.

17 JUDGE WOODRUFF: Tell us your name.

18 MS. COLEMAN: Bernice Coleman.

19 JUDGE WOODRUFF: What would you like to
20 tell us?

21 MS. COLEMAN: As you can see, everybody
22 else can see that I am definitely a senior citizen,
23 living on monthly income. And in my opinion and
24 everybody else's opinion that Ameren Electric Company
25 does not need to raise the rates on the utilities.

1 Along with sickness, we have to have food. We've got
2 to pay our taxes. We got to pay other utilities, our
3 phone. And living on less than \$1000 a month is a
4 hardship on any senior citizen or anybody else. And I
5 think it's totally unfair to ask customers living on
6 that kind of income for a raise. And I would like to
7 also ask coming this year February 2011, asking us for
8 a raise, are you going to come back the end of this
9 year or 2012 and ask us for another raise. I think
10 it's totally unfair. And another thing, sometime in
11 the last -- with the lights flickering on and off, you
12 don't know when it's going to come back on. And
13 asking why every year or two with that kind of service
14 I think it's totally unfair.

15 JUDGE WOODRUFF: Commissioner Davis, do you
16 have any questions.

17 COMMISSIONER DAVIS: Ms. Coleman, do you
18 have any problems with your lights flickering on and
19 off?

20 MS. COLEMAN: Yes, sir.

21 COMMISSIONER DAVIS: Do they stay off or do
22 they just flicker and come back on?

23 MS. COLEMAN: They stay off for a few
24 minutes and then they come back on, but you never know
25 when it's going to happen.

1 COMMISSIONER DAVIS: Okay. And has it been
2 pretty much the same in the last few years or has it
3 gotten any better in the last couple years?

4 MS. COLEMAN: No, sir. It hasn't gotten
5 any better.

6 COMMISSIONER DAVIS: Okay. You live at --

7 MS. COLEMAN: In the central west end.

8 COMMISSIONER DAVIS: You live in the
9 central west end, 63112?

10 MS. COLEMAN: Yes, sir.

11 COMMISSIONER DAVIS: Okay. Thank you,
12 ma'am.

13 JUDGE WOODRUFF: Questions from the
14 parties? The next name on the list is Donald
15 Lockridge. Donald Lockridge. June Weible. June
16 Weible. Miles Ross. Good afternoon. Please raise
17 your right hand. Do you solemnly swear or affirm the
18 testimony you're about to give in this matter will be
19 the truth, the whole truth, and nothing but the truth?

20 MR. ROSS: I do.

21 JUDGE WOODRUFF: Tell us your name.

22 MR. ROSS: Miles Ross.

23 JUDGE WOODRUFF: What would you like to
24 tell us?

25 MR. ROSS: First, I'd like to -- well,

1 thank you for the opportunity, first of all, for
2 letting me speak. I'd like to let you know I'm here
3 representing Missourians for Balanced Energy Future or
4 MBEF. MBEF is a non-profit, non-partisan.

5 COMMISSIONER DAVIS: Keep it relevant, Mr.
6 Ross.

7 MR. ROSS: I will, sir, if you allow me
8 just a couple minutes. It's a non-partisan
9 organization that provides small and large businesses,
10 chambers of commerce, labor organizations, farmers and
11 associations, trade groups, and many Missouri citizens
12 like the ones here today. What I want to talk about
13 is electric rates. We can see there that Missouri is
14 the 11th lowest in the country for utilities rates.
15 Ameren is there at the bottom in Missouri making it
16 one of the cheaper companies. But that doesn't mean
17 that Ameren deserves to have their rate request
18 granted automatically. Quite to the contrary, it is
19 critical that the PSC continue to closely scrutinize
20 Ameren's request to make sure consumers receive
21 reliable service at the lowest possible rates. It is
22 not my intention today to comment on amount of
23 Ameren's request. Instead, I would like to bring to
24 your attention they are growing in the rates paid
25 among different classes of customers and urge, as you

1 consider this request, you do not make this inequity
2 worse. Missouri has established six different rate
3 classes. And residential customers like the ones here
4 today, Missouri's family, they pay the highest rates
5 of any of the six classes. Small businesses are
6 second highest. In fact, rates charged to residential
7 customers and small businesses are about 170 percent
8 of the rate charged to some big corporations. And
9 rates charged to residential customers and small
10 businesses are almost 250 percent greater than rates
11 charged to big corporations that pay the lowest rate.
12 In fact, according to OPC, that one big corporation
13 that gets the lowest rate in the state is actually
14 paying up to \$20 million a year below its cost of
15 service, which means this cost is being subsidized by
16 Missouri family, small businesses, and everyone in
17 this room. The corporations that get these favorable
18 rates stay in Missouri because low rates help them
19 keep people employed. It is true that these companies
20 are important to Missouri's economy. But these are
21 the hundreds of thousands of small business across
22 Missouri that are paying a higher rate. Small
23 business accounts for 80 percent of the job growth and
24 when big corporations get special rates far below what
25 anyone else can get it is those many communities are

1 not home to these big favorite corporations. When big
2 corporations pay less families all across Missouri are
3 forced to pay more. It's a zero sum game. When you
4 take more money out of our families' pockets in order
5 to give some businesses special treatment. It means
6 families have less money to send in their own
7 community and it means fewer jobs in our community.
8 It's unfair to keep moving in this direction.

9 So today, I respectfully ask you to
10 consider as you consider Ameren's rate request that
11 you believe -- keep in mind the already huge
12 discrepancy in the rates paid by big corporations
13 versus Missouri families and small businesses. Please
14 be careful not to make this rate structure even less
15 equitable than it is today. Thank you very much for
16 hearing me and thank you for your consideration.

17 JUDGE WOODRUFF: Mr. Davis.

18 COMMISSIONER WOODRUFF: No questions.

19 JUDGE WOODRUFF: Anything from the parties?

20 MR. MILLS: Yes. Can you tell me some of
21 the organizations that make up Missourians for
22 Balanced Energy Future?

23 MR. ROSS: Yes. There is different
24 labor -- do you want specific names or just --

25 MR. MILLS: Whatever you can tell me.

1 MR. ROSS: I mean we have a broad swath of
2 support from companies. Whether it's laborists,
3 international union, different utilities across the
4 state, private citizens, you know, farmers. There is
5 plenty of different people across the state that make
6 us up. And we have -- MBEF has its own board. No
7 matter what our supporters say, we make our decisions
8 from the board and from the company chairs across the
9 state. And some of our supporters may be happy with
10 our decisions and some may not be happy with our
11 decisions, but what they agree upon is the future
12 outlook and future vision we have for the state.

13 MR. MILLS: From your comments, is it fair
14 to say you support the cost study that the OPC has
15 submitted in this case?

16 MR. ROSS: No. From my comments -- from my
17 comments, I was very clear what we're not trying to do
18 is actually talk about the amount of increase. We're
19 trying to talk about the inequity in the rate
20 structure. And in one corporation that gets bigger
21 rate, better rate structure than anybody else.

22 MR. MILLS: I'm talking about class cost of
23 service. The study that shows -- that was my
24 question. I'm talking about the study that public
25 counsel did that demonstrates various cost

1 responsibility of various classes. Do you support
2 that in this case?

3 MR. ROSS: To be perfectly honest with you,
4 I don't know where MBEF stands on that particular
5 study. I'm not familiar with the case in its
6 entirety.

7 MR. MILLS: Is Ameren Missouri part of
8 Missourians for --

9 MR. ROSS: I believe they are a supporter
10 of the organization along with those that I already
11 mentioned.

12 MR. MILLS: Are you aware they filed a cost
13 of service study in the case?

14 MR. ROSS: I'm not.

15 MR. MILLS: Those are all the questions I
16 have.

17 JUDGE WOODRUFF: Thank you, Mr. Mills.
18 Thank you, Mr. Ross. The next name on the list is
19 Patricia McHugh. That's fine. Please raise your
20 right hand and I'll swear you in. Do you solemnly
21 swear or affirm the testimony you're about to give in
22 this matter is the truth, the whole truth, and nothing
23 but the truth?

24 MS. MCHUGH: I do.

25 JUDGE WOODRUFF: Tell us your name.

1 MS. MCHUGH: Patricia McHugh.

2 JUDGE WOODRUFF: Thank you. What would you
3 like to tell us?

4 MS. MCHUGH: Okay. I'm a private citizen
5 and since we're doing the age thing, I'm 76. So I'll
6 get that out of the way. I'm protesting the idea of a
7 rate increase principally because they are talking
8 about a nuclear power plant. And my contention is
9 that there is no way to foresee what they will really
10 cost in the long run and the ratepayers as it is now
11 would wind up paying for it. Furthermore, it doesn't
12 factor in the true costs of health, of global warming,
13 of these other issues. In this country, of course,
14 this is a separate issue, but we have to start looking
15 at what do things really cost. If we say coal and oil
16 are cheaper, well, not exactly. Not if you figure in
17 what it costs to produce. And I made this point
18 before in my statement was that these are finite
19 materials. And I would like to see Ameren spend --
20 instead of spending billions probably, or millions at
21 least on a nuclear power plant, to take any kind of
22 money that they have hanging around and spend that on
23 expanding alternative energy and not just dismiss this
24 right away and saying oh, it's intermittent. These
25 things can be fixed. We can find ways to store

1 energy. And when we come to the issue of statistics,
2 I think it was Mark Twain that says there are lies and
3 damn lies, and then there are statistics. Thank you.

4 JUDGE WOODRUFF: Questions?

5 COMMISSIONER DAVIS: No questions.

6 JUDGE WOODRUFF: Thank you. The next name
7 on the list is Julio Jacot. Mr. Jacot. Ken Lawrence.
8 William Walker. Good afternoon.

9 MR. WALKER: Good afternoon. My name is
10 William Walker.

11 JUDGE WOODRUFF: Do you solemnly swear or
12 affirm that the testimony you're about to give in this
13 matter will be the truth, the whole truth, and nothing
14 but the truth.

15 MR. WALKER: I do.

16 JUDGE WOODRUFF: Thank you very much. What
17 would you like to tell us?

18 MR. WALKER: I was concerned about the \$191
19 million that Ameren is asking for which is 10.9
20 percent increase. And the Commission said they would
21 like to see increase to 8.5 percent which is \$72
22 million. You make the final decision on that.

23 COMMISSIONER DAVIS: The Commission makes
24 the final determination on how much of a rate increase
25 Ameren will get.

1 MR. WALKER: Okay. How the rates increase
2 impact the utilities bills of the residents in
3 Missouri?

4 JUDGE WOODRUFF: Again, I can't answer
5 details about the rate case. That will be something
6 that will be determined at the evidentiary hearing,
7 which will be taking place, I believe, in May.

8 COMMISSIONER DAVIS: I would say I believe
9 Mr. Mills, correct me if I'm wrong, but there is an
10 information sheet that says that \$267 million that
11 asked for would come out to 11 percent increase. And
12 I'll not exactly sure if they got the whole thing -- I
13 mean if everything were apportioned equally, the
14 maximum rate increase would be 11 percent assuming
15 they got the whole thing. But obviously parties are
16 recommending less than that.

17 MR. WALKER: I was listening Mr. John
18 Cassidy. He said 10.9 percent rate.

19 COMMISSIONER DAVIS: That's right. Return
20 on equity.

21 MR. WALKER: Okay. All right. Thank you
22 very much.

23 JUDGE WOODRUFF: Thank you, sir. The last
24 name on the list is K. S. Mayfield. Please raise your
25 right hand. Do you solemnly swear or affirm the

1 testimony you're about to give will be the truth, the
2 whole truth, and nothing but the truth?

3 MR. MAYFIELD: I do.

4 JUDGE WOODRUFF: Tell us your name please.

5 MR. MAYFIELD: My name is Keith Mayfield.

6 JUDGE WOODRUFF: What do you want to tell
7 us?

8 MR. MAYFIELD: I have questions that I want
9 answered in the other format. My questions were
10 actually how many rate increases has Ameren UE sought
11 in the last decade. How many actually have been
12 declined by the PSC and what variables or conditions
13 would have to exist if that is PSC grants this one for
14 Ameren UE to --

15 JUDGE WOODRUFF: Well, I can't answer that
16 question or the commissioner can't. You can discuss
17 that with the Ameren people behind you there if you
18 like or with public counsel or staff counsel is right
19 over here on this side also. I can't answer specific
20 questions about the rate case. You can talk to them
21 after the hearing if you'd like.

22 MR. MAYFIELD: Thank you. I'll do that.

23 JUDGE WOODRUFF: Thank you. Mr. Mayfield
24 was the last name on the list. Is there anyone else
25 who didn't sign the list who would like to come

1 forward and testify at this point. Yes, sir. Good
2 afternoon. I'll swear you in.

3 MR. LIGHT: Leonard Light.

4 JUDGE WOODRUFF: Do you solemnly swear or
5 affirm that the testimony you're about to give will be
6 the truth, the whole truth, and nothing but the truth?

7 MR. LIGHT: It is.

8 JUDGE WOODRUFF: Thank you. What would you
9 like to tell us?

10 MR. LIGHT: I'd just like to confirm my
11 earlier statement that I made to the PSC concerning
12 advertising costs and certain professional fees
13 associated with the rate increase, just to get that on
14 the record.

15 JUDGE WOODRUFF: Okay.

16 MR. LIGHT: Thank you.

17 JUDGE WOODRUFF: Any questions? Thank you.
18 Anyone else wish to testify at this point? Yes,
19 ma'am.

20 UNKNOWN SPEAKER: I would like --

21 JUDGE WOODRUFF: Are you just asking to
22 talk to counsel afterwards?

23 UNKNOWN SPEAKER: No. I was wondering if
24 counsel could answer his question while we were here.
25 I would like to hear his answer, too.

1 JUDGE WOODRUFF: They can certainly do that
2 after we're off the official record.

3 COMMISSIONER DAVIS: Judge, I don't mean to
4 cut you off, but I would yield the floor to Mr. Mills
5 if you want to answer the question about the frequency
6 of rate cases.

7 MR. MILLS: I think -- and I'm going by
8 memory here. I think in 2001 there was actually a
9 rate reduction that took place over a couple of years
10 based on a complaint that the staff of the Public
11 Service Commission filed. In 2007, there was a rate
12 increase case 2007-0002. There was another one in
13 2008, its numbers were 2008-0318. There was another
14 rate increase case in 2010 that was 2010-0036. And
15 then there is this current case 2011-0028. There is
16 one rate decrease in beginning of the decade followed
17 by the other rate increase cases. I think there was
18 more to your question, but I don't recall what it was.
19 And I don't remember the exact percentage in the 2007
20 case. The company asked for something over \$200
21 million, I believe, and received \$43 million rate
22 increase. In the next two cases it was somewhere --
23 they received roughly, if I recall correctly --
24 roughly half what they asked for. I'm sorry. If
25 anybody wants that information, I can get it to you

1 more exactly, but that's the best I can give you off
2 the top of my head. The question was is my position
3 appointed. It's sort of in between. I'm appointed by
4 one of cabinet members. I'm appointed by the Director
5 of Department of Economic Development.

6 (A Portion of the hearing was inaudible.)

7 JUDGE WOODRUFF: For the benefit of the
8 court reporter the question was has the electric
9 company ever been denied a raise completely that they
10 asked for.

11 MR. MILLS: And I don't recall that Union
12 Electric Company ever has been -- I know that
13 utilities on the other side of the state have. And
14 I'll turn the microphone to Dan Beck with PSC staff
15 who clearly has something more to say. The only thing
16 I add is I mentioned a complaint case in early 2000.
17 There was also a subsequent -- while that was being
18 litigated, Ameren UE filed rate increase case in that
19 instance, and then ultimately that was actually ended
20 up being rate reduction. So that is one specific
21 stand point that I can give where Ameren UE requested
22 a rate increase and was not given that.

23 JUDGE WOODRUFF: Anyone else wish to come
24 forward to testify. Again, you can always talk to the
25 attorneys for the parties after the hearing if you

1 want to talk to them informally. All right.

2 COMMISSIONER DAVIS: Mr. Mills, let me just
3 request you to try to help answer other question the
4 gentleman had. Generally, is it your understanding
5 the rate case process takes 11 months, saying the
6 utility can only have one rate case theoretically
7 going on at one time? So pretty much they could see a
8 rate increase annually; correct? If you can just
9 respond to that question I think that would be helpful
10 to the audience.

11 MR. MILLS: And I think it's more than
12 theoretically. They can -- I think lawfully they can
13 only have one case pending at one time. Technically,
14 they could -- if this case was filed on September 3rd,
15 2010, so the commission's decision approving its rate
16 increase or whatever, whether they approve it or
17 disapprove it, that decision would be roughly the
18 beginning of August. Theoretically, the company can
19 turn around and file the very next day for another
20 rate increase. So they can theoretically, every 11
21 months get a rate increase. As a practical matter, it
22 takes some number of months to analyze what the
23 commission has done in its order to get a rate case
24 put together and filed. So we have been seeing rate
25 cases filed fairly quickly. Theoretically, they could

1 be filed even more quickly. Is that your question.

2 COMMISSIONER DAVIS: Thank you, Mr. Mills.

3 JUDGE WOODRUFF: Why don't you come forward
4 so we can hear you on the microphone? It's going to
5 be a problem for the court reporter when we have
6 questions coming from the audience. Tell us your
7 name.

8 MS. PORTER: Vicky Porter.

9 JUDGE WOODRUFF: Okay. You testified
10 earlier?

11 MS. PORTER: No. That was my mother. My
12 question is --

13 JUDGE WOODRUFF: Let me swear you in. Do
14 you solemnly swear or affirm that the testimony you're
15 about to give shall be the truth, the whole truth, and
16 nothing but the truth?

17 MS. PORTER: Yes.

18 JUDGE WOODRUFF: Thank you.

19 MS. PORTER: I just had a question. Is
20 this 11 percent rate increase in addition to the rate
21 increase Ameren would get if Senate bill 50 is passed?

22 JUDGE WOODRUFF: I can go ahead and answer
23 that. These are separate questions. The Senate bill
24 50 is not part of this rate increase.

25 MS. PORTER: It's in addition, I mean if

1 this rate increase passes and then Senate bill 50
2 passes, that's another increase, right, to the
3 consumer?

4 JUDGE WOODRUFF: I believe it would be, but
5 I'm not an expert on Senate bill 50. There may be
6 other people --

7 COMMISSIONER DAVIS: Let Mr. Mills respond.

8 MR. MILLS: I can take a shot at that and
9 the company can respond to that if they want. What
10 Senate bill 50 would do the way it's currently
11 drafted, if the company applies for early site permit
12 for a nuclear power plant and make that application
13 with federal nuclear regulatory commission and the
14 federal agency grants a permit, at some future case
15 Ameren can ask for a share of its costs of seeking
16 that nuclear site permit in a new case. So it's --
17 this case is really nothing to do with that. If that
18 legislation were to pass, it would allow UE to ask for
19 more money in the future case than it would otherwise
20 be able to ask for. That's as simple as I can answer
21 that.

22 JUDGE WOODRUFF: Okay. Yes, ma'am. You
23 need to come forward. And you are Ms. First-Beatty?

24 MS. FIRST-BEATTY: First-Beatty, yes.

25 JUDGE WOODRUFF: And you were already

1 sworn?

2 MS. FIRST-BEATTY: Yes. Okay. Now, they
3 were going to ask for another five percent increase in
4 2012. Ameren Missouri is going to ask for another
5 five percent increase in 2012, is that --

6 JUDGE WOODRUFF: I can't answer for Ameren.

7 MS. FIRST-BEATTY: Those are notes that I
8 took from last year.

9 JUDGE WOODRUFF: You can discuss that with
10 Ameren's attorney.

11 MS. FIRST-BEATTY: Are you still looking to
12 do a five percent increase in 2012.

13 MS. TATRO: I'm not familiar with what
14 you're talking about with five percent, but once this
15 is over if you want to come over and talk with us, we
16 can definitely look into that a little bit.

17 JUDGE WOODRUFF: If people just have
18 questions and we don't have any more testimony, I'll
19 be happy to go off the record and we'll stay and
20 answer questions. Does anyone else wish to testify?
21 If you do have other testimony, if you want to come
22 forward and testify. If you want to ask informal
23 questions, you can talk to the parties afterwards. If
24 you want to testify, you can come forward. I don't
25 see anyone else who wants to testify. So at this

1 points --

2 COMMISSIONER DAVIS: Judge, before we go
3 off the record, Mr. Ritchie, could staff prepare a
4 document outlining staff's position on advertising
5 fees? This came up in the hearings, local public
6 hearings yesterday as well as it was raised here
7 today. There is a great deal of concern. So, I'm
8 just wondering if staff could put together kind of a
9 position paper that they could outline for the public
10 as to what your position is on advertising. I think
11 that would be helpful for succeeding public hearings
12 to be able to provide that information to consumers.

13 MR. RITCHIE: Is that something you want
14 actually filed in the case or brought to future local
15 public hearings.

16 COMMISSIONER DAVIS: Just go ahead and file
17 it in the case, but I think it's important that you
18 have that to help educate the public as to what your
19 position is and maybe talk about what positions the
20 commission has adopted in the past.

21 MR. RITCHIE: Sure.

22 JUDGE WOODRUFF: With that then, we'll
23 adjourn the formal part of this hearing. The parties
24 -- if people in the audience want to ask questions of
25 the parties we can certainly do that, but at this

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1 point we're off the record.
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3	Ms. Perry.	4
4	Ms. Porter.	7
5	Mr. Sommer.	9
6	Ms. First-Beatty.	14
7	Ms. Coleman.	18
8	Mr. Ross.	20
9	Ms. McHugh.	26
10	Mr. Walker.	27
11	Mr. Mayfield.	29
12	Mr. Light.	30
13	Ms. Porter.	34
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