BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In re: Union Electric Company's)	Case No. EO-2007-0409
2008 Utility Resource Filing pursuant to)	
4 CSR 240 – Chapter 22.)	

MOTION FOR CHANGE IN INTEGRATED RESOURCE PLAN FILING DATE AND FOR EXPEDITED TREATMENT

COMES NOW, Union Electric Company, d/b/a AmerenUE (AmerenUE or the Company) and in support of its *Motion for Change in Integrated Resource Plan Filing Date and for Expedited Treatment*, states as follows:

Request for Change in Integrated Resource Plan Filing Date

- 1. On March 18, 2009, the Missouri Public Service Commission (Commission) issued its *Order Modifying Final Order Regarding AmerenUE's 2008 Integrated Resource Plan* (*Order*). The *Order* requires AmerenUE to file its next Integrated Resource Plan (IRP) no later than June 1, 2010.
- 2. Under normal circumstances, AmerenUE's next IRP filing would not be due until the first quarter of 2011.¹
- 3. The Commission's decision to order AmerenUE to file its next IRP early was based upon the possibility that AmerenUE would decide to build a second unit at the Callaway nuclear plant site, as evidenced by the following statement appearing at page two of the *Order*:

The Commission established the...[earlier] deadline for AmerenUE to file its next IRP so that other interested parties would have sufficient time to review and respond to that filing before AmerenUE makes a decision about whether to proceed with plans to build a

¹ The IRP rules (4 CSR 240-22.080(1)) require a utility to file an IRP every three years. AmerenUE's most recent IRP filing was made on February 5, 2008, meaning under normal circumstances, the IRP rules would require AmerenUE's next filing to be made by February 5, 2011. However, in Case No. EO-2006-0240, AmerenUE agreed to file on February 5, 2008 (the current filing) and then on April 5, 2011. The April 5, 2011 date was superseded by the Commission's *Order* in this case. AmerenUE is proposing to go back to a normal three year filing cycle.

new base load unit, including a possible second nuclear reactor at the company's Callaway plant.²

- A few weeks after the issuance of the Order (on April 23, 2009), AmerenUE 4. suspended its efforts towards building a second nuclear plant as a baseload generation option.³ Accordingly, the Commission's justification for departing from its IRP rules and requiring that the Company's next IRP be filed early no longer exists. Consequently, for the reasons outlined below, the Company is requesting that its next IRP not be due until February 5, 2011. AmerenUE has also since provided a notification that a supply-side component of its preferred resource plan has changed, as required by 4 CSR 240-22.080(10).
- As AmerenUE pointed out in its Application for Rehearing and Motion for Clarification, accelerating the filing date presents several unique challenges in the development of the Company's next IRP filing that could impact the quality of the analysis and results contained in the Company's next IRP. Most significantly, the accelerated filing date does not allow for AmerenUE to incorporate the results of its demand-side management⁵ (DSM) potential study into the filing. This study is central to AmerenUE's efforts to improve its IRP process. It is designed to provide the Company with information on both the load reduction and associated costs of implementing DSM programs over the twenty-year IRP planning horizon in the AmerenUE service territory. Specifically, the study will serve as the basis for developing alternative DSM plans and their associated costs to pass to integration for cost effectiveness analyses relative to supply-side generation options. This kind of Missouri-specific data is information that AmerenUE has simply not had for its previous IRP filings. Acquiring this information is costly. The AmerenUE DSM Potential Study has a cost of approximately

² Case No. EO-2007-0409, Order Modifying Final Order Regarding AmerenUE's 2008 Integrated Resource Plan,

A copy of the Company's Press Release is attached hereto as Exhibit A.
A copy of the Company's notice is attached hereto as Exhibit B.

⁵ In this pleading, AmerenUE refers to DSM to include both demand side management programs and energy efficiency programs.

\$900,000. Previously, the Company relied upon the results of DSM efforts in other states and it will be required to continue that reliance in its next filing if the deadline is not extended to coincide with the normal time period between IRP filings that is provided for in the Commission's IRP rules. The need for this type of AmerenUE and Missouri-specific information was labeled as a deficiency by virtually every party in AmerenUE's most recent IRP filing. The Company has committed significant effort and dollars to ensure it develops a thorough study upon which it can rely as it develops DSM programs on a going-forward basis. Returning the filing date for AmerenUE's next IRP so that it is due by February 5, 2011 will allow the Company time to complete this study and to properly incorporate it into the overall IRP process.

- 6. Similarly, returning the filing of AmerenUE's next IRP to the normal schedule will allow the Company to incorporate nearly all of the first year of actual DSM performance data. AmerenUE's initial business energy efficiency programs did not become available to customers until earlier this year. The initial residential energy efficiency programs have been filed and are awaiting approval by the Commission. Allowing AmerenUE to file its IRP by February 5, 2011 will provide an opportunity to look at the results of nearly a year of these programs and incorporate lessons learned into the filing.
- 7. Additionally, as this Commission is aware, there are many uncertainties related to energy policy in the United States. Those include the possibility of carbon tax and a federal renewable energy standard. While those issues may not be completely resolved even by the time AmerenUE files its IRP in 2011, the Company believes there will be more certainty as to the likelihood, for example, of a carbon tax being imposed.
- 8. AmerenUE recognizes the need for the Commission and the parties in this case to have a sufficient amount of time to review the results of the Company's next IRP pleading and to

work through the IRP process. In order to accommodate that requirement, if AmerenUE's next IRP Preferred Resource Plan shows a need to construct a baseload plant within the IRP planning horizon, AmerenUE agrees that it will not make a decision to start construction prior to July 4, 2012. ⁶

Request for Expedited Treatment

- 9. Under the current Commission-ordered filing deadline, AmerenUE must complete the DSM portion of its IRP filing in just a few months -- by late August 2009. Completion of DSM inputs without the AmerenUE DSM Potential Study requires that AmerenUE assess secondary data sources and develop a proxy methodology to ascribe annual DSM induced load reductions and their associated costs. This effort will require the Company to engage a consultant(s) to begin this work and that engagement must occur by the end of this month in order for the work to be completed by the August 2009 due date. As such, AmerenUE asks the Commission to grant expedited treatment to this request and to issue its order approving the extension of the filing date no later than May 21, 2009. This request will have no negative effect on AmerenUE's customers, and in fact, will be beneficial to AmerenUE, its customers and the other stakeholders by allowing AmerenUE to proceed with its IRP work in the most efficient manner possible and to prepare its next IRP filing based upon higher quality, Missouri-specific data respecting its DSM programs. This pleading was filed as soon as practical after AmerenUE suspended efforts to build a second nuclear plant.
- 10. Pursuant to 4 CSR 240-2.080(15), AmerenUE asks the Commission to issue an order requiring parties who wish to file in response to this motion to do so by May 15, 2009.

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⁶ In the it's *Order Modifying Final Order Regarding AmerenUE's 2008 Integrated Resource Plan*, the Commission found that 17 months after the filing an IRP was sufficient time to ensure AmerenUE's next IRP complies with the IRP rule.

11. AmerenUE has discussed this request with the IRP stakeholders. The Commission Staff, the Office of Public Counsel, the Missouri Industrial Energy Consumers, the Missouri Energy Group, the Missouri Department of Natural Resources and the Missouri Joint

Electric Utility Commission have indicated to AmerenUE that they do not oppose this request.

WHEREFORE, AmerenUE respectfully requests the Commission issue an order requiring any responsive pleadings to be filed by May 15, 2009, and that the Commission issue an order no later than May 21, 2009, approving AmerenUE's request that its next IRP filing under 4 CSR 240-22.010 *et. seq.* will be due no later than February 5, 2011.

Respectfully submitted,

SMITH LEWIS, LLP

<u>|s| James B. Lowery</u>

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Dated: May 8, 2009

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 8th day of May, 2009.

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FOR IMMEDIATE RELEASE

AmerenUE Requests Sponsors to Withdraw
Missouri Clean and Renewable Energy Construction Bills in General Assembly

Company Appreciates Strong Support Offered by Courageous Legislators,
Applauds Vigorous Debate about Energy Issues

ST. LOUIS, MO, April 23, 2009—Senior management of AmerenUE, the Missouri operating subsidiary of Ameren Corporation (NYSE: AEE), today announced that they have asked the legislative sponsors of the Missouri Clean and Renewable Energy Construction Act (SB228/HB554) to withdraw the bills from consideration by the General Assembly.

"We want to thank the visionary leadership in both the Missouri House and Senate, where this legislation won strong initial support in committees in both bodies," said AmerenUE President and Chief Executive Officer Thomas R. Voss. "Many representatives and senators understood the need for acting now to secure Missouri's energy independence and security, agreeing with us that allowing these funding mechanisms is best for Missouri.

"As we were moving forward to preserve the option for nuclear energy for our state, we stressed that we needed financial and regulatory certainty before we could begin construction. However, the current version of the bill being debated in the Senate strips the legislation of the very provisions we needed most to move forward. As a result, AmerenUE is suspending its efforts to build a nuclear power plant in Missouri."

The legislation, as originally proposed, would have allowed regulators to authorize funding mechanisms for construction of clean energy plants in Missouri—including a nuclear power plant, which UE officials believe offered the best solution for providing reliable, low-cost energy with a reduced carbon footprint. A key element of the legislation, known as CWIP, or construction work in progress, is a funding plan used across the United States to allow utilities to recover financing costs from customers, while building a new plant. Current Missouri law prevents Missouri investor-owned utilities from recovering any plant development costs until an energy plant is operating. This law makes financing a new plant in the current economic environment impossible.

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"We salute the strong leadership of the bill sponsors---Senators Delbert Scott and Frank Barnitz and Representatives Ed Emery and Gina Walsh; of individuals like Hugh McVey, of the AFL-CIO; of officials of cooperative and municipal utilities and associations; and of union, civic and environmental leaders who understood the benefits to customers of this legislation. They understood the importance of bringing 3,000 jobs and over \$6 billion in economic benefits, including significant tax revenues, to the state with this clean energy project. We also want to thank the hundreds of people who wrote letters supporting this legislation. These individuals are only some of the many who helped our elected officials understand that this legislation is an essential first step for development of clean energy sources in Missouri."

However, Voss said at this point the legislation does not provide the assurances needed for UE to take on a multi-billion dollar project. "A large plant would be difficult to finance under the best of conditions, but in today's credit constrained markets, without supportive state energy policies, we believe getting financial backing for these projects is impossible," he said. "Pursuing the legislation in its current form will not give us the financial and regulatory certainty we need to complete this project.

"While we are disappointed with the outcome of this legislative initiative, the Missouri Clean and Renewable Energy Construction Act sparked a vigorous debate about energy issues and caused everyone involved to think more deeply about energy policy," added Voss. "That debate has established a foundation for the constructive energy policy discussions we must continue to have with legislators, regulators, customers and other stakeholders to meet the energy needs of our children and grandchildren in decades to come." Energy demand in Missouri has increased 50 percent since 1990 and is projected to grow significantly in the next 20 years.

Voss added that UE has been a vital part of Missouri for over 100 years. "We illuminated the 1904 Worlds Fair. We built Bagnell Dam at the Lake of the Ozarks during the Great Depression, and since 1984, our Callaway Nuclear Plant has provided safe, reliable, affordable clean energy. AmerenUE turned on the power yesterday and today and will always work to keep the power on," he said. "Now, we will continue looking at options for providing the electricity Missourians will need in coming years."

With residential electric retail rates that are approximately 38 percent below the national average, AmerenUE provides electricity and natural gas to 1.2 million customers in Missouri. With assets of approximately \$23 billion, Ameren Corporation (www.ameren.com) serves 2.4 million electric customers and one million natural gas customers in a 64,000-square-mile area of Missouri and Illinois.

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Forward-looking Statements

Statements in this release not based on historical facts are considered "forward-looking" and, accordingly, involve risks and uncertainties that could cause actual results to differ materially from those discussed. Although such forward-looking statements have been made in good faith and are based on reasonable assumptions, there is no assurance that the expected results will be achieved. These statements include (without limitation) statements as to future expectations, beliefs, plans, strategies, objectives, events, conditions, and financial performance. In connection with the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, we are providing this cautionary statement to identify important factors that could cause actual results to differ materially from those anticipated. The following factors, in addition to those discussed elsewhere in this release and in our filings with the Securities and Exchange Commission, could cause actual results to differ materially from management expectations suggested in such forward-looking statements:

- regulatory or legislative actions, including changes in regulatory policies and ratemaking determinations and future rate proceedings or future legislative actions that seek to limit or reverse rate increases;
- changes in laws and other governmental actions, including monetary and fiscal policies;
- changes in laws or regulations that adversely affect the ability of electric distribution companies and other purchasers of wholesale electricity to pay their suppliers, including AmerenUE and Ameren Energy Marketing Company;
- increasing capital expenditure and operating expense requirements and our ability to recover these costs in a timely fashion in light of regulatory lag;
- prices for power in the Midwest, including forward prices;
- business and economic conditions, including their impact on interest rates, bad debt expense, and demand for our products;
- disruptions of the capital markets or other events that make the Ameren companies' access to necessary capital, including short-term credit, impossible, more difficult or costly;
- our assessment of our liquidity and the effect of regulatory lag on our available liquidity sources;
- actions of credit rating agencies and the effects of such actions;
- operation of AmerenUE's nuclear power facility, including planned and unplanned outages, and decommissioning costs;
- the effects of strategic initiatives, including acquisitions and divestitures;
- the impact of current environmental regulations on utilities and power generating companies and the expectation that more stringent requirements, including those related to greenhouse gases, will be introduced over time, which could have a negative financial effect; and
- legal and administrative proceedings.

Given these uncertainties, undue reliance should not be placed on these forward-looking statements. Except to the extent required by the federal securities laws, we undertake no obligation to update or revise publicly any forward-looking statements to reflect new information or future events.

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May 5, 2009

Acting Secretary Missouri Public Service Commission PO Box 360 Jefferson City, MO 65102

AmerenUE's Preferred Resource Plan

Case No. EO-2007-0409



Dear Secretary:

This letter is written notice AmerenUE has determined circumstances have changed so that the Preferred Resource Plan identified in its February 5, 2007, Integrated Resource Plan filing is no longer appropriate. This notice is provided in compliance with 4 CSR 240-22.080(10).

Specifically, in reference to the supply-side component of its Preferred Resource Plan, AmerenUE has now determined the addition of a second nuclear power plant is at this time neither feasible nor appropriate. attaching AmerenUE's April 23, 2009 press release related to this decision.

The Company has not yet determined that it is necessary to implement any of the contingency options identified in the filing, but will continue to review whether or not such action is necessary. If AmerenUE makes the determination that implementation of a contingency option is prudent, it will file a revised implementation plan in accordance with the Commission's rules.

Sincerely,

Stephen M. Kidwell

Vice President, Regulatory Affairs

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Robert M. Clayton III, Chairman Cc: Jeff Davis. Commissioner Terry Jarrett, Commissioner Connie Murray, Commissioner Kevin Gunn, Commissioner

Lewis Mills, Office of Public Counsel