

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

In the Matter of Union Electric Company)	
d/b/a AmerenUE's Tariff Establishing an)	<u>Case No. ET-2007-0459</u>
Industrial Demand Response Program)	

**PUBLIC COUNSEL'S RESPONSE TO ORDER DIRECTING STAFF TO FILE
RECOMMENDATION**

COMES NOW the Office of the Public Counsel and for its Response to Order Directing Staff to File Recommendation states as follows:

1. On September 16, 2009, the Commission issued an order that required the Staff, and allowed other parties, to file a response concerning AmerenUE's decision to discontinue its Industrial Demand Response (IDR) program on October 6.

2. At least part of the Commission's rationale in ordering responses was the apparently anomalous sequence of filings that AmerenUE made in this case: on August 28 AmerenUE filed a "Notification of Decision Not to Revise Industrial Demand Response Program" followed by a filing on September 15 of "Revised Tariff Sheets." The explanation for this apparent anomaly is that, because AmerenUE did not enter into new contracts with participants in the IDR program after the fall of 2008¹, there are no longer any active participants in the program, and thus the September 15 filing of "Revised Tariff Sheets" simply removed an inactive program from the tariff books.

3. More substantively, Public Counsel does not object to the termination of the IDR program. As the parties contemplated in the Stipulation and Agreement filed in this case on

¹ Pursuant to paragraph 8 of the Stipulation and Agreement filed in this case on January 25, 2008 and AmerenUE's filing on August 28, 2009.

January 25, 2008, the approval by the Federal Energy Regulatory Commission of the MISO Module E had a significant impact on the IDR program. Furthermore, in another case, AmerenUE has agreed to discuss IDR and demand response with stakeholders.² These discussions are ongoing and will allow stakeholders to address industrial demand response as well as AmerenUE's overall demand response strategy.

4. There is, however, one outstanding item from the IDR program. Tariff sheet 116.2, as agreed upon by the parties and approved by the Commission, provided:

PILOT EVALUATION:

Company will conduct a Pilot Program Evaluation to determine whether or not the program was effective in obtaining the curtailment contracted for with the customer. It will utilize hourly meter reading data and compare actual usage/demand reduction during each hour of a curtailment event to the Firm Level under contract. Impact evaluation will be conducted on an individual customer basis and in aggregate for each hour of the Curtailment Events. The process evaluation will assess the effectiveness with which the program is being managed and operated. It will review all processes and systems utilized in the implementation of the program including marketing, decision making, operational, data tracking, billing, meter shop, and systems operations. Third, the evaluation will assess the cost-effectiveness of the pilot and how the pilot could be expanded, based on the Company's resource needs and expected benefits to pilot participants, potential participants in an expanded pilot, and other non-participating customers.

² The Stipulation and Agreement filed in Case No. EO-2009-0437 provides in part:

14. AmerenUE will initiate discussions with the stakeholders from Case No. ET-2007-0459 of a potential Industrial Demand Response (IDR) program within 30 days from Commission approval of the Rider L tariff sheets that implement this Agreement. Within 60 days of Commission approval of the Rider L tariff sheets, AmerenUE will either file tariff sheets to implement a revised IDR program or AmerenUE will file a pleading in Case No. ET-2007-0459 to inform the Commission that it has decided not to begin a revised IDR program together with AmerenUE's explanation for that decision.

15. AmerenUE shall provide to the Staff and OPC AmerenUE's planned overall demand response program portfolio for commercial and industrial customers no later than September 30, 2009. This shall include AmerenUE's evaluation of customer eligibility to participate simultaneously in more than one of its commercial or industrial demand response program offerings.

Such evaluation has not been filed. The Commission should order AmerenUE to conduct and file the required evaluation by a date certain, ninety days after the effective date of the Commission's order regarding the tariffs filed on September 15, 2009.

WHEREFORE, Public Counsel respectfully offers this response, requests that the Commission order AmerenUE to perform and file the required evaluation, and states that it does not object to Commission approval of the tariff sheets removing the terminated IDR program.

Respectfully submitted,

OFFICE OF THE Public Counsel

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, emailed or hand-delivered to the parties of record this 6th day of October 2009.

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