

Exhibit No.: 3
Issue: *Nuclear Decommissioning*
Witness: *Ronald L. Bible*
Sponsoring Party: *MoPSC Staff*
Type of Exhibit: *Rebuttal Testimony*
Case No.: *EO-2004-0108*
Date Testimony Prepared: *January 30, 2004*

MISSOURI PUBLIC SERVICE COMMISSION

UTILITY SERVICES DIVISION

REBUTTAL TESTIMONY

OF

RONALD L. BIBLE

**UNION ELECTRIC COMPANY
d/b/a AMERENUE**

CASE NO. EO-2004-0108

*Jefferson City, Missouri
January 2004*

FILED

APR 16 2004

Missouri Public
Service Commission

Exhibit No. 3
Case No(s) EO-2004-0108
Date 3-25-04 Rptr AF

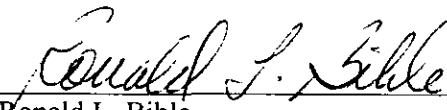
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Application of Union Electric)	
Company, Doing Business as AmerenUE, for an)	Case No. EO-2004-0108
Order Authorizing the Sale, Transfer and)	
Assignment of Certain Assets, Real Estate, Leased)	
Property, Easements and Contractual Agreements)	
to Central Illinois Public Service Company, Doing)	
Business as AmerenCIPS, and, in Connection)	
Therewith, Certain Other Related Transactions)	

AFFIDAVIT OF RONALD L. BIBLE

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

Ronald L. Bible, is, of lawful age, and on his oath states: that he has participated in the preparation of the foregoing Rebuttal Testimony in question and answer form, consisting of 4 pages to be presented in the above case; that the answers in the foregoing Rebuttal Testimony were given by him; that he has knowledge of the matters set forth in such answers; and that such matters are true and correct to the best of his knowledge and belief.

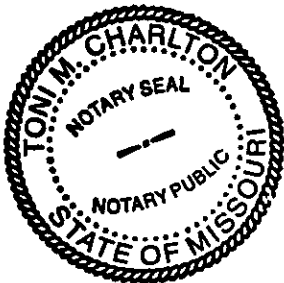


Ronald L. Bible

Subscribed and sworn to before me this 29th day of January, 2004.



Notary Public



TONI M. CHARLTON
NOTARY PUBLIC STATE OF MISSOURI
COUNTY OF COLE
My Commission Expires December 28, 2004

1 **REBUTTAL TESTIMONY**

2 **OF**

3 **RONALD L. BIBLE**

4 **UNION ELECTRIC d/b/a AMERENUE**

5 **CASE NO. EO-2004-0108**

6 Q. Please state your name, occupation and business address?

7 A. My name is Ronald L. Bible. I am employed by the Missouri Public Service
8 Commission (MoPSC) as the Manager of the Financial Analysis Department. My business
9 address is 200 Madison St., Jefferson City, Missouri 65102.

10 Q. Please describe your educational and professional background?

11 A. In 1981, I earned a Master of Business Administration degree with an
12 emphasis in Finance and Investments from the Southern Illinois University at Edwardsville,
13 Illinois. In 1976, I earned a Bachelor of Arts degree in Social Science from Colorado State
14 University, Ft. Collins, Colorado.

15 Q. What is your work experience?

16 A. I was employed by Credit Union National Association from 1995 to 1997 and
17 by American Express from 1991 to 1995 as a Financial and Investment Analyst/Planner.
18 Prior to that, I was with Voluntary Hospitals of America and Hospital Corporation of
19 America where I performed statistical and financial analysis. Previous to these positions, I
20 was an officer in the United States Air Force and was responsible for a unit that provided
21 statistical analysis.

22 Q. Have you previously filed testimony before this Commission?

23 A. Yes, I have filed testimony for the following cases:

Rebuttal Testimony of
Ronald L. Bible

<u>Case No.</u>	<u>Company</u>	<u>Issue</u>
• GR-98-140	Missouri Gas Energy	ROE / ROR
• GF-98-425	Southern Union	Non-control Investments
• EC-98-573	St. Joseph Light & Power	ROE / ROR
• ER-99-247	St. Joseph Light & Power	ROE / ROR
• RP99-485-000	Kansas Pipeline Co.	ROE / ROR
• GM-2001-342	Laclede Gas Co.	Reorganization Conditions
• EC-2002-1	AmerenUE	ROE / ROR
• EF-2003-0465	Aquila, Inc.	Capital Structure/ Insulation/Ring-fencing
• GR-2003-0517	AmerenUE	ROE / ROR

Q. What is the purpose of your testimony in this case?

A. My testimony is presented to provide the Staff's comments on Union Electric Company d/b/a AmerenUE's (the Company) application in this case. In particular, the Staff's comments are directed at certain requests in the Company's application seeking Commission approval related to the Company's nuclear decommissioning costs and funds.

Q. The Company's application in this case is seeking Commission approval to reallocate a portion of the Callaway Nuclear Power Plant decommissioning cost, previously allocated to Illinois ratepayers, to Missouri ratepayers; and to reallocate a portion of the funds currently in the Illinois jurisdictional sub account of the nuclear decommissioning trust fund to the Missouri jurisdictional sub account. Does the Staff agree with the reallocations proposed by the Company?

A. Yes. The Company proposes to reallocate the Illinois portion of the costs, as well as the Illinois portion of the existing funds to Missouri and Wholesale jurisdictions. The Staff believes that as long as another entity is receiving power from the Callaway plant, that entity incurs a liability for funding the future decommissioning of that plant. Therefore,

1 allocating a portion of the costs and funds to both the Missouri and Wholesale jurisdictions is
2 appropriate.

3 Q. The Company has requested the Commission confirm that the economic and
4 financial input parameters used in the Zone of Reasonableness analysis contained in the
5 Direct Testimony of Kevin L. Redhage, continues to be valid and acceptable to the
6 Commission. Does the Staff agree with the Company's request?

7 A. No. To the Staff's knowledge, the Commission has never confirmed or
8 denied that the economic and financial input parameters used in the Zone of Reasonableness
9 analysis contained in the Direct Testimony of Kevin L. Redhage, or any analysis previously
10 submitted by the Company, was either valid or acceptable to the Commission. While the
11 Staff and the Company use similar approaches to determine the adequacy of the funding level
12 for its decommissioning trust fund, they have not agreed on the appropriate economic and
13 financial input parameters. Therefore, the Commission has ruled only on the adequacy of the
14 funding levels, not the economic and financial input parameters to the analysis of funding
15 level.

16 Q. Is the Company requesting any ratemaking determination from the
17 Commission in its application with regard to rate of return or capital structure?

18 A. No. AmerenUE is not requesting and is not seeking such a determination in
19 this case. However, Staff recommends that if the Commission approves the transfer, the
20 transaction should be approved with the condition that nothing in the Commission's order
21 shall be considered a finding by the Commission of the value of this transaction for rate
22 making purposes, and that the Commission reserves the right to consider the rate making
23 treatment to be afforded these transactions and their results in cost of capital, in any later
24 proceeding.

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Ronald L. Bible

1 Q. Does this conclude your testimony?

2 A. Yes.