

MISSOURI STATE HIGHWAY PATROL
REPORT OF INVESTIGATION

Staff Exhibit No. 40
Case No(s) ES-2007-04
Date 8/3/07 Rptr MV

STATE CONTROL NO.: 05 362 024 058
REPORTING OFFICER: SERGEANT M. S. DOCHTERMAN 0250
OCC TYPE: TAUM SAUK RESERVOIR BREACH
COUNTY: REYNOLDS
DATE/TIME: DECEMBER 14, 2005
OFFENSE STATUS: INVESTIGATION CONTINUING
LOCATION: LESTERVILLE
REPORT DATE: 02/16/07
TROOP OF OCCURRENCE: G
SCENE PROCESSED: N
DDCC AT SCENE: N

DETAILS OF INVESTIGATION

~~RE~~ INTERVIEW WITH MARK C. BIRK

FILED
August 21, 2007
Data Center
Missouri Public
Service Commission

1. On Friday, February 16, 2007, at approximately 1030 hours, Sergeant Thomas Breen of the Missouri State Highway Patrol's Division of Drug and Crime Control and I interviewed Mark C. Birk, Vice President of Power Operations, Ameren Union Electric Company. The interview was conducted in a private office at Ameren's headquarters in St. Louis, Missouri. Present during the interview were attorneys Robert T. Haar and Lisa A. Pake of Haar & Woods LLP. The interview concluded at approximately 1145 hours.

2. Mark C. Birk [REDACTED]
[REDACTED] He has been employed with Ameren for twenty-one years and has served as Vice President of Power Operations since September of 2004.

3. Sergeant Breen requested Birk to explain some emails that he had either received or sent concerning the Taum Sauk plant. Birk made the following comments: Birk received an email from Richard Cooper, dated October 11, 2005, at 1559 hours, with the subject matter titled: FW: Taum Sauk Problems, reference number SHP 004126-4128. Birk stated the email was for information purposes only. At the time, Cooper reported directly to Birk. After viewing the email, Birk stated that he believed that Cooper and the Taum Sauk employees were addressing and fixing problems in a "prudent and appropriate" manner. He stated the email was telling him what issues were going on at Taum Sauk and what they were doing about it to fix them.

4. Birk stated that the Midwest Independent Transmission System Operator (MISO) bids a day ahead when actual energy is channeled through them. He stated the trading division of Ameren makes the decision on market and the reliability of the system to produce. He stated he usually does not get involved with trading. Birk did state, "The plant manager has final say to take the unit off." After Birk stated this, he added that he sent Cooper an email in the Fall of 2004, stating he (Cooper) was the one who had the final authority to shut the plant down if safety was an issue. Birk stated that he typically is not in the loop to determine if a plant should go off. Birk stated that MISO would tell a plant to generate electricity or stop generating electricity and request certain load levels from the

plant, but MISO could not tell the plant to keep running if safety issues were involved.

5. Sergeant Breen asked Birk if bonuses were affected by outages. Birk responded by explaining bonuses. He stated that bonuses called Key Performance Indicators are figured by several conditions such as plant availability, safety, budget, and environmental issues. Birk stated that outages of a couple of weeks would not affect their profit margins or bonuses. He stated they operated on a wider margin than that. Birk stated that he believed the trading commission was aware of the problems concerning the upper reservoir at Taum Sauk. He also stated he believed that it had little to no affect concerning the ~~trade reliability of the plant~~ ^{ability to designate the plant as a resource in MISO.} Birk then stressed that the plant manager has the authority to shut down the plant if he thought there were safety concerns.

6. Birk sent an email dated November 7, 2005, to Richard Cooper concerning the subject of Taum Sauk controls and upgrade project, reference number SHP 004156-4157. Birk stated that this email was concerning the control upgrades during the liner project. He stated this email had nothing to do with the level problems at the upper reservoir.

7. Birk has courteous copied emails to and from Steve Bluemner and Richard Cooper concerning the subject of Taum Sauk plant Spring 2006 outages, reference number SHP 001599-1600. Again, Birk stated this email was copied to him just for his information. He stated that he did not respond to it. The email between Bluemner and Cooper was Cooper was requesting to modify the schedule for the outage. Birk ^{required} ~~stated this email was not unusual, and there is typically scheduling~~ ^{Coordination} ~~problems involved to find the exact dates of when outages would occur.~~ Birk stated they were still planning to have an outage to fix the level problem of the upper reservoir before the Spring outage of 2006. He stated that it was his opinion the reason for waiting for the level problems to get fixed was a matter of scheduling with energy marketing. He stated the engineering was ready to fix the problem; the parts were available to fix the problem, but no date was given to fix the problem. On the top of page SHP 001600, paragraph #2, it states, "We still have to repair the level gauge piping soon; and by the Spring, we would be able to see if this repair is a permanent fix or not." This line suggests that Ameren was planning to repair the level problems before the Spring of 2006 outage.

8. At the end of the interview, Birk stated he did not pressure Cooper to keep the plant running and hold off on the repair until the Spring of 2006. He stated that ~~only~~ ^{approximately} 500,000 mega watts are produced by Taum Sauk a year. Some of the other power plants produce that much in a month. He stated that there was no financial reason to keep Taum Sauk running until the Spring of 2006 outage. He stated that they, "just thought that the problem was not that serious." He also stated that he "thought proper methods were induced such as lowering the level two feet." Birk stated, "It turned out much larger than anyone expected." He added that he did not expect the top-level indicators to fail and that the top of the wall was actually one and one-half foot difference.

9. This investigation is continuing.

CASE#: 05 362 024 058

M. S. Dochterman, Sergeant
Division of Drug and Crime Control
Troop C

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