

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

In re: Union Electric Company's)	
2008 Utility Resource Filing pursuant to)	Case No. EE-2010-0243
4 CSR 240 – Chapter 22.)	

Joint Statement

COME NOW Union Electric Company, d/b/a AmerenUE (AmerenUE) and the Missouri Department of Natural Resources (MDNR) and submit this Joint Statement advising the Missouri Public Service Commission (Commission) of the resolution of all but one of the issues regarding AmerenUE's waiver requests, and indicating the status and final positions of AmerenUE and MDNR on the waiver on which resolution could not be reached. In most instances, MDNR's objections have been addressed in either explanations provided by AmerenUE or in agreements by AmerenUE to provide or produce information in a certain level of detail or particular manner, which are detailed in Attachment B. In one instance, the issue will be resolved by approval of revised Proposed Alternative language.

In summary there is one outstanding objection from MDNR. The objection is related to AmerenUE's proposal to waive the Commission order regarding tritium regulation changes for Callaway I. Further explanation of the issue and the parties' positions is contained in Attachment A.

WHEREFORE, AmerenUE and MDNR present this joint statement and as applicable, request the Commission approve the agreed-upon waivers. Regarding the waiver not agreed to, the parties request the Commission issue its order based on either AmerenUE or MDNR's position.

Respectfully submitted,

MISSOURI DEPARTMENT OF
NATURAL RESOURCES

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Other

4 CSR 240-22.040 (1)(K) - MDNR continues to object to this waiver.

DNR Position

MDNR objects to this waiver, and is not persuaded by AmerenUE's contentions. MDNR opposes the waiver 1) because there is greater than "zero probability" of new tritium regulation within the planning horizon, 2) because the scope of 4 CSR 240-22.080(9) does not extend to modification of a Commission Order, and 3) because the Commission should not be asked in the context of a waiver request to overturn a decision it made regarding an alleged deficiency based on information presented by the utility and one or more parties in Case No. EO-2007-0409 (Final Order Regarding AmerenUE's 2008 Integrated Resource Plan, p. 8.) MDNR continues to object to this waiver.

AmerenUE Position

AmerenUE does not ask for this waiver lightly. The characterization of "zero probability" should not be overstated as it was simply a choice of words calibrated to the original rule requirements. This waiver request stems from an initial investigation into possible changes in tritium regulation and those impacts on the resource planning process. AmerenUE has seen no credible evidence that regulators are proposing changes in tritium regulations. DNR did raise the issue that is in the headlines, namely underground piping integrity. That issue should not be confused with changes in tritium regulations. Furthermore AmerenUE must consider how this would affect the resource planning process. If there were changes in tritium regulations AmerenUE would not expect the regulations to be onerous enough to shutdown a nuclear plant of Callaway I caliber. So, even if AmerenUE were to conjure a tritium regulation change those costs would simply be common across all resource plans given Callaway I is an existing AmerenUE unit. AmerenUE has and will continue to monitor environmental regulations that could affect plant operations and resource planning decisions.

AmerenUE believes the Commission has the authority to grant this waiver simply based on the fact that the Commission issued the order. Furthermore, in the same order the Commission ruled the utility should not be required to do useless work if the rationale is adequate. This appears to be an opportunity to eliminate an unnecessary analysis and use those resources to support the myriad of uncertainties capable of changing the preferred resource plan selection.

Attachment B – Resolved Issues

4 CSR 240-22.030 – Load Analysis and Forecasting

4 CSR 240-22.030 (1)(D)1 No objection to this waiver.

4 CSR 240-22.030 (1)(D)2 No objection to this waiver.

4 CSR 240-22.030 (3) No objection to this waiver as described below.

AmerenUE explained the residential and commercial class analysis by major class and large industrial customer class analysis using economic drivers. MDNR accepts this explanation as satisfactory and no longer objects to this waiver.

4 CSR 240-22.030 (3)(B)1 No objection to this waiver as described below.

AmerenUE explained to MDNR the econometric model which is being used to forecast energy for the industrial sector. After reviewing the model parameters, estimation methodology and parameter estimates, MDNR accepts this estimation method as an acceptable alternative to end-use data collection. MDNR no longer objects to this waiver.

4 CSR 240-22.030 (4)(A) No objection to this waiver as agreed and described below.

AmerenUE assured MDNR that the load profiles will be developed for each major class including residential, commercial and large industrial customer classes. For the large industrial class, AmerenUE will model the load profiles using driver variables related to economic activity. MDNR finds this method as an acceptable alternative and MDNR no longer objects to this waiver.

4 CSR 240-22.030 (4)(B) No objection to this waiver as agreed and described below.

AmerenUE explained to MDNR the end-use load shape calibration which is being used to observe usage patterns including residential, commercial and large industrial customer classes. AmerenUE will calibrate end-use load shapes based on the data from the market potential study. After reviewing the calibration methodology, MDNR accepts this method as reasonable and MDNR no longer objects to this waiver.

4 CSR 240-22.040– Supply-Side Resource Analysis

4 CSR 240-22.040 (2)(B)2 No objection to this waiver as agreed and described below.

MDNR agrees that it is reasonable to analyze environmental requirements at one level of mitigation rather than the two levels prescribed by the rule under the conditions that AmerenUE sets out in its rationale for this waiver request.

AmerenUE agrees to notify parties of its decision to analyze an environmental requirement at only one level of mitigation as soon as possible after that decision has been made. The notification will include AmerenUE's explanation as to why one level of mitigation analysis is appropriate. In general, the notification would occur at the conclusion of the supply side

analysis prescribed in 4 CSR 240-22.040. The purpose of this agreement is to assure that if parties have comments on these decisions, they can offer them at a relatively early stage in the analytic process so that the comments can usefully influence later stages of the analysis. Based on this agreement, MDNR no longer objects to this waiver.

4 CSR 240-22.040 (3) No objection to this waiver as stated in the revised Proposed Alternative language below.

Proposed Alternative:

AmerenUE will include generic projected transmission costs as a component of owner's cost, which is estimated as a percentage of the Engineering, Procurement, and Construction cost for each supply-side resource option. AmerenUE will identify what components are included in the owner's cost estimate and seek a more specific transmission interconnection cost estimate for supply-side resources that are not generic. AmerenUE will include a generic assumption regarding the allocation of transmission interconnection costs for each resource option. The purpose of this analysis shall be to ensure that the transmission network is capable of reliably supporting the supply resource options under consideration, that the costs of transmission system investments associated with supply-side resources are properly considered and to provide an adequate foundation of basic information for decisions about supply-side resource alternatives

4 CSR 240-22.040 (6) No objection to this waiver as stated in the revised Proposed Alternative language below.

Proposed Alternative:

AmerenUE will include generic projected transmission costs as a component of owner's cost, which is estimated as a percentage of the Engineering, Procurement, and Construction cost. In addition, AmerenUE will be analyzing total project cost as an uncertain factor pursuant to 4 CSR 24022.070(2), which includes the transmission interconnection cost. AmerenUE will identify what components are included in the owner's cost estimate and seek a more specific transmission interconnection cost estimate for supply-side resources that are not generic. AmerenUE will include a generic assumption regarding the allocation of transmission interconnection costs for each resource option.

4 CSR 240-22.050 – Demand Side Resource Analysis

4 CSR 240-22.050(3)(F) No objection to this waiver as agreed and described below.

Background: Chapter 22 states that all end use measures that have passed the probable environmental cost test must be included in at least one potential demand side program. AmerenUE's waiver request waives this requirement under certain circumstances.

AmerenUE agrees that if the decision is made to exclude from demand-side programs an end use measure that has passed the probable environmental cost test, the company will notify parties of this decision as soon as possible after the decision has been made. In this notification,

AmerenUE will explain why the measure was judged not appropriate for inclusion. Usually, the notification would occur before conclusion of the demand-side analysis prescribed in 4 CSR 240-22.050.

The purpose of this agreement is to assure that if parties have comments on these decisions, they can offer them at a relatively early stage in the analytic process so that the comments can usefully influence later stages of the analysis. Based on this agreement, MDNR no longer objects to this waiver.

4 CSR 240-22.050 (6)(D) No objection to this waiver as agreed and described below.

AmerenUE's proposed alternative states that the "detailed delivery strategy will be available at the time of the appropriate proceeding before program implementation." The parties agree that under current rules, the "appropriate proceeding" referenced by the waiver request is the tariff filing implementing the program. The parties further agree that after rules are developed to implement the Missouri Energy Efficiency Investment Act, a different proceeding may be more appropriate. Based on this agreement, MDNR no longer objects to this waiver.

4 CSR 240-22.050 (9) No objection to this waiver as agreed and described below.

AmerenUE's proposed alternative states that "detailed evaluation plans will be available at the time of the appropriate proceeding before program implementation." The parties agree that under current rules, the "appropriate proceeding" referenced by the waiver request is the tariff filing implementing the program. The parties further agree that after rules are developed to implement the Missouri Energy Efficiency Investment Act, a different proceeding may be more appropriate. Based on this agreement, MDNR no longer objects to this waiver.

4 CSR 240-22.050 (11) (J) No objection to this waiver as agreed and described below.

AmerenUE agrees that the main document that is filed to demonstrate compliance with 4 CSR 240-22.050(11)(J) will list in its main body or an appendix all evaluation plans and all evaluation reports that have been filed or otherwise provided to the Commission or other parties since the utility's previous IRP filing. This list will indicate the location of each evaluation plan or report in the work papers. For those not included in the work papers, the list will indicate where it can be obtained. Based on this agreement, MDNR no longer objects to this waiver.

4 CSR 24022.060 – Integrated Resource Analysis

4 CSR 240-22.060 (4) No objection to this waiver as agreed and described below.

In response to changes included in the revised waiver requests filed by AmerenUE on April 19, MDNR no longer objects to this waiver request.

4 CSR 240-22.060 (4)(C) MDNR no longer objects to this waiver.

4 CSR 240-22.060 (6)(A) No objection to this waiver as agreed and described below.

AmerenUE agrees that the work papers filed in this case will include a description of each alternative resource plan that was not selected as a candidate resource plan. The description will include the type and size of each resource addition and a listing of the sequence and schedule for retiring existing resources and acquiring each new resource addition.

AmerenUE agrees that the location of these descriptions in the work papers will be clearly indicated in the main document that is filed to demonstrate compliance with 4 CSR 240-22.060(6)(A). Based on this agreement, MDNR no longer objects to this waiver.

4 CSR 240-22.060 (6)(B) No objection to this waiver as agreed and described below.

AmerenUE agrees that the work papers filed in this case will provide the detailed performance results for each alternative resource plan that was not selected as a candidate resource plan.

AmerenUE agrees that the location of these performance results in the work papers will be clearly indicated in the main document that is filed to demonstrate compliance with 4 CSR 240-22.060(6)(B).

The parties agree that for alternative plans that are not selected as candidate resource plans, “performance test results” means the results of tests based on various performance measures deemed appropriate by utility decision-makers to satisfy the resource planning objectives from section (1), as defined in AmerenUE’s waiver request for 4 CSR 240-22.060(4). Based on this agreement, MDNR no longer objects to this waiver.

4 CSR 240-22.060 (6)(C) No objection to this waiver as agreed and described below.

AmerenUE agrees that the work papers filed in this case will provide the data used to generate the chart required by 4 CSR 240-22.060(6)(C) in tabulation form as an Excel spreadsheet.

AmerenUE agrees that the location of this data in the work papers will be clearly indicated in the main document that is filed to demonstrate compliance with 4 CSR 240-22.060(6) (C). Based on this agreement, MDNR no longer objects to this waiver.

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 10th day of May, 2010.

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