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

In the Matter of Union Electric Company	)	•
d/b/a AmerenUE for Authority to File	)	Case No. ER-2010-0036
Tariffs Increasing Rates for Electric Service	)	
Provided to Customers in the Company's	)	
Missouri Service Area	)	

## REPLY OF THE MISSOURI JOINT MUNICIPAL ELECTRIC UTILITY COMMISSION TO AMERENUE'S OPPOSITION TO APPLICATION FOR INTERVENTION

COMES NOW, the Missouri Joint Municipal Electric Utility Commission ("MJMEUC"), pursuant to Missouri Public Service Commission ("Commission") rule 4 CSR 240-2.075, and in Reply to AmerenUE's Response in Opposition to Application to Intervene, MJMEUC states as follows:

- MJMEUC does not argue as to whether this is a retail rate case. As such,
   MJMEUC has no position on the matter of bundled retail rates in this matter as they apply to bundled retail customers of AmerenUE.
- 2. AmerenUE owns significant transmission and distribution assets in the State of Missouri.
- 3. Those transmission and distribution assets are under the jurisdiction of the Commission.
- 4. Many MJMEUC members depend on AmerenUE transmission and distribution assets to provide electricity to their cities.
- 5. AmerenUE's transmission assets that are 100kv or higher are controlled through the Midwest Independent Transmission System Operator, Inc

- ("MISO")<sup>1</sup>, through which MJMEUC members access AmerenUE's transmission system.
- 6. When AmerenUE joined MISO, the Federal Energy Regulatory Commission recognized that AmerenUE was not able to state the network cost of transmission service due to Missouri's regulatory structure, and that the existing MISO Open Access Transmission Tariff was the imputed charge for network transmission service in AmerenUE's Missouri territory.<sup>2</sup>
- 7. AmerenUE distribution assets are controlled by AmerenUE, not by MISO.
- 8. AmerenUE was recently allowed to extend its MISO membership by the Commission.<sup>3</sup>
- 9. In that order, AmerenUE has the authority to remove its transmission assets from MISO prior to 2012 if certain issues regarding MISO's assessment of the Regional Expansion Criteria and Benefits Mechanism ("RECB") charges are not addressed in a satisfactory manner.<sup>4</sup>

<sup>&</sup>lt;sup>1</sup> In re Application of Union Electric Company for Authority to Participate in the Midwest ISO, Mo. PSC Case No. EO-2003-0271 (2004).

 $<sup>^2</sup>$  Midwest Independent Transmission System Operator, Inc., 106 F.E.R.C.  $\P$  61,293 (2004).

<sup>&</sup>lt;sup>3</sup> In the Matter of Union Electric Company, d/b/a AmerenUE, to Continue the Transfer of Functional Control to the Midwest Independent Transmission System Operator, Inc., Mo. PSC Case No. EO-2008-0134 (2008).

<sup>&</sup>lt;sup>4</sup> Id., Stipulation and Agreement.

- 10. The final status report filed by Ameren in that docket indicated no closure on the issue of RECB charges, leaving AmerenUE with the option to leave MISO.<sup>5</sup>
- 11. That if AmerenUE were to leave MISO, significant changes would occur as to how MJMEUC members access AmerenUE's transmission assets and as to how transmission charges are assessed. Whether those changes would be good or bad is unknown.
- 12. That in the present rate case, AmerenUE has stated that it has made major investments in its transmission and distribution assets.<sup>6</sup>
- 13. Most MJMEUC cities utilize some portion of AmerenUE's distribution system, and pay charges for use of the distribution system that is separate from charges paid to MISO.
- 14. MJMEUC members are directly affected by changes made to AmerenUE's transmission and distribution system, both as to reliability and paying just and reasonable rates.
- 15. That in the present case, MJMEUC has an interest unique from the other parties in this case in that MJMEUC is faced with uncertainty regarding future access to transmission at a just and reasonable rate, whether costs from new transmission and distribution upgrades are being properly charged to bundled retail customers and not to other entities, and whether transmission and

<sup>&</sup>lt;sup>5</sup> Id., Status Report, 12/22/2008.

<sup>&</sup>lt;sup>6</sup> See Testimony of Warner Baxter at pp. 9-10, Testimony of Ronald Zdellar in Mo. PSC Case No. ER-2010-0036.

distribution upgrades are prudently incurred in a manner that enhances overall system reliability.

WHEREFORE, MJMEUC prays that this Commission issue an order granting its application to intervene in this proceeding and for such other orders and relief as may be appropriate in the circumstances, and further states that it is currently unsure of any position that it will take outside of that stated in this Reply.

Respectfully Submitted,

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## **CERTIFICATE OF SERVICE**

I hereby certify that the foregoing application to intervene was served by electronic mail to the following interested persons on this 1<sup>st</sup> day of September, 2009:

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