

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

FILED

APR 15 2002

Missouri Public
Service Commission

In the Matter of the Application of Union Electric Company)
for an Order Authorizing: (1) Certain Merger Transactions)
Involving Union Electric Company; (2) The Transfer of)
Certain Assets, Real Estate, Leased Property, Easements)
and Contractual Agreements to Central Illinois Public)
Service Company; and (3) In Connection Therewith,)
Certain Other Related Transactions.)

Case No. EM-96-149

**STAFF'S PROPOSED PROCEDURAL SCHEDULE FOR THE THIRD AND FINAL
YEAR OF THE SECOND UE EXPERIMENTAL ALTERNATIVE REGULATION PLAN**

Comes now the Staff of the Missouri Public Service Commission (Staff) concurrent with the filing of its direct testimony and schedules respecting the third year of the second Union Electric Company (UE) experimental alternative regulation plan (EARP) and submits a proposed procedural schedule for addressing the resolution of the amount of sharing credits concerning the final year of UE's second EARP. In support of the adoption of this proposed procedural schedule, the Staff states as follows:

1. The Staff has discussed the matter of procedural schedule with UE, but the Staff and UE have not been able to reach agreement. The proposed procedural schedule which follows is similar to the procedural schedule that the Staff has discussed with UE and the Office of the Public Counsel (Public Counsel), except in particular for the proposed hearing dates which are earlier than the dates previously suggested by the Staff, due to schedule conflicts with the Laclede Gas Company rate increase case.

2. The Staff suggests that, as provided by Commission rule 4 CSR 240-2.080(16), the parties to this case be accorded ten (10) days to respond to the Staff's proposed procedural schedule, but that the Commission also schedule a prehearing conference for April 30, 2002 for

the purpose of addressing the matter of a procedural schedule. The Staff recommends to the Commission the following procedural schedule:

Prehearing Conference	April 30, 2002
UE Files Rebuttal Testimony	June 10, 2002
Staff and Public Counsel File Surrebuttal Testimony	July 31, 2002
List of Issues to be Heard, Order of Witnesses and Order of Cross-Examination	August 6, 2002
Statements of Positions	August 8, 2002
Evidentiary Hearings	August 14-16, 2002

The Staff also notes that Public Counsel filed in Case No. EM-96-149 on November 15, 2001 Notice Of Areas Of Disagreement respecting the third year of the second EARP and has indicated to the Staff that it will soon file direct testimony and schedules on certain areas of disagreement and a complaint respecting earnings manipulation.

3. The Staff would note that the sharing credit period on review, i.e., the final year of the second EARP (July 1, 2000 through June 30, 2001), coincides with the test year in the Staff's excess earnings/revenues complaint case. The Staff also would comment that all but one of the issues raised by the Staff in its direct testimony and schedules filed in this case and the complaint proceeding concurrently being initiated by the Staff, respecting the final year of the EARP, are addressed in the direct testimony and schedules of Staff witnesses filed by the Staff on March 1, 2002 in Case No. EC-2002-1.¹ The quantifications for the Staff adjustments respecting the third year of the second EARP and the Staff's excess earnings/revenues complaint case do not necessarily coincide because of the update period from July 1, 2001 to September 30,

¹ The one issue respecting the third year of the second EARP which is not an issue raised by the Staff in Case No. EC-2002-1 is the capital structure issue addressed in the testimony of Ronald L. Bible.

2001 in the Staff's excess earnings/revenues complaint case. Furthermore, the same items may be treated differently for purposes of calculating sharing credits than for purposes of calculating ongoing rates. The direct testimony filed by the Staff in this proceeding and the Complaint case being filed this date is very similar, on these particular issues, to the direct testimony filed by the Staff on March 1, 2002 in Case No. EC-2002-1.

Wherefore the Staff proposes the procedural schedule indicated above for addressing unresolved items respecting the third year of the second EARP as reflected in the prepared direct testimony and schedules of the Staff witnesses whose testimony is being filed this date.

Respectfully submitted,

DANA K. JOYCE
General Counsel

/s/ Steven Dottheim



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Certificate of Service

I hereby certify that copies of the foregoing have been mailed or hand-delivered to all counsel of record as shown on the attached service list this 15th day of April 2002.

/s/ Steven Dottheim

