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November 15, 2001

Mr. Dale H. Roberts Secretary/Chief Regulatory Law Judge **Public Service Commission** P. O. Box 360 Jefferson City, MO 65102

RE: Union Electric Company,

Case No. EM-96-149

FILED³

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Missouri Public Service Commission

Dear Mr. Roberts:

Enclosed for filing in the above-referenced case please find the original and eight copies The Notice of Areas of Disagreement. I have on this date mailed, faxed, and/or hand-delivered the appropriate number of copies to all counsel of record. Please "file" stamp the extra enclosed copy and return it to this office.

Thank you for your attention to this matter.

Sincerely,

John B. Coffman Deputy Public Counsel

JBC:jb

cc: Counsel of Record

OF THE STATE OF MISSOURI

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.

NOTICE OF AREAS OF DISAGREEMENT

COMES NOW the Office of the Public Counsel (Public Counsel) and submits this Notice pursuant to Paragraph 7.f.x of the July 12, 1996 Stipulation and Agreement approved by the Missouri Public Service Commission ("Commission") in the above-styled case.

- 1. On October 16, 2001, Union Electric Company d/b/a AmerenUE (Company) filed its "Final" Earnings Report for the Third Sharing Period of the Second Experimental Alternative Regulation Plan (EARP II). Pursuant to the Stipulation and Agreement approved by the Commission in this case on February 21, 1997, signatories have thirty days after the final report is filed "to provide notice that there may be areas of disagreement not previously brought to the attention of the Commission that need to be resolved." Paragraph 7.f.x., pages 15-16.
- 2. Public Counsel has been investigating and reviewing the calculations performed by Company in producing its October 16, 2001 Final Sharing Report and has been requesting data from Company in furtherance of this investigation. At this date, the following areas of inquiry that may yet result in disagreement between Public Counsel and Company:

- a) Midwest ISO Termination Payments
- b) Professional Services and Costs
- c) SFAS 133 Adoption and Costs
- d) Extraordinary Losses and Costs
- e) Cancelled Plant Projects
- f) Charitable Contributions
- g) Power Plant Security and Costs
- h) Venice Power Plant Fire and Rebuild Costs
- i) Power Plants Computer Hardware/Software Costs
- j) Labadie Plant Fire
- k) Callaway Plant Life Extension Projects and Costs
- 1) Injury and Damages Accrual and Reserve
- m) Environmental Accrual and Reserve
- n) Generation Business Plan and Project
- o) Lobbying Costs
- p) Employee Severance Costs
- q) Jefferson City Environmental Assessment and Costs
- r) Consultant Costs
- s) Fuel Procurement Processes
- t) Computer System Costs
- u) Decommission Trust Fund
- v) Maintenance Costs

- w) Legal Expenses
- x) Accounting System Changes

These areas of disagreement may properly be brought to the Commission for resolution pursuant to Paragraph 7 of the Stipulation and Agreement.

3. Further discussions and discovery efforts will likely narrow or otherwise alter the areas of disagreement listed in this pleading. Public Counsel reserves the right to address additional issues that may arise subsequently during this case.

Respectfully submitted,

OFFICE OF THE PUBLIC COUNSEL

BY:

John B. Coffman (Bar No./3/6)

Deputy Public Counsel

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CERTIFICATE OF SERVICE

I hereby certify that the foregoing document has been either faxed, mailed, or hand-delivered to the following counsel of record on this 15th day of November, 2001:

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